



Australian Government  
National Indigenous  
Australians Agency



**NIAA**

# Annual Report 2019–20



## About this report

This report outlines the operations and performance of the National Indigenous Australians Agency for the financial year ending 30 June 2020. It has been prepared in accordance with the provisions of section 46 of the *Public Governance Performance and Accountability Act 2013* (PGPA Act), the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance Resource Management Guide Number 135. The compliance index in Part 6 lists the information required by the PGPA Act and PGPA Rule and the corresponding page number within this report. The annual report can be found on the Agency's website [www.niaa.gov.au](http://www.niaa.gov.au)

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### ANNUAL REPORT TEAM

This report was collaboratively developed by staff across the National Indigenous Australians Agency.

### DESIGN AND TYPESETTING

Giraffe Visual Communication Management

### PAPER

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NATIONAL INDIGENOUS AUSTRALIANS AGENCY



# Annual Report

## 2019–20

# ACKNOWLEDGEMENT OF COUNTRY

The National Indigenous Australians Agency acknowledges the traditional owners and custodians of country throughout Australia and acknowledges their continuing connection to land, waters and community. We pay our respects to the people, the cultures and the elders past, present and emerging.

## OUR STORY

Establishing the NIAA as an agency dedicated to the advancement of Indigenous Australians provides a significant opportunity to enhance the way we work in support of the Australian Government and positions us to better coordination across the Commonwealth on matters that affect Indigenous Australians.

We are grasping this opportunity to do things differently. We will consolidate our strengths, and change our approach to ensure we are working with Indigenous Australians to form partnerships to co-design policy and programs, and improve the quality of service delivery.



This artwork, commissioned by Wiradjuri artist, Jordana Angus tells the story of the National Indigenous Australians Agency's 'vision to better the lives of Aboriginal and Torres Strait Islander peoples in a sustainable and meaningful way; promoting that Aboriginal and Torres Strait Islander people deserve the same education and economic opportunities, health and wellbeing of non-Indigenous Australians. The artwork also tells the story of how working together can create positive community led change for all'.



# **LETTER OF TRANSMITTAL**



**Australian Government**  
**National Indigenous Australians Agency**

OFFICIAL

**CHARLES PERKINS HOUSE**  
**16 BOWES PLACE**  
**WODEN**

Reference: EC20-001052

The Hon Ken Wyatt AM, MP  
Minister for Indigenous Australians  
Parliament House  
CANBERRA ACT 2600

Dear Minister

I am pleased to present the inaugural Annual Report for the National Indigenous Australians Agency (NIAA) for the year ending 30 June 2020 for tabling in Parliament, in accordance with section 46 of the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

The annual performance statement in section 3 of this report is prepared in accordance with paragraph 39(1)(a) and accurately presents the NIAA's performance for the 2019-20 financial year in accordance with subsection 39(2) of the PGPA Act.

The financial statements included in this report have been prepared in accordance with the PGPA Act, Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 and the Australian Accounting Standards (AAS).

I certify that the NIAA has prepared fraud risk assessments and fraud control plans and has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that meet the needs of the NIAA, and that all reasonable measures have been taken to appropriately deal with fraud relating to the NIAA.

Yours sincerely

A handwritten signature in red ink, appearing to read 'Ray Griggs'.

**Ray Griggs AO, CSC**  
Chief Executive Officer  
National Indigenous Australians Agency

28 September 2020



# CONTENTS

<b>Letter of Transmittal.....</b>	<b>i</b>
<b>Section one: Chief Executive Officer’s Review.....</b>	<b>1</b>
<b>Section two: Agency Overview .....</b>	<b>9</b>
<b>Section three: Annual Performance Statements .....</b>	<b>21</b>
<b>Activities</b>	
1. Leading the delivery of a new Closing the Gap framework through partnership and engagement with Aboriginal and Torres Strait Islander representatives, and state and territory governments .....	28
2. Improving mental health and wellbeing outcomes for young Indigenous people and supporting suicide prevention in remote communities.....	31
3. Progressing co-design of a voice for Indigenous Australians .....	38
4. Progressing constitutional recognition of Indigenous Australians during the current parliamentary term, provided there is consensus and a good chance of a referendum succeeding .....	39
5. Enhancing regional governance and local decision making .....	40
6. Supporting early childhood development and wellbeing, school attendance, attainment and improve post school pathways .....	46
7. Enhancing Indigenous economic rights, including improving employment and pathways to jobs .....	49
8. Delivering the IAS in partnership with Indigenous communities.....	50
9. Undertaking evaluations of National Indigenous Australians Agency programs in line with the IAS Evaluation Framework.....	52
<b>Section four: Management and Accountability .....</b>	<b>55</b>
<b>Section five: Financial Statements .....</b>	<b>101</b>
<b>Appendices, Glossary &amp; Indexes .....</b>	<b>172</b>



# SECTION ONE

# CHIEF EXECUTIVE OFFICER'S REVIEW

This is the first annual report for the National Indigenous Australians Agency (NIAA) following its establishment on 1 July 2019. Our first year of operation has been significant.

Our purpose is to assist the Australian Government to achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Commonwealth's approach, focusing on place, working in partnership and effectively delivering programs through the Indigenous Advancement Strategy (IAS).

As detailed in the NIAA Corporate Plan for 2019–20, we had several priorities and deliverables in our inaugural year. These included furthering the development of an Indigenous voice and a new National Agreement on Closing the Gap as well as numerous initiatives to improve mental health and youth suicide prevention outcomes, community safety, education and employment outcomes.

We have also responded to the unprecedented challenges that the year has presented — cyclones through the wet season, the devastating bushfire season and the arrival of the COVID-19 pandemic.

## **Establishing and building our organisation**

After a minimal establishment period, the NIAA focused on implementing an effective strategy to deliver on our functions.

We developed the NIAA vision and purpose to guide our work, supported by six strategic pillars: building our influence, identifying economic and human capital development opportunities, building genuine partnerships, investing to deliver greatest benefit, using data and evidence to inform our approach and being a capable, engaged and unified workforce.

Our people are the heart of the NIAA and, as a new organisation, we have focused on building a 'one team' approach. As a leadership team and broader organisation we have developed our NIAA Values and Behaviours to support a positive, inclusive and delivery orientated culture.

We recognise that we have exceptional reach across Australia which enables us to develop and execute policy and program approaches in partnership with state and territory counterparts and Aboriginal and Torres Strait Islander peoples and communities. During this year, we reflected on this reach while focusing on strengthening our structure and workforce to effectively deliver on and respond to government priorities.

Following extensive consultation, on 1 December 2019, we implemented a new NIAA structure to achieve this. We bolstered the leadership of our work on the ground, establishing a second Deputy CEO position focused on operations and delivery. We reorganised our regional network into three groups: West and South Group focusing on Western Australia, South Australia, Victoria and Tasmania; Central Group focusing on the Northern Territory; and Eastern Group focusing on Queensland, New South Wales and the Australian Capital Territory.

Having these three regional groups, led by senior executive group managers, has enabled us to move more decision-making authority and policy influence closer to where it has impact — on the ground, in communities.

A critical component of establishing the NIAA has been supporting our staff to build cross-cultural knowledge and competence. We have embedded Footprints, our flagship cross-cultural learning and professional development initiative, to ensure all our staff are actively increasing and enhancing their cross-cultural knowledge and understanding, including importantly, of Aboriginal and Torres Strait Islander peoples, culture and histories. Footprints aims to embed respectful learning about the cultural backgrounds of all NIAA staff and create and maintain a culturally safe environment for all. This important foundational capability is one our staff have embraced.

In our establishment year, our focus on reform and improvement has helped us to embed our governance arrangements to better align functions and improve organisational accountability, improve the way we administer grants and build our staff capabilities to work with local communities. We will continue to focus on reform to ensure we can deliver on our purpose and functions in the best way possible.



## Supporting Aboriginal and Torres Strait Islander peoples in an unprecedented year

We have kept the safety and wellbeing of Aboriginal and Torres Strait Islander peoples at the forefront of our efforts in 2019–20 amidst the unprecedented challenges arising from the summer bushfire season and the COVID-19 pandemic.

In response to this summer's bushfire season, we have supported emergency assistance and recovery efforts for Aboriginal and Torres Strait Islander peoples and communities. We worked with Commonwealth counterparts and state and territory authorities to ensure the needs of communities were shared with response bodies, including working closely with the National Bushfire Recovery Agency (NBRA). Our staff from across the affected areas visited communities as soon as it was safe to do so, to gather first hand on the ground information and provide support where they could. Two of our Indigenous staff were subsequently seconded to the NBRA to support this important and ongoing work.

The unparalleled international COVID-19 pandemic has, of course, been a core focus throughout 2020. We have worked closely with government counterparts to ensure the perspectives of Aboriginal and Torres Strait Islander peoples were considered in all aspects of the response to COVID-19.

Early on, we identified that applying the metropolitan response of self-isolation was not feasible in remote communities for a range of reasons. Instead we worked in partnership with our colleagues in the Department of Health, the Indigenous health sector, local leaders and communities to implement a number of measures that to date have proved effective in preventing the spread of COVID-19 into these communities.

Remote travel restrictions, implemented by jurisdictions through the *Biosecurity Act 2015*, were a key measure in reducing the risk of COVID-19 to Aboriginal and Torres Strait Islander peoples living in remote communities. We actively worked to maintain the confidence of communities during a time of heightened community uncertainty and anxiety. Working with communities, service providers and jurisdictions we focused on ensuring communities were aware of the access restrictions and why they were in place; ensuring medical services and medical supplies were on hand and accessible and importantly, addressing concerns regarding food security.

In response to concerns regarding food security, we worked locally and nationally to ensure essential supplies continued throughout COVID-19 restrictions. This included working upstream in the food security chain through the Supermarkets Taskforce under National Cabinet's National Coordination Mechanism to address national issues of supply and adequate market share being secured for the remote stores sector.

We convened and led the Food Security Working Group which worked downstream by engaging state and territory governments, major remote store management entities, wholesalers and distributors. This working group was highly effective in dealing with issues as they arose and, importantly, anticipating and addressing emerging issues.

We have also worked closely with service providers in response to the COVID-19 pandemic. In recognition of the impact of COVID-19, we supported and negotiated with IAS funded providers on revised activities to meet their performance requirements, while following health advice. This approach has supported organisations to keep running so that full service delivery can resume once safe to do so.

On 2 April 2020, the Australian Government committed \$123 million over two financial years for targeted measures to support Indigenous businesses and communities to increase their responses to COVID-19. In 2019–20, the NIAA commenced delivery of support, designed to ensure Indigenous businesses and communities have the help they need during and after the crisis, and that the workforce and communities can continue their activities as soon as it is safe to do so.

NIAA staff were also committed in supporting the broader government effort responding to the significant increase in Australians seeking essential services due to the COVID-19 pandemic. Across the organisation, 82 staff members were seconded to other departments, primarily to Services Australia, as well as the Department of Health, Department of Social Services, Office of the Registrar of Indigenous Corporations, and Indigenous Business Australia, to help respond to the significant increase in Australians seeking essential services and support.

Through these crises, we also provided extensive support to the Minister for Indigenous Australians, the Hon Ken Wyatt AM MP by providing extensive COVID-19 operational briefings.

## Influencing a more positive future

At the NIAA, we demonstrate the shared benefit of collaboration by building genuine partnerships. Throughout the year, we worked hard to secure significant reforms to influence a more positive future for Aboriginal and Torres Strait Islander peoples.

Throughout 2019–20, we successfully partnered with the Coalition of Aboriginal and Torres Strait Islander Peak Bodies (Coalition of Peaks), state and territory governments and the Australian Local Government Association to develop a new National Agreement on Closing the Gap. This historic agreement is the first to be negotiated with Indigenous Australians as represented by the Coalition of Peaks. Negotiating across agencies to reach a whole-of-Australian Government position, and guiding the process to a place where all parties were placed to endorse the new agenda, is the result of a sustained effort by NIAA staff. The National Agreement on Closing the Gap was agreed by First Ministers in July 2020.

Our work on the development of options for an Indigenous voice has also been significant, as the Government's agents in the co-design process, as well as supporting co-design members through logistical and secretariat support. This important work will continue in the coming financial year.

Through 2019–20 we looked to expand our international partnerships. In September 2019, we supported Minister Wyatt who participated in the 42nd session of the Human Rights Council in Geneva. The session focused on connecting Australia's domestic efforts for greater empowerment of Aboriginal and Torres Strait Islander peoples with global Indigenous matters.

On 28 February 2020, I was honoured to be present with my counterpart, Mr Dave Samuels, Chief Executive of Te Puni Kōkiri as Australia and Aotearoa-New Zealand signed a historic collaboration arrangement to promote economic, social and cultural advancement in Indigenous affairs. The arrangement was enacted by Minister Wyatt and New Zealand's Minister for Māori Development, the Hon Nanaia Mahuta. Prime Minister, the Hon Scott Morrison MP and New Zealand Prime Minister, the Right Hon Jacinda Ardern MP were also present for the signing which marks a milestone in the Indigenous affairs relationship between Australia and Aotearoa-New Zealand.

We also worked to support development of the Northern Australia Indigenous Development Accord, which came into effect on 13 December 2019. This intergovernmental agreement between the Australian Government and governments of Western Australia, Queensland and the Northern Territory focusses on progressing Indigenous economic development in northern Australia. We know that Indigenous participation is critical to increasing productivity, encouraging investment and realising the full potential of northern Australia and the accord lays out a framework and implementation plan for achieving this.

In 2019–20, we continued to implement the IAS Evaluation Framework, in place since 2018, as a guide for evaluation of programs and activities under the IAS. The Evaluation Framework aligns with the wider role of the Productivity Commission in overseeing the development and implementation of a whole-of-government evaluation strategy of policies and programs that affect Indigenous Australians.



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Australia-New Zealand Indigenous Collaboration Arrangement in Sydney, 28 February 2020: L–R Ray Griggs (NIAA Chief Executive Officer), Ken Wyatt (Minister for Indigenous Australians), Nanaia Mahuta (Minister for Māori Development) and Dave Samuels (Chief Executive of Te Puni Kōkiri).



## Outlook for 2020–21

This coming year is certain to continue to be a challenge. In 2020–21, we will continue to support local outcomes across Australia, supported by our regional presence, by funding services across the country, and through the local partnerships that we continue to build. Of course, we will monitor the ongoing implications of COVID-19 and respond and adapt to them.

Implementing the National Partnership Agreement on Closing the Gap will be a focus for us. We will continue to lead development of a Commonwealth Implementation Plan, setting out how the Australian Government will contribute to achieving the priority reforms, targets and commitments in the National Agreement. This will be an important step in ensuring that the National Agreement translates into action.

We will continue to support the Indigenous voice co-design process, with recommendations on options for a national Indigenous voice and local and regional voices being put to the Australian Government by late 2020. We expect to support a nation-wide community engagement process with Indigenous and non-Indigenous Australians on proposed options into early 2021 ahead of options being refined based on the feedback and provided to government for consideration.

We will further develop an Indigenous Policy and Investment Framework to support an enhanced approach to investment in Aboriginal and Torres Strait Islander peoples and communities. This Framework will support the NIAA to make decisions about how to prioritise our efforts in order to best support Aboriginal and Torres Strait Islander peoples.

Our people are integral to the positive impact that we aim to have on Aboriginal and Torres Strait Islander peoples. I look forward to the ongoing work of the Agency as we focus on supporting and developing our staff and enhancing our influence to ensure that we are a reliable and trusted partner contributing to improving the lives of Aboriginal and Torres Strait Islander peoples.

### **Ray Griggs AO, CSC**

Chief Executive Officer

National Indigenous Australians Agency



# SECTION TWO

# AGENCY OVERVIEW

## The Agency

The National Indigenous Australians Agency (NIAA) is committed to implementing the Australian Government's policies and programs to improve the lives of all Aboriginal and Torres Strait Islander peoples.

The NIAA works to influence policy across the entire Australian Government. We also liaise closely with state and territory governments, Indigenous peak bodies, stakeholders and service providers to ensure that programs and services deliver for Aboriginal and Torres Strait Islander peoples as intended.

The NIAA recognises that each community is unique. Our team includes people located across Australia who work closely with communities and organisations to make sure policies, programs and services address these unique needs.

# Our Minister

The NIAA works directly to, and supports, the Minister for Indigenous Australians, the Hon Ken Wyatt AM MP.



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The Hon Ken Wyatt AM MP

# Our Role and Functions

The NIAA was established by an Executive Order signed by the Governor-General on 29 May 2019, and commenced operation on 1 July 2019. The Executive Order gives the NIAA a number of functions, including to:

- lead and coordinate Commonwealth policy development, program design and implementation and service delivery for Aboriginal and Torres Strait Islander peoples;
- provide advice to the Prime Minister and the Minister for Indigenous Australians on whole-of-government priorities for Aboriginal and Torres Strait Islander peoples;
- lead and coordinate the development and implementation of Australia's Closing the Gap targets in partnership with Indigenous Australians;
- lead Commonwealth activities to promote reconciliation;
- build and maintain effective partnerships with Aboriginal and Torres Strait Islander peoples, state and territory governments and other relevant stakeholders to inform whole-of-government priorities for Aboriginal and Torres Strait Islander peoples, and enable policies, programs and services to be tailored to the unique needs of communities;
- design, consult on and coordinate the delivery of community development employment projects;
- analyse and monitor the effectiveness of programs and services for Aboriginal and Torres Strait Islander peoples, including programs and services delivered by bodies other than the NIAA;
- coordinate Indigenous portfolio agencies and advance a whole-of-government approach to improving the lives of Aboriginal and Torres Strait Islander peoples; and
- undertake other tasks the Prime Minister and the Minister require from time to time.

# Vision and Purpose

## **Our vision**

The NIAA is a reliable and trusted partner contributing to improving the lives of Indigenous Australians.

## **Our purpose**

The inaugural NIAA Corporate Plan for 2019–20 to 2022–23 states our purpose is to assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the Australian Government's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy.

We achieve this through implementation of our six strategic pillars:

- Building our influence across government in order to strengthen mainstream service delivery with a particular focus on health, wellbeing and education.
- Identifying economic and human capital development opportunities for Indigenous people and communities.
- Working with Indigenous Australians, their communities and leadership in designing and delivering policies and programs that are responsive to local or regional context and needs.
- Developing an investment approach that focuses on those areas of the life-course which deliver the greatest benefits for Indigenous Australians.
- Developing the human capital of our team through a clear workforce strategy to remain relevant to our circumstances.
- Underpinning our work with effective data and evidence.



# Outcome and Programs

In 2019–20, the NIAA delivered on its purpose through key priorities outlined in the Portfolio Additional Estimates Statements.

## **Outcome 1**

Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programs, and through measures that recognise the special place that Indigenous people hold in this nation.

Funding is delivered through the following program structure:

**Program 1.1** — Jobs, Land and the Economy

**Program 1.2** — Children and Schooling

**Program 1.3** — Safety and Wellbeing

**Program 1.4** — Culture and Capability

**Program 1.5** — Remote Australia Strategies

**Program 1.6** — Evaluation and Research

**Program 1.7** — Program Support

## **Changes to outcome and program structures**

The NIAA was established as an Executive Agency on 1 July 2019. Outcome 2 and its related programs have transferred from the Department of the Prime Minister and Cabinet to the NIAA and are now presented as Outcome 1. There have been no other changes to the outcome or program structure since the publication of the Portfolio Additional Estimates Statements 2019–20.

## Our Executive



### **Chief Executive Officer**

Mr Ray Griggs AO, CSC commenced as the inaugural Chief Executive Officer of the NIAA on 1 July 2019. Ray is responsible for leading policy, program and delivery reform in line with the Government's commitment to improving the lives of Aboriginal and Torres Strait Islander peoples. This includes responsibility for over 1200 staff across Australia. Ray is also Co-Chair of the National Voice Co-Design group.



**Deputy Chief Executive Officer,  
Operations and Delivery**

Mrs Letitia Hope was appointed as the Deputy Chief Executive Officer of Operations and Delivery in December 2019, a new position in the NIAA. Letitia's appointment makes her the highest ranked Indigenous public servant in the Commonwealth. Letitia is responsible for the NIAA regional presence including: West and South, Central and Eastern Group as well as Program Performance Delivery Group and the Strategic Implementation and Standardisation Branch. Letitia is the Co-Chair of the Local and Regional Voice co-design group.



**Deputy Chief Executive Officer,  
Policy and Programs**

Mr Blair Exell commenced in the role of Deputy Chief Executive Officer, Policy and Programs, in April 2020. Blair is responsible for strategic policy, economic and social policy and programs, and the Northern Australian Development Taskforce. These responsibilities include partnering with Aboriginal and Torres Strait Islander peak organisations and all Australian governments to deliver key Government priorities.

# Our Organisational Structure

On 1 December 2019, the NIAA implemented a new structure designed to better achieve the Government's priorities, effectively deliver on our Executive Order, strengthen our ability to deliver as one team and enhance our partnerships with Indigenous Australians.

Key design underpinnings include creating a greater balance of strategic, social and economic policy by setting up our operations and delivery in a way that enhances relationships with key stakeholders (both jurisdictional and community), and strengthens our ability to deliver strategic outcomes against our priorities, including a dedicated focus on economic development in northern Australia; enhancing relationships across jurisdictions as well as in communities; and improving organisational performance.

## Policy and Programs

Policy and Programs leads, influences and invests in social, cultural and economic policies and programs that contribute to improving the wellbeing and economic aspirations of Aboriginal and Torres Strait Islander peoples. The group also develops strategies to deliver on the Australian Government's priorities for Aboriginal and Torres Strait Islander peoples as well as implementing reforms to maximise the growth potential of the northern Australia Indigenous economy.

## Operations and Delivery

Operations and Delivery operates across Australia engaging with Aboriginal and Torres Strait Islander peoples, the non-government sector, and all levels of government to develop and implement targeted strategies focussed on the needs and aspirations of local Aboriginal and Torres Strait Islander communities. Operations and Delivery promotes connections between community, the private sector and all levels of government to develop and implement tailored local solutions. Operations and Delivery's systematic grant administration practices ensure investment contributes to the Government's priorities for Aboriginal and Torres Strait Islander peoples in compliance with Commonwealth legislative frameworks.



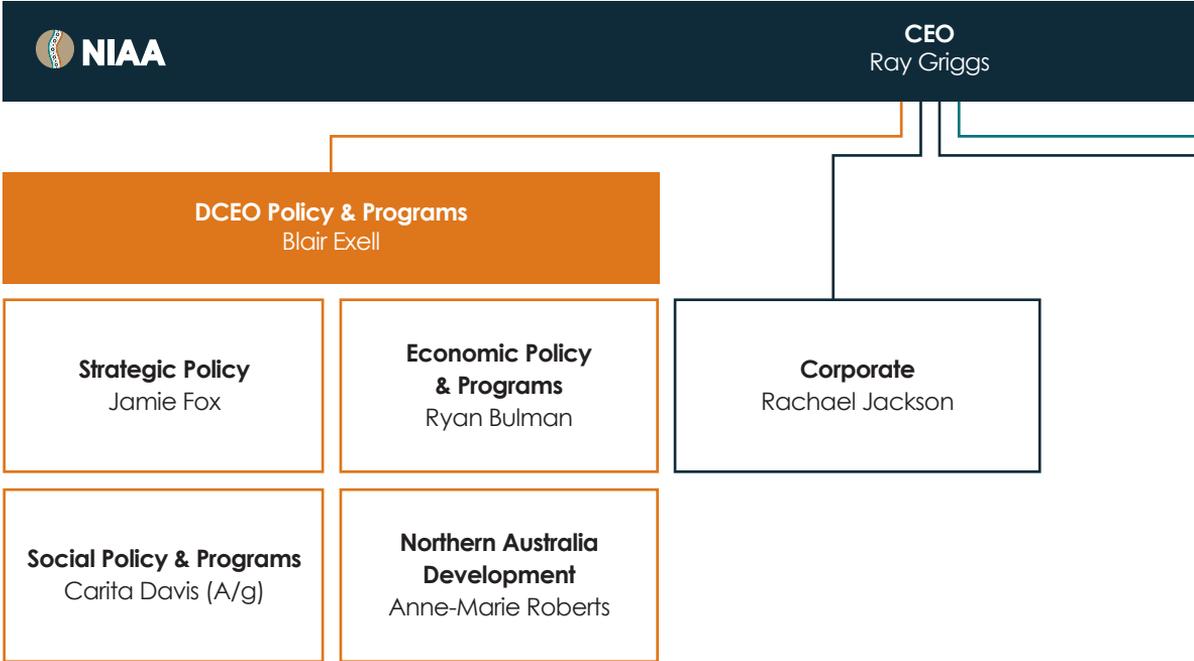
## Corporate

Corporate Group works to the Chief Executive Officer, and with the Executive Board and groups across the NIAA, providing advice and enabling services to support the NIAA's role.

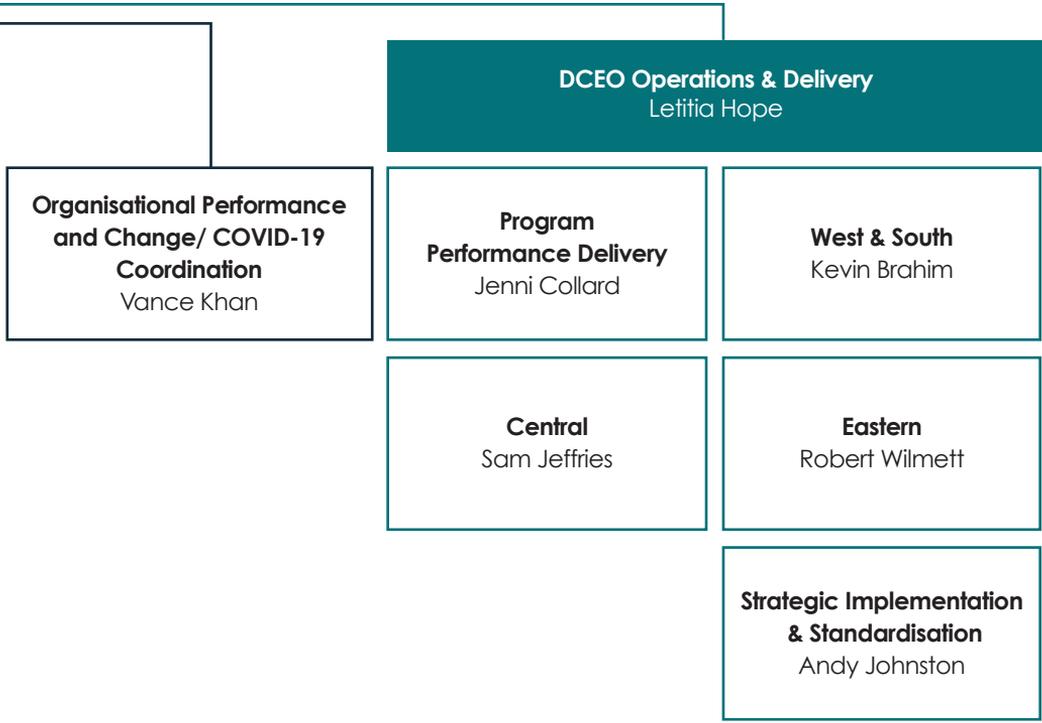
While delivering services within the NIAA, the group also manages our relationship with the Department of the Prime Minister and Cabinet for the provision of a number of corporate functions through a shared services arrangement.

## Organisational Performance and Change

Organisational Performance and Change Group works to the Chief Executive Officer and agency work groups to build our organisational capability and a high performance organisational culture. The group looks for and drives organisational improvement through changes to business processes, operational delivery and program performance management to support effective and efficient delivery of NIAA outcomes. This also incorporates identifying and building strategic capability for the Agency.



As at 30 June 2020



# SECTION THREE



# ANNUAL PERFORMANCE STATEMENTS

## Introductory Statement

I, Ray Griggs, as the accountable authority of the National Indigenous Australians Agency (NIAA), present the 2019–20 annual performance statement of the NIAA as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and *Public Governance, Performance and Accountability Rule 2014*. In my opinion, the annual performance statement accurately reflects the performance of the entity, and complies with subsection 39(2) of the PGPA Act.



**Ray Griggs AO, CSC**

Chief Executive Officer

National Indigenous Australians Agency

28 September 2020

## Overview of Performance

As a newly established agency, the NIAA has reset its purpose, activities and performance measures through the inaugural Corporate Plan 2019–20.

The purpose of the NIAA is to assist the Australian Government achieve its objectives in improving the lives of Indigenous Australians by leading the development of the

Commonwealth's approach, focusing on place, working in partnership, and effectively delivering programs through the Indigenous Advancement Strategy (IAS).

The nine activities of the Corporate Plan 2019–20 reflect the Australian Government's priorities for the reporting period that achieve our purpose. The NIAA has reported on the performance measures of the Corporate Plan 2019–20 and will not be reporting on the performance criteria of the Department of the Prime Minister and Cabinet 2019–20 Portfolio Budget Statements.

In 2019–20, the NIAA has progressed results across the nine activities.

Overall, eight performance measures achieved the targets with eight partially achieved. Two performance measures for Indigenous youth mental health were not achieved. The performance measure for the Remote School Attendance Strategy achieved one target and one target was not achieved.

The COVID-19 pandemic and the resulting travel restrictions have impacted both the NIAA's ability to deliver on face-to-face programs either itself or with the support of organisations funded through the IAS. Achievement against six of the nine activities were affected as a direct result of the pandemic, these include:

- Activity 2 — Improving mental health and wellbeing outcomes for young Indigenous people and supporting suicide prevention in remote communities
- Activity 3 — Progressing a co-design of a voice for Indigenous Australians
- Activity 4 — Progressing constitutional recognition of Indigenous Australians during the current parliamentary term, provided there is consensus and a good chance of a referendum succeeding
- Activity 5 — Enhancing Regional governance and local decision making
- Activity 6 — Supporting early childhood development and wellbeing, school attendance, attainment and improve school pathways
- Activity 8 — Delivering the IAS in partnership with Indigenous communities.

The results for each performance measure are detailed in these performance statements, including how the NIAA managed the impacts of the pandemic.

# Summary of Performance Results for 2019–20

## Performance Result Key

- **Achieved** — the target set out in the Corporate Plan 2019–20 has been achieved.
- **Partially achieved** — the target set out in the Corporate Plan 2019–20 has been partially achieved.
- **Not achieved** — the target set out in the Corporate Plan 2019–20 has not been met.

Activity	Intended result	Summary of performance measure and 2019–20 target	Performance result	Detailed results
<b>Activity 1</b> Leading the delivery of a new Closing the Gap framework through partnership and engagement with Aboriginal and Torres Strait Islander representatives, and state and territory governments.	Deliver a National Agreement on Closing the Gap, including targets, for agreement by the Council of Australian Governments and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations.	Delivery within the announced timeframe by June 2020.	<b>Partially achieved</b>	Page 28
	Develop a whole of Commonwealth implementation plan, setting out how the Commonwealth will contribute to achieving the targets and commitments in the National Agreement on Closing the Gap.	Delivery within the announced timeframe by November 2020.	<b>To be reported in 2020–21</b>  Progress report against performance measure. Outcome to be reported in forward Annual Performance Statement.	Page 29
	Deliver biannual meetings of the Joint Council on Closing the Gap, with Ministers from all governments and representatives from the Coalition of Aboriginal and Torres Strait Islander Peak Organisations.	Deliver two Joint Council meetings every year.	<b>Partially achieved</b>	Page 29

Activity	Intended result	Summary of performance measure and 2019–20 target	Performance result	Detailed results
<p><b>Activity 2</b> Improving mental health and wellbeing outcomes for young Indigenous people and supporting suicide prevention in remote communities.</p>	<p>Target Indigenous Advancement Strategy (IAS) investment and effort to improve Indigenous youth mental health and suicide prevention outcomes in high risk communities that are co-designed with communities, culturally appropriate and linked to other relevant activities.</p>	<p>50 per cent of 12 high risk communities received Mental Health First Aid (MHFA) training.</p>	<p><b>Achieved</b></p>	<p>Page 31</p>
	<p>prevention outcomes in high risk communities that are co-designed with communities, culturally appropriate and linked to other relevant activities.</p>	<p>50 of the 100 MHFA workshops delivered to frontline workers funded under the IAS.</p>	<p><b>Not achieved</b></p>	<p>Page 32</p>
	<p>Co-design and deliver youth cultural activities aimed at suicide prevention for Indigenous young people in high risk locations.</p>	<p>Deliver youth cultural activities in 12 high risk communities co-designed with local young indigenous people, communities, and key stakeholders.</p>	<p><b>Not achieved</b></p>	<p>Page 33</p>
<p><b>Activity 3</b> Progressing co-design of a voice for Indigenous Australians.</p>	<p>Support the co-design process and established advisory groups to provide advice to the Government on options for local and regional decision making models and a national Indigenous voice by end 2020.</p>	<p>Delivery of options for broader consultation developed within the announced timeframe.</p>	<p><b>Partially achieved</b></p>	<p>Page 38</p>

Activity	Intended result	Summary of performance measure and 2019–20 target	Performance result	Detailed results
<p><b>Activity 4</b> Progressing constitutional recognition of Indigenous Australians during the current parliamentary term, provided there is consensus and a good chance of a referendum succeeding.</p>	<p>Support the process to provide advice to the Government on options for constitutional recognition and a referendum within the current parliamentary term.</p>	<p>Delivery within the current parliamentary term.</p>	<p><b>Partially achieved</b></p>	<p>Page 39</p>
<p><b>Activity 5</b> Enhancing regional governance and local decision-making.</p>	<p>Develop a national framework for local and regional decision making and governance and establish additional Empowered Communities or other regional model sites.</p>	<p>Delivery of the national framework and models for consultation developed.</p>	<p><b>Partially achieved</b> <b>In line with Activity 4</b></p>	<p>Page 40</p>
	<p>Participate in state and territory local decision making processes.</p>	<p>Formal participation in 80 per cent of active local decision making (LDM) processes.</p>	<p><b>Achieved</b></p>	<p>Page 41</p>
	<p>Improved partnerships with communities through place based practice.</p>	<p>Development of Place Based Practice Implementation Plans in partnership with communities by June 2020.</p>	<p><b>Partially achieved</b></p>	<p>Page 42</p>

Activity	Intended result	Summary of performance measure and 2019–20 target	Performance result	Detailed results
<b>Activity 6</b> Supporting early childhood development and wellbeing, school attendance, attainment and improve post school pathways.	Improve the Commonwealth’s approach to achieve whole-of-government policy and investment outcomes for Indigenous early childhood development and wellbeing.	Development of a draft Commonwealth approach, with key stakeholders, to implement the refreshed Closing the Gap framework.	<b>Partially achieved</b>	Page 46
	Improve senior secondary outcomes and post school pathways through the Indigenous Youth Education Package (IYEP).	2000 additional places for in residential support, scholarship, academy and mentoring places for Aboriginal and Torres Strait Islander students.	<b>Achieved</b>	Page 47
	Support schools and communities to improve attendance in remote and very remote locations.	Annual performance assessment of Remote School Attendance Strategy (RSAS) providers: <ul style="list-style-type: none"> <li>• 100 per cent of providers deliver RSAS in line with agreed school and community attendance plans</li> </ul>	<b>Achieved</b>	Page 48
		<ul style="list-style-type: none"> <li>• Increase in average annual attendance in RSAS locations</li> </ul>	<b>Not achieved</b>	Page 48

Activity	Intended result	Summary of performance measure and 2019–20 target	Performance result	Detailed results
<b>Activity 7</b> Enhancing Indigenous economic rights, including improving employment and pathways to jobs.	An increase in the number and value of contracts awarded by NIAA to Indigenous businesses to 2021 in line with Indigenous Procurement Policy (IPP) targets.	Proportion of Commonwealth Government contracts that are awarded under the IPP: <ul style="list-style-type: none"> <li>• 3 per cent by volume of contracts</li> <li>• 1 per cent by value of contracts</li> </ul>	<b>Achieved</b>	Page 49
<b>Activity 8</b> Delivering the Indigenous Advancement Strategy (IAS) in partnership with Indigenous communities.	Improve results for Indigenous Australians by supporting the effective delivery elements of services and programs under the IAS.	90 per cent of IAS activities are assessed by NIAA Agreement Managers as having core service delivery elements which meet or exceeded requirements.	<b>Achieved</b>	Page 50
<b>Activity 9</b> Undertaking evaluations of National Indigenous Australians Agency programs in line with the IAS Evaluation Framework.	Publish an Annual Evaluation Work Plan each September.	Published by September 2019.	<b>Achieved</b>	Page 52
	Develop performance measures for long-term outcomes of the IAS Evaluation Framework.	Finalisation of long-term performance measures by June 2020.	<b>Achieved</b>	Page 52
	Release completed evaluation reports or summaries as committed to in the IAS Evaluation Framework.	100 per cent of completed evaluations on the Work Plan released.	<b>Partially achieved</b>	Page 53

# Activity 1

## Leading the delivery of a new Closing the Gap framework through partnership and engagement with Aboriginal and Torres Strait Islander representatives, and state and territory governments.

<b>Intended result</b>	Deliver a National Agreement on Closing the Gap, including targets, for agreement by the Council of Australian Governments and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations (Coalition of Peaks).
<b>Performance measure</b>	Delivery within the announced timeframe.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	June 2020.
<b>Source</b>	Corporate Plan 2019–20, Page 10.
<b>Performance result</b>	<b>Partially achieved</b> This agreement was subsequently signed by all parties in July 2020.
<b>Analysis</b>	<p>Since the Partnership Agreement came into effect in March 2019, the NIAA has worked with states, territories, the Australian Local Government Association and the Coalition of Peaks to progress the new agreement underpinned by priority reforms and new targets.</p> <p>The Joint Council on Closing the Gap endorsed the new National Agreement on Closing the Gap on 3 July 2020, ahead of National Cabinet endorsement by First Ministers, the Coalition of Aboriginal and Torres Strait Islander Peak Organisations and the President of the Australian Local Government Association allowing the new Agreement to take effect on 27 July 2020.</p>

<b>Intended result</b>	Develop a whole of Commonwealth implementation plan, setting out how the Commonwealth will contribute to achieving the targets and commitments in the National Agreement on Closing the Gap.
<b>Performance measure</b>	Delivery within the announced timeframe.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	Not in the reporting period (November 2020).
<b>Source</b>	Corporate Plan 2019–20, Page 10.
<b>Performance result</b>	<b>To be reported in 2020–21</b> Expected delay to within 12 months of the National Agreement commencing.
<b>Analysis</b>	<p>The NIAA has maintained focus on finalising the new National Agreement and responding to COVID-19, with work to develop the Commonwealth's implementation strategy delayed until the agreement is in place.</p> <p>The new National Agreement, developed with the Coalition of Aboriginal and Torres Strait Islander Peak Organisation, states, territories and the Australian Local Government Association includes a clause for implementation plans to be completed within 12 months of the agreement commencing. This means plans should be completed by July 2021.</p>
<b>Intended result</b>	Deliver biannual meetings of the Joint Council on Closing the Gap, with Ministers from all governments and representatives from the Coalition of Aboriginal and Torres Strait Islander Peak Organisations.
<b>Performance measure</b>	Deliver two Joint Councils every year.
<b>Methodology</b>	Meetings delivered.
<b>Target</b>	2 meetings per year.
<b>Source</b>	Corporate Plan 2019–20, Page 10.
<b>Performance result</b>	<b>Partially achieved</b> <ul style="list-style-type: none"> <li>• One meeting held in 2019–20.</li> <li>• Second meeting was deferred to 3 July 2020 to coincide with the final draft of the new Closing the Gap Agreement.</li> </ul>
<b>Analysis</b>	The first Joint Council meeting for 2019–20 was held on 23 August 2019. The second meeting was delayed to 3 July 2020 to enable parties to respond to the impacts of COVID-19 while also maintaining focus on finalising the National Agreement.

**Case Study**  
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**Developing the new National Agreement on Closing the Gap**

Throughout 2019–20, the NIAA successfully worked with the Coalition of Aboriginal and Torres Strait Islander Peak Organisations (Coalition of Peaks) and all Australian governments to develop a new National Agreement on Closing the Gap. The new agreement was endorsed by the Joint Council on Closing the Gap on 3 July 2020 and signed by all First Ministers, the Coalition of Peaks and the President of the Australian Local Government Association on 27 July 2020. This is an historic agreement, the first to be negotiated with Indigenous Australians as represented by the Coalition of Peaks. Since the Partnership Agreement came into effect in March 2019, the Australian Government, states, territories, the Australian Local Government Association and the Coalition of Peaks have worked together to progress the new agreement underpinned

by priority reforms and new targets. The Coalition of Peaks has over 51 members and these organisations have been closely involved in negotiations and feel a strong sense of ownership of the agreement. Negotiating across agencies to reach a whole of Australian Government position and guiding the process to a point where all parties were placed to endorse the new agenda is the result of a sustained effort by the NIAA team.

Following endorsement of the new National Agreement, all parties to the agreement are working to develop their implementation plans. The NIAA is leading the development of a Commonwealth Implementation Plan, setting out how the Australian Government will contribute to achieving the targets, priority reforms and commitments in the National Agreement.

## Activity 2

### Improving mental health and wellbeing outcomes for young Indigenous people and supporting suicide prevention in remote communities.

<b>Intended result</b>	Target Indigenous Advancement Strategy (IAS) investment and effort to improve Indigenous youth mental health and suicide prevention outcomes in high risk communities that are co-designed with communities, culturally appropriate and linked to other relevant activities.
<b>Performance measure</b>	Proportion of 12 high risk communities having received Mental Health First Aid (MHFA) training workshops.
<b>Methodology</b>	Assessment of training workshops data.
<b>Target</b>	50 per cent of high risk communities received training.
<b>Source</b>	Corporate Plan 2019–20, Page 10.
<b>Performance result</b>	<p><b>Achieved</b></p> <p>Aboriginal and Torres Strait Islander MHFA training was delivered in six (out of 12) high risk communities in 2019–20 (Woorabinda; Karratha/Roebourne; Murray Bridge; Darwin; Galiwin'ku and Redfern/La Perouse).</p>
<b>Analysis</b>	<p>Fifty-eight MHFA High Risk location workshops were held in high risk communities during 2019–20. This includes 39 workshops in Woorabinda; Karratha/Roebourne; Murray Bridge; Darwin; Galiwin'ku and Redfern/La Perouse, and 19 workshops in other communities that were carried over from an earlier phase of MHFA delivery. The completion rate for the six high risk locations in the 2019–20 performance measure was 80.76 per cent. See <b>Table 3.1</b> below for breakdown for all high risk communities in 2019–20, and by jurisdiction.</p> <p>Face to face delivery of MHFA training ceased in March 2020 due to COVID-19 and associated travel and physical distancing restrictions. Twenty workshops that were originally scheduled for delivery in March to June 2020 will be delivered, when possible, in 2020–21.</p> <p>To allow for the continuation of training during COVID-19, MHFA Australia, who NIAA engage to develop course materials, launched a new blended online delivery format for the MHFA course, as well as a new blended online 'Mental Health Yarns' course in July 2020. Both new online courses are delivered as a combination of self-paced interactive e-learning, followed by an instructor-led videoconference. They have been developed for delivery by instructors who have local knowledge and established local relationships, to ensure participant safety.</p>

<b>Intended result</b>	Target Indigenous Advancement Strategy (IAS) investment and effort to improve Indigenous youth mental health and suicide prevention outcomes in high risk communities that are co-designed with communities, culturally appropriate and linked to other relevant activities.
<b>Performance measure</b>	Number of MHFA workshops delivered to frontline workers funded under the IAS.
<b>Methodology</b>	Assessment of training workshops data.
<b>Target</b>	50 of the 100 MHFA workshops delivered in 2019–20.
<b>Source</b>	Corporate Plan 2019–20, Page 10.
<b>Performance result</b>	<b>Not achieved</b> 21 MHFA Frontline workshops were delivered during 2019–20.
<b>Analysis</b>	<p>MHFA workshops were held with frontline workers including rangers, night patrol and Remote School Attendance Strategy and Community Development Program workers across the NT, Queensland and WA. The completion rate for these workshops averaged 87.13 per cent. See <b>Table 3.1</b> below for jurisdictional breakdown.</p> <p>Delivery of MHFA workshops for frontline workers was on track to meet its target in 2019–20, however delays were unavoidable due to COVID-19. Of the 50 workshops that were scheduled for delivery to frontline workers:</p> <ul style="list-style-type: none"> <li>• 21 were successfully delivered;</li> <li>• 11 were scheduled but postponed due to COVID-19 restrictions; and</li> <li>• 18 were in the planning stage, and anticipated to be delivered during the remainder of 2019–20.</li> </ul> <p>All delayed workshops are to be delivered as soon as possible in the later part of 2020–21.</p>

<b>Intended result</b>	Co-design and deliver youth cultural activities aimed at suicide prevention for Indigenous young people in high risk locations.
<b>Performance measure</b>	Deliver youth cultural activities in 12 high risk communities co-designed with local young Indigenous people, communities, and key stakeholders.
<b>Methodology</b>	Assessment of youth cultural activities.  Evaluation to assess effectiveness of delivery, outcomes and scalability beyond initial 12 locations.
<b>Target</b>	12 target locations identified, with community consultation undertaken and co-design process initiated.
<b>Source</b>	Corporate Plan 2019–20, Page 10.
<b>Performance result</b>	<b>Not achieved</b>  COVID-19 has delayed community consultation and co-design of this measure, as well as appointment of an evaluator to develop a monitoring and evaluation strategy.
<b>Analysis</b>	Minister Wyatt agreed to an implementation approach for the measure, including a list of 12 communities to be announced following community consultation. Community engagement will commence once COVID-19 restrictions are lifted when it is safe to do so, or via telecommunication if deemed appropriate. Consultation is expected to have begun in all 12 communities by December 2020. Cultural activities in each community will be co-designed with youth and elders to meet their needs.  The NIAA will appoint a skilled evaluator to work with communities to develop a monitoring and evaluation strategy.

**Table 3.1: Mental Health First Aid Training Delivery and Completion Rates 2019–20**

Jurisdiction	High Risk Locations		Frontline Workshops		Total	
	Number of Workshops	Completion Rate — per cent	Number of Workshops	Completion Rate — per cent	Number of Workshops	Completion Rate — per cent
NSW	4	91.89	-	-	4	91.89
NT	19	79.42	15	87.59	34	83.54
QLD	4	62.07	2	90.48	6	69.62
SA	17	85.54	-	-	17	85.54
WA	14	69.46	4	84.29	18	73.26
<b>Total</b>	<b>58</b>	<b>78.09</b>	<b>21</b>	<b>87.13</b>	<b>79</b>	<b>80.92</b>

Data includes workshops in high risk locations that were scheduled for delivery in 2019–20 (39), as well as workshops completed in 2019–20 that had been scheduled in the previous financial year and delayed (19).

## Case Study .....

### Aboriginal and Torres Strait Islander Mental Health First Aid

*“...the content was relevant, easy to understand and very interesting. I actually expanded my knowledge and skills with this course. Great job and I fully encourage everybody to do this course” – Clarence Valley, NSW 20 November 2019.*

During 2019–20, the NIAA provided \$6.555 million for the development and delivery of Aboriginal and Torres Strait Islander Mental Health First Aid (AMHFA) training, including \$0.296 million to Mental Health First Aid Australia (MHFA Australia) to develop course content and train instructors, and \$6.259 million to NESAs People Solutions for the delivery of training across Australia.

In 2019–20, AMHFA training was delivered face-to-face by NESAs People Solutions to 1190 participants through 79 workshops in 35 locations across Australia. Training was delivered in 17 high-risk locations as well as to frontline workers nationally such as Remote School Attendance Strategy, Community Development Program, Community Night Patrol workers and rangers. An overall 81 per cent completion was recorded across all workshops. At least 49 additional workshops would have taken place

had COVID-19 delays not occurred, with an estimated 735 participants.

The success of the project is underpinned by the co-design model. NESAs People Solutions invests 12 weeks in community engagement in the high-risk communities before training commences, to involve the local Aboriginal and Torres Strait Islander community and stakeholders in the design and delivery of their allocated workshops. Local interpreters and cultural facilitators are engaged where required to ensure that all learning material is understood.

#### **Key outcomes:**

- 88 local Aboriginal and Torres Strait Islander community members completed the MHFA accreditation training.
- 99 per cent of participants would recommend this training to other people.

- An increase from 36 per cent to 78 per cent of participants felt that after completing the course that they could recognise the signs of mental health issues (based on pre and post-training surveys).
- An increase from 25 per cent to 72 per cent of participants felt that after completing the course that they could approach, assess and assist with any crisis (based on pre and post-training surveys).

In March 2020, COVID-19 disrupted the delivery of 29 scheduled face-to-face courses. All suspended workshops are currently being discussed with providers to determine new delivery dates in 2020–21.

MHFA Australia responded quickly and developed two new online courses to support the mental health of Indigenous Australians during the pandemic: 'Mental Health Yarns' and an online version of the adult MHFA course. These were piloted in June for roll-out in July 2020.

NESA People Solutions developed and disseminated COVID-19 information packs for communities in each jurisdiction, including how to reduce the spread of COVID-19, state and territory specific information on where to access support, and suggestions for maintaining wellbeing and mental health.

Frontline workshops provide training to community members employed as rangers, night patrol, Remote School Attendance Strategy and Community Development Program workers to assist with those roles. Training in high risk locations is delivered to community members more broadly, where there is an identified greater risk of suicide, self-harm and mental health issues in the community. Training in high risk locations includes a training program to support the community develop its capacity to reduce the impact of mental health issues on its members.



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Galiwin'ku MHFA Workshop 3-5 December 2019: L-R Front Row: Peter Humphries (NESA Trainer), Terry Gondarra, Jeffery Dhamarrandji, Quentin Guthitjpuy, Nicole Dhurrkay, Rosalie Kickett (NESA Trainer). Back Row: John Tom, Carl Bulurpulurr, William Campbell, Daisy Wulumu, Joy Mundhu, Nancy Gondarra, Joan Dhamarrandji.

# Activity 3

## Progressing co-design of a voice for Indigenous Australians.

<b>Intended result</b>	Support the co-design process and established advisory groups to provide advice to the Government on options for local and regional decision making models and a national Indigenous voice by the end of 2020.
<b>Performance measure</b>	Delivery within the announced timeframe.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	Delivery of options for broader consultation developed within the announced timeframe.
<b>Source</b>	Corporate Plan 2019–20, Page 11.
<b>Performance result</b>	<p><b>Partially achieved</b></p> <p>Process supported in line with revised timeframes during 2019–20, with options development still underway.</p>
<b>Analysis</b>	<p>The Indigenous voice co-design process has progressed throughout the reporting period with co-design groups developing models and options for a national voice and for local and regional decision-making.</p> <p>Twenty-five co-design meetings were held during the reporting period. Twenty-two of those meetings occurred virtually, adapting to COVID-19 restrictions. Additionally, there were regular meetings of co-chairs of the co-design groups, and meetings of the Senior Officials Group, comprising state and territory officials and the Australian Local Government Association.</p> <p>On 22 May 2020, a new website — <a href="http://voice.niaa.gov.au">voice.niaa.gov.au</a> — was released to promote awareness about the process and facilitate consultation once government has considered and agreed on options to proceed to the Australia community for feedback.</p> <p>The COVID-19 pandemic resulted in Minister Wyatt providing an updated timeframe for the Indigenous voice co-design process on 12 June 2020. The revised timeframe provides for the delivery of options for government consideration by November 2020, with consultation on proposed options from late 2020 through to early 2021.</p>

## Activity 4

### Progressing constitutional recognition of Indigenous Australians during the current parliamentary term, provided there is consensus and a good chance of a referendum succeeding.

<b>Intended result</b>	Support the process to provide advice to the Government on options for constitutional recognition and a referendum within the current parliamentary term.
<b>Performance measure</b>	Delivery within the announced timeframe.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	Within the current parliamentary term.
<b>Source</b>	Corporate Plan 2019–20, Page 11.
<b>Performance result</b>	<b>Partially achieved</b> Process was supported.
<b>Analysis</b>	<p>In line with the recommendations of the 2018 Joint Select Committee on Constitutional Recognition relating to Aboriginal and Torres Strait Islander peoples, the Government supports finalising co-design of a voice ahead of constitutional recognition.</p> <p>The COVID-19 pandemic resulted in Minister Wyatt providing an updated timeframe for the Indigenous voice co-design process on 12 June 2020. Minister Wyatt noted that the substantial impact of COVID-19 could impact on the timing of reaching a consensus and progressing to a referendum within the current parliamentary term.</p>

# Activity 5

## Enhancing regional governance and local decision making.

<b>Intended result</b>	Develop a national framework for local and regional decision making and governance and establish additional Empowered Communities or other regional model sites.
<b>Performance measure</b>	Delivery of the national framework within the announced timeframes.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	Models for consultation are developed.
<b>Source</b>	Corporate Plan 2019–20, Page 11.
<b>Performance result</b>	<b>Partially achieved</b> Process supported in line with revised timeframes for an Indigenous voice co-design process.
<b>Analysis</b>	<p>The NIAA has continued to work in partnership with communities to support local or regional decision making arrangements including the nine Empowered Communities regions as well as the Murdi Paaki Regional Assembly to ensure Aboriginal and Torres Strait Islander communities are at the centre of decisions affecting their families and communities. Empowered Communities has expanded to nine regions in 2020 to include the far west coast of South Australia.</p> <p>The NIAA has been supporting the co-design process for an Indigenous voice. This includes the development of options for a local and regional voice framework that would support enhanced local decision making and Indigenous regional governance.</p> <p>The COVID-19 pandemic resulted in Minister Wyatt providing an updated timeframe for the Indigenous voice co-design process on 12 June 2020. The revised timeframe provides for the delivery of options for government consideration by November 2020, with consultation on proposed options from late 2020 through to early 2021.</p>

<b>Intended result</b>	Participate in state and territory local decision making processes.
<b>Performance measure</b>	Formal participation in active local decision making (LDM) processes.
<b>Methodology</b>	Assessment of participation data.
<b>Target</b>	The NIAA will seek to formally participate in 80 per cent of LDM processes.
<b>Source</b>	Corporate Plan 2019–20, Page 11.
<b>Performance result</b>	<p><b>Achieved</b></p> <p>The NIAA formally participated in the development and implementation of LDM processes in 100 per cent of LDM sites in the Northern Territory and New South Wales where the NIAA has been invited to contribute.</p>
<b>Analysis</b>	<p>In 2019–20, NIAA formally supported/participated in active LDM processes in all LDM sites across the five regions in the Northern Territory (NT) with LDM processes, and in all LDM sites in New South Wales (NSW). NIAA's participation varied in each jurisdiction and community/region, reflecting the local context, community aspirations and NIAA's role.</p> <p>The NIAA participated in all LDM processes for long term agreements with Aboriginal communities in the NT. The NIAA became a signatory to the Yolngu Region LDM Partnership Commitment and staff participated in all meetings convened by the NT Government to develop the LDM Agreement. While not a signatory to the Groote Archipelago LDM Agreement, the NIAA participated in all LDM meetings convened by the NT Government to implement the Agreement. The NIAA participated in other LDM discussions including meetings of a governance table to implement the \$78 million Barkly Regional Deal and working with the Tangentyere Council Aboriginal Corporation to support LDM negotiations. The NIAA worked with key stakeholders to deliver priorities from existing Multi Agency Partnership (MAP) Agreements and supported final negotiations to sign a MAP Statement of Commitment for Tiwi Islands.</p> <p>The NIAA works within six established LDM groups (regional alliances) in NSW and participates in these groups by invitation. NIAA staff supported LDM groups to achieve outcomes in areas such as health, education, economic development, social justice, youth, and culture. For example, with the NIAA's assistance, the Barang Regional Alliance successfully procured seed funding through the NSW Government to establish the Community Hubs concept on the Central Coast, which aligns with their alliance's empowered youth regional development agenda. The NIAA also worked closely with organisations that are part of the alliance in Illawarra to support LDM planning priorities.</p>

<b>Intended result</b>	Improved partnerships with communities through place based practice.
<b>Performance measure</b>	Development of Place Based Practice Implementation Plans in partnership with communities.
<b>Methodology</b>	Annual evaluation of implementation data against timeframe.
<b>Target</b>	June 2020.
<b>Source</b>	Corporate Plan 2019–20, Page 11.
<b>Performance result</b>	<p><b>Partially achieved</b></p> <p>The NIAA cooperated closely with communities to develop and implement action plans to support local aspirations and priorities in these places.</p>
<b>Analysis</b>	<p>Our experience has demonstrated communities' preference to work through a place-based approach, where community interests and decision making are central to the process. The ongoing development of existing, and establishment of new governance frameworks, such as LDM and Empowered Communities has provided a mechanism for communities, community-controlled organisations and other stakeholders to partner with government and develop strategies which include community aspirations.</p> <p>The NIAA delivered a range of place-based activities across its 12 Regions in 2019–20 through partnerships with communities and co-design practices. This work has incorporated multiple dimensions — at the local, regional and national levels — particularly in terms of service design and improvement. This included strengthening community and organisational governance; creating economic development opportunities with a focus on major infrastructure projects and labour market demands; supporting Indigenous-controlled organisations and businesses; the design of local services; opportunities for collaboration between communities, government and industry sectors; and developing early years and youth strategies. The NIAA's place-based activities also included co-design and delivery of strategies and tailored responses in place to improve remote school attendance, prevent youth suicide and workforce development. The NIAA's partnerships with community in place continued to support Empowered Communities Regions and more recently, support local responses to bushfires and COVID-19.</p> <p>More than 30 Place Based Practice implementation plans are in development across urban, regional and remote locations — informed by community views on issues and solutions, data and evidence to support implementing community priorities and co-design activities. The NIAA achievement against this measure was impacted by COVID-19 events. Our stakeholder engagement has been adjusted to adhere to biosecurity measures, and the NIAA's resources were mobilised to ensure critical needs were being addressed. As a result, place-based planning work on some community priorities have been put on hold and will be reviewed during the COVID-19 recovery period.</p>

## Case Study

### Empowered Communities responding to COVID-19

The Indigenous led Empowered Communities initiative, in partnership with Australian Government, drives the changes needed across three key policy agendas — Empowerment, productivity and Closing the Gap to improve outcomes for Indigenous people in their regions.

Empowered Communities backbone organisations in the East Kimberley, Inner Sydney and the Goulburn-Murray region responded quickly to their communities during the COVID-19 restrictions. They adapted from their usual work activities to coordinate local responses such as food and medical supplies and facilitation of critical up-to-date messaging and ensure local coordination in a rapidly changing environment.

In East Kimberley, Binarri-binyja yarawoo worked closely with the Kimberley Aboriginal Medical Service to provide information about the prevention and management of COVID-19. A strategy emerged out of concerns that timely information would not reach the right people during such a critical time. Several different approaches

were used to distribute information including a newsletter and social media. The newsletter was distributed widely through local services. Both local and social media proved effective tools in keeping people up to date with emerging health advice.

Inner Sydney developed a Community COVID-19 plan to manage the crisis in both Redfern and La Perouse with a focus on vulnerable people and elders in those communities. In particular, leaders were concerned about the ability of those most vulnerable to obtain necessary resources and also the social and emotional impacts caused by isolation. Resources were coordinated and mobilised to deliver food parcels, provide transport to medical appointments, flu clinics, and facilitate access to mental health and other required medical services.

The Kaiela Institute led the community response in the Goulburn-Murray Empowered Communities region. Community organisations and governments, including the NIAA, came together to provide a joint response, planning for 3–6 months of a worst-case scenario.

The joined-up response reinvigorated a sense of community and provided a grass-roots response to this challenging situation. In the early stages, they met twice a day to review plans, take action and ensure any issues were picked up and quickly addressed. Support activities included closing the Elders' facility to the general public to protect residents;

delivering food hampers, and sourcing flu vaccinations.

The NIAA, as a key government partner with Empowered Communities, supported each of these responses to the COVID-19 restrictions. Locally they were able to work with other government agencies on resolution of issues and ensure the timely flow of information.

### Case Study

## Response to bushfires and COVID-19

The NIAA also contributed to strengthening disaster resilience for communities impacted by bushfires (in North Eastern and South Eastern NSW, East Gippsland and North East Victoria, and Kangaroo Island) and COVID-19. Applying the NIAA's place-based practice was critical to working in partnership with communities and organisations to gather and share intelligence, coordinate regional and local responses, and ensure targeted supports were in place. Key success factors for developing immediate strategic responses in a rapidly changing

environment were strong community relationships, collaborative efforts of all governments, and leveraging bilateral arrangements. This included development of pandemic plans, communication strategies, supporting return to country, monitoring impacts to critical services and supplies and working with providers to re-pivot their services. For example, NIAA convened a COVID-19 response in partnership with the Australian Defence Force (ADF), SA Health, Nganampa Health Council and South Australia's Anangu Pitjantjatjara Yankunytjatjara (APY) Lands communities. In response

to a request from the Nganampa Health Council, NIAA facilitated and supported an ADF logistician travelling to the APY Lands to assist the community's COVID-19 planning. This resulted in a report by the ADF outlining recommendations to assist the APY communities should a COVID-19 outbreak occur. The report was also instrumental in informing SA Health's COVID-19 Action Plan for Aboriginal remote communities and assisted key health agencies in their pandemic planning. The NIAA was instrumental in convening and facilitating a small working group with the key agencies to develop a

community consultation framework. The framework assisted ADF in understanding the key local issues and stakeholders, and informed logistical preparation and community consultation to support the pandemic planning process. Since January 2020, the NIAA participated on the South Coast Bush Fires Aboriginal Services Reference Group in rapid response to the Far South Coast NSW bushfires, which enabled vital interagency and community collaboration to quickly gather and share information and inform responses such as pop-up service centres and evacuations.



Batemans Bay Regional Office staff worked closely with colleagues seconded to the South Coast on rotation to assist in the NIAA's response to the bushfires. (L-R) Ray Smith, Sharda Carpenter, Barbara Lodding, Nellie Johnson, Scott Kneebone, and Bonnie Ross.

# Activity 6

## Supporting early childhood development and wellbeing, school attendance, attainment and improve post school pathways.

<b>Intended result</b>	Improve the Commonwealth's approach to achieve whole-of-government policy and investment outcomes for Indigenous early childhood development and wellbeing.
<b>Performance measure</b>	Development of a coordinated Commonwealth approach, with key stakeholders, to implement the refreshed Closing the Gap framework.
<b>Methodology</b>	Assessment of approach and implementation.
<b>Target</b>	Draft Commonwealth approach developed.
<b>Source</b>	Corporate Plan 2019–20, Page 12.
<b>Performance result</b>	<p><b>Partially achieved</b></p> <p>The strategy is in early stages of development. Due to COVID-19, the timeframes for the delivery have been adjusted. The strategy is now to be considered by Government in 2021.</p>
<b>Analysis</b>	<p>During his Closing the Gap speech in February 2020, the Prime Minister announced Minister Wyatt will lead development of a National Aboriginal and Torres Strait Islander Children's Strategy. The Strategy will form part of the Commonwealth's implementation plan for achieving outcomes across the Closing the Gap targets focused on early childhood, safety, care and development.</p> <p>In 2019–20 the NIAA held preliminary conversations with key experts and relevant Commonwealth departments on the Strategy.</p> <p>In 2019–20, the NIAA has entered into a partnership with the Secretariat of National Aboriginal and Islander Care (SNAICC), the peak representative organisation for Aboriginal and Torres Strait Islander children to support the development of the Strategy, consultation, and actions.</p> <p>SNAICC will engage the co-design process to develop the Strategy in 2020–21, to ensure it reflects the views and experiences of Aboriginal and Torres Strait Islander families, service providers and other experts.</p>

<b>Intended result</b>	Improve senior secondary outcomes and post school pathways through the Indigenous Youth Education Package (IYEP).
<b>Performance measure</b>	Increase in residential support, scholarship, academy and mentoring places for Aboriginal and Torres Strait Islander students.
<b>Methodology</b>	Assessment of IYEP places.
<b>Target</b>	2000 additional places.
<b>Source</b>	Corporate Plan 2019–20, Page 12.
<b>Performance result</b>	<b>Achieved</b> Through the IYEP over 2,620 additional residential support, scholarships, academy and mentoring places have been filled.
<b>Analysis</b>	The IYEP has invested in a suite of projects providing Aboriginal and Torres Strait Islander young people increased access to secondary education and additional support and mentoring throughout their studies. To date, 34 funding agreements have been executed (valued at \$198.43 million), with \$7.7 million to be allocated through a future grants processes.

<b>Intended result</b>	Support schools and communities to improve attendance in remote and very remote locations.
<b>Performance measure</b>	Delivery of the Remote School Attendance Strategy (RSAS).
<b>Methodology</b>	Annual performance assessment of RSAS providers.
<b>Target</b>	<ul style="list-style-type: none"> <li>• 100 per cent of providers deliver RSAS in line with agreed school and community attendance plans.</li> <li>• Increase in average annual attendance in RSAS locations.</li> </ul>
<b>Source</b>	Corporate Plan 2019–20, Page 12.
<b>Performance result</b>	<p><b>Achieved</b></p> <p>100 per cent of RSAS providers delivered in line with agreed community attendance plans.</p> <p><b>Not Achieved</b></p> <p>Average attendance rates in RSAS sites fell from 63.6% in 2018 to 61.2% in 2019. However, results vary across different sites and jurisdictions. Within this period, 24 (out of 84) RSAS sites experienced an increase in attendance rates between semester one 2018 and semester one 2019.</p>
<b>Analysis</b>	<p><b>Providers deliver RSAS in line with agreed school and community attendance plans</b></p> <p>In 2019, all providers delivered RSAS in line with their community attendance plans. Community attendance plans outline RSAS delivery activities and agreed actions to support improved school attendance.</p> <p>Finalisation of the 2020 community attendance plans has been impacted by delays engaging with community stakeholders as a result of COVID-19 restrictions.</p> <p><b>Average annual attendance in RSAS locations</b></p> <p>The reduction in average attendance in RSAS sites is consistent with a broader trend. Across Australia, there has been a downward trend in attendance rates in all remote and very remote schools. Average attendance at all Australian remote schools fell from 88.3 per cent to 85.8 per cent between 2014 and 2019. In the same period, average attendance at all Australian very remote schools fell from 75.4 per cent to 70.5 per cent. There are a number of factors that impact a child's ability to attend school, and these are often complex and interconnected. In the first half of 2020, COVID-19 exacerbated these challenges with school closures and pupil-free days.</p>

# Activity 7

## Enhancing Indigenous economic rights, including improving employment and pathways to jobs.

<b>Intended result</b>	An increase in the number and value of contracts awarded by the NIAA to Indigenous businesses to 2021 in line with Indigenous Procurement Policy (IPP) targets.
<b>Performance measure</b>	Proportion of Commonwealth Government contracts that are awarded under the IPP (volume and value of contracts).
<b>Methodology</b>	Assessment of IPP Reporting System data.
<b>Target</b>	<ul style="list-style-type: none"> <li>• 3 per cent by volume of in scope contracts awarded.</li> <li>• 1 per cent by value of in scope contracts awarded.</li> </ul>
<b>Source</b>	Corporate Plan 2019–20, Page 12.
<b>Performance result</b>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>• 17 per cent by volume of NIAA in scope contracts awarded.</li> <li>• 21 per cent by value of in scope NIAA contracts awarded.</li> </ul>
<b>Analysis</b>	<p>In 2019–20, NIAA published 46 contracts valued at \$7.1 million to 46 Indigenous businesses on AusTender.</p> <p>The NIAA contributes to the PM&amp;C Portfolio's IPP targets. NIAA procurement with Indigenous businesses accounted for 33 per cent of the total value of contracts awarded to Indigenous businesses by the Portfolio in 2019–20.</p> <p>The PM&amp;C Shared Services procurement team promote the use of Indigenous businesses in the NIAA through a range of various activities designed to increase awareness of the policy and connections with Indigenous businesses.</p> <p>The NIAA more generally supports the public and private sector connect with Indigenous businesses by funding the Supply Nation's Indigenous Business Directory, facilitating a series of Trade Fairs and the release of new IPP guidance documents. These efforts have contributed to all Portfolios exceeding their value and number IPP targets for 2019–20.</p>

# Activity 8

## Delivering the IAS in partnership with Indigenous communities.

<b>Intended result</b>	Improve results for Indigenous Australians by supporting the effective delivery elements of services and programs under the IAS.
<b>Performance measure</b>	Proportion of IAS activities that are assessed by NIAA Agreement Managers as having core service delivery elements which meet or exceeded requirements.
<b>Methodology</b>	Assessment of IAS program milestone data.
<b>Target</b>	90 per cent of IAS activities are assessed as having core service delivery which met or exceeded requirements.
<b>Source</b>	Corporate Plan 2019–20, Page 12.
<b>Performance result</b>	<p><b>Achieved</b></p> <p>93 per cent of relevant IAS activities were assessed as having core service delivery which met or exceeded requirements.<sup>[1]</sup></p> <p>[1] Data reported is for the July to December 2019 and January to June 2020 reporting periods. The result is for a total of 2291 IAS performance reports which had an assessment completed by a NIAA Agreement Manager, as at 31 August 2020.</p>
<b>Analysis</b>	<p>IAS activities seek to improve results for Indigenous Australians, including in relation to school attendance, employment and community safety, through delivering services and programs, and through measures that recognise the special place that Indigenous people hold in this nation.</p> <p>The mandatory core service provision performance measure is used to monitor how effectively an IAS service provider is performing against the key deliverables of their grant agreement. The measure is assessed by NIAA Agreement Managers, based on the provider’s performance report and other relevant information.</p> <p>Significant challenges were faced by IAS service providers in 2019–20, including dealing with the impacts of the COVID-19 pandemic and bushfires. The NIAA made significant efforts to support providers through these difficult circumstances, including through the Adjustment of Deliverables process (refer to the case study below). It is an encouraging result that the vast majority of IAS activities have continued to meet, or exceed, their core service delivery requirements.</p>

## Case Study

### Supporting funded organisations affected by COVID-19 pandemic through adjusting deliverables

The NIAA funds more than 1100 organisations through the Indigenous Advancement Strategy (IAS) and Aboriginals Benefit Account (ABA) to deliver over 2000 activities to improve the lives of Aboriginal and Torres Strait Islander peoples. The majority of these funds are to Indigenous organisations.

As the COVID-19 pandemic started impacting Australia, organisations funded by the NIAA were affected. Many Aboriginal and Torres Strait Islander peoples are employed by and/or rely on the services provided by these organisations. The NIAA was concerned to ensure funded organisations remained viable and retained staff through the pandemic, and were or are ready to resume full service delivery once safe to do so.

The NIAA worked closely with funded organisations; regional staff contacting each organisation individually to understand the impact of the pandemic on their operations, including their ability to deliver services and meet funding agreement deliverables. The NIAA put in place streamlined arrangements to support organisations affected by the pandemic to adjust their deliverables and deliver services in alternate and

innovative ways. While the majority of funded organisations indicated they were able to continue to meet their deliverables, as at 30 June 2020 the NIAA adjusted deliverables for 46 organisations.

This open and transparent approach to working with organisations further strengthened the NIAA's relationship with its funded organisations. It provided organisations with the certainty and confidence to maintain employment and deliver services, where possible, while ensuring the NIAA continued to meet its financial and grant management obligations.

This approach, coupled with broader government measures, has meant there have been no funded organisations that have permanently closed operations due to the impact of the pandemic. The vast majority of IAS-funded activities continue to be fully or partially delivered to benefit Indigenous Australians, and organisations are well placed to resume full service delivery once it is safe to do so. Maintaining service delivery throughout the pandemic to Indigenous Australians, who are some of those at highest risk of COVID-19 in the community, continues to be a priority for the NIAA.

# Activity 9

## Undertaking evaluations of National Indigenous Australians Agency programs in line with the IAS Evaluation Framework.

<b>Intended result</b>	Publish an Annual Evaluation Work Plan each September.
<b>Performance measure</b>	Published within expected timeframe.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	September 2019.
<b>Source</b>	Corporate Plan 2019–20, Page 13.
<b>Performance result</b>	<b>Achieved</b> Completed against expected timeframe.
<b>Analysis</b>	The 2019–20 Annual Evaluation Work Plan was endorsed by the Indigenous Evaluation Committee and approved by Executive Board for release. It was made available on the NIAA's website on 1 October 2019.  The 2019–20 Annual Evaluation Work Plan reported new evaluations/reviews and enabling activities, it noted those evaluations that were not progressed from the previous 2018–19 work plan and those that were published or awaiting publication.

<b>Intended result</b>	Develop performance measures for long-term outcomes of the IAS Evaluation Framework.
<b>Performance measure</b>	Finalisation of long-term performance measures within the agreed timeframe.
<b>Methodology</b>	Assessment against timeframe.
<b>Target</b>	June 2020.
<b>Source</b>	Corporate Plan 2019–20, Page 13.
<b>Performance result</b>	<b>Achieved</b> Completed against agreed timeframe.
<b>Analysis</b>	The methodology for measuring the longer-term outcomes of better evidence from the IAS Evaluation Framework has been agreed. Performance case studies will assess the extent that findings and recommendations (evaluation evidence) from IAS funded evaluations are used to inform policy and program design and delivery and improve outcomes for Indigenous Australians. The implementation of the methodology will be piloted in 2020–21.

<b>Intended result</b>	Release completed evaluation reports or summaries as committed to in the IAS Evaluation Framework.
<b>Performance measure</b>	Proportion of completed evaluations on the Work Plan released.
<b>Methodology</b>	Assessment of completed evaluations on the Work Plan released.
<b>Target</b>	100 per cent of completed evaluations on the Work Plan released.
<b>Source</b>	Corporate Plan 2019–20, Page 13.
<b>Performance result</b>	<p><b>Partially achieved</b></p> <p>83 per cent of evaluations completed in 2019–20 were released in agreed timeframes.</p>
<b>Analysis</b>	<p>To support transparency and use of evaluations in program and policy decision-making, the NIAA committed to publicly release all evaluations. To ensure evaluations are released in a timely manner, it is a requirement that completed evaluations are published within four months of receipt of the final report. Of the six evaluations that were completed in 2019–20, four were publicly released and one is on track to be published within agreed timeframes. The remaining evaluation is complete but publication has been delayed such that it wasn't released within agreed timeframes.</p>



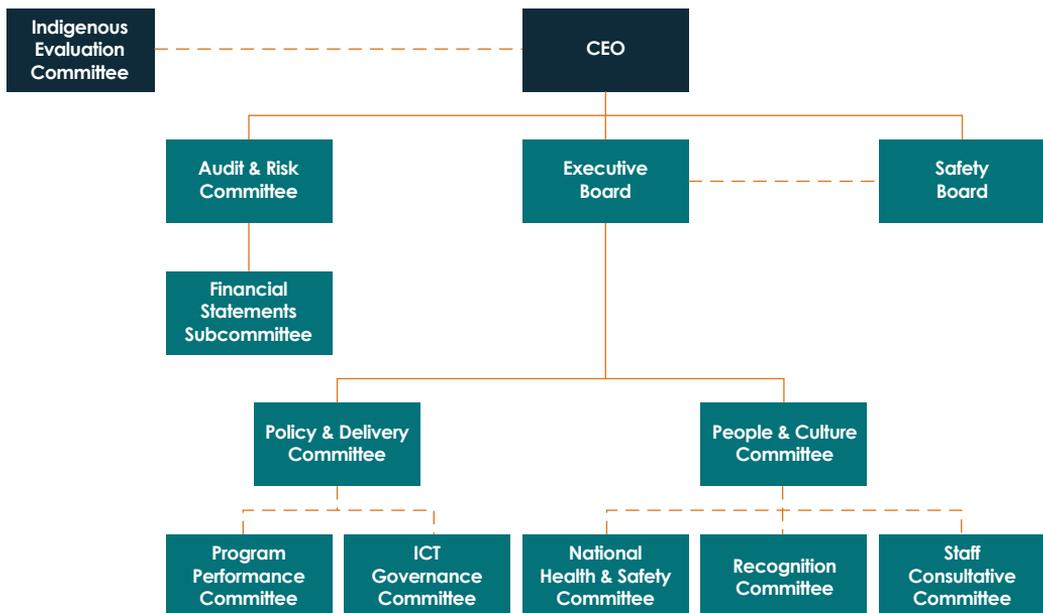
# SECTION FOUR

# MANAGEMENT AND ACCOUNTABILITY

## Corporate Governance

The NIAA has established its governance structure to support the CEO and Executive to oversee the priorities, functions, capability and culture of the NIAA, and to meet our legislative responsibilities. The governance committees have responsibility for policy, programs, strategic and business planning, fraud control, risk management, health and safety, people and culture, emergency and business continuity management, audit, financial management and evaluation.

### Governance Structure



## Executive Board

The Executive Board supports the NIAA CEO to achieve government priorities and meet obligations under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), *Public Service Act 1999* and other applicable legislation.

## Safety Board

The Safety Board provides strategic advice to assist the CEO in exercising his accountabilities under the *Work Health and Safety Act 2011* (WHS Act) to effectively manage safety issues across all aspects of the NIAA's activities.

## People and Culture Committee

The People and Culture Committee provides strategic oversight of the NIAA's people strategy, policy and practice to ensure effective human resource management, including playing a key role in embedding the NIAA Values and Behaviours as central tenets of the NIAA's culture.

## Policy and Delivery Committee

The Policy and Delivery Committee helps drive and operationalise the NIAA's strategic agenda through improved oversight of policy, implementation and delivery activities, ensuring they are aligned with government priorities.

## National Health and Safety Committee

The National Health and Safety Committee monitors and improves the health and safety of all NIAA workers and provides due diligence assurance to the CEO and other officers of the NIAA.

## ICT Governance Committee

The ICT Governance Committee provides strategic direction, identifies objectives and high-level policy in the context of the NIAA's ICT requirements to assist in the management of resources, performance, risk and systems of internal control.



## Recognition Committee

On behalf of the CEO, the Recognition Committee oversees all aspects of recognition within the NIAA to ensure a transparent and efficient recognition process and to preserve the integrity of the recognition framework within the NIAA.

## Program Performance Committee

The Program and Performance Committee enables senior management oversight of implementation and management of the Indigenous Advancement Strategy investment, by providing operational and strategic advice to the Policy and Delivery Committee.

## Staff Consultative Committee

The Staff Consultative Committee facilitates general staff consultation between management and employee representatives in relation to workplace matters that affect employees. The NIAA is covered by the model consultation term from the Fair Work Regulations 2009. The Staff Consultative Committee was established under the NIAA Determination.

## Indigenous Evaluation Committee

The Indigenous Evaluation Committee provides oversight of the implementation of the IAS Evaluation Framework. It supports transparency and ensures that the conduct of evaluations is independent and impartial through the appointment of external members. It assists with improving evaluation practices in the NIAA and strengthening the quality, credibility and influence of evaluations of policies and programs led by the NIAA through the provision of independent strategic and technical advice.

## Audit and Risk Committee

The NIAA Audit and Risk Committee (ARC) provides independent advice and assistance to the CEO and NIAA Executive.

The ARC Charter sets out the committee's role, authority, responsibilities, composition and tenure, reporting, and administrative arrangements. The Charter can be found on the NIAA website at [www.niaa.gov.au](http://www.niaa.gov.au). Details of the ARC membership are at **table 4.1**.

## Financial Statements Subcommittee

The Financial Statements Subcommittee is an advisory committee to the ARC with a focus on the planning, management and finalisation of the annual Financial Statements in order for the ARC to provide the CEO with independent advice on the appropriateness of preparation and review of financial statements.



**Table 4.1: NIAA ARC Membership for the Period 1 July 2019 to 30 June 2020**

Committee member name and title	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings held	Member remuneration (inc. GST)
<p><b>Carol Lilley</b></p> <p>Chair since September 2019</p>	<p>Carol Lilley is an independent member and the chair of the NIAA Audit and Risk Committee since its inception.</p> <p>Ms Lilley's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> <li>• Ms Lilley is currently serving on a range of Commonwealth Government audit committees including Department of Home Affairs, Services Australia, Australian Federal Police and Austrade.</li> <li>• She is the deputy chair of Icon Water and has had other director roles in the Commonwealth government and private sector.</li> <li>• She is also the Chair of two Australian Capital Territory Government Directorate Audit Committees (Chief Minister, Treasury and Economic Development; and Transport Canberra and City Services).</li> <li>• She is a former partner of PricewaterhouseCoopers (2004–2011). She is now an independent director and audit committee member. Her background is in financial statements, internal audit and risk management.</li> <li>• Ms Lilley has a Bachelor of Commerce from University of Western Australia and is a Graduate of the Australian Institute of Company Directors, Fellow of Chartered Accountants Australia New Zealand and a certified internal auditor.</li> </ul>	5/5	\$18,896.90

SECTION FOUR  
MANAGEMENT AND ACCOUNTABILITY

Committee member name and title	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings held	Member remuneration (inc. GST)
<p><b>Paul Smith</b></p> <p>Independent Member since December 2019</p>	<p>Paul Smith is an independent management consultant and an independent member of the NIAA's Audit and Risk Committee.</p> <p>Mr Smith is proud of his Wiradjuri heritage, with his family originating from the Wagga Wagga area of southern NSW.</p> <p>Mr Smith's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> <li>• Mr Smith has operated in executive committee roles across all facets of consulting organisations, including strategy, operations, and compliance.</li> <li>• He has over 35 years' experience in financial management and ICT consulting to public sector, commercial, and not-for-profit organisations.</li> <li>• He has been a partner in professional consulting firms for 21 years. He was Founding Partner of Callida Consulting.</li> <li>• He is a Fellow of CPA Australia; a Senior Certified Professional of the Australian Computer Society and a Graduate Member of the Australian Institute of Company Directors.</li> <li>• Mr Smith's qualifications include a Bachelor of Commerce from the Australian National University (ANU).</li> </ul>	<p>3/3</p>	<p>\$7,500</p>

Committee member name and title	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings held	Member remuneration (inc. GST)
<p><b>Maria Storti</b></p> <ul style="list-style-type: none"> <li>• Independent Member</li> <li>• Acting Chair for August 2019 meeting</li> <li>• Chair Financial Statements Subcommittee</li> </ul>	<p>Maria Storti is an independent member of the NIAA's Audit and Risk Committee and Chair of the NIAA's Financial Statements Subcommittee (FSSC). Ms Storti's experience and qualifications are as follows:</p> <ul style="list-style-type: none"> <li>• Ms Storti specialises in financial management, governance and risk management.</li> <li>• She has served in senior executive roles and consultancies for over three decades.</li> <li>• Her experience includes EY performance improvement partner, Deputy CEO at Defence Housing Australia and Vice-President Governance &amp; Development at the University of Canberra.</li> <li>• She is a fellow of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors</li> <li>• Ms Storti's qualifications include a Master of Business Administration</li> </ul> <p>Note: Ms Storti's remuneration includes her work on the ARC and the FSSC.</p>	5/5	\$18,750

Committee member name and title	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings held	Member remuneration (inc. GST)
<b>Letitia Hope</b> Management Member	<p>Letitia Hope is the Deputy Chief Executive Officer, Operations and Delivery. She has served as internal member of the NIAA Audit and Risk Committee since its inception in July 2019 and was previously a member of the PM&amp;C Audit Committee.</p> <p>Mrs Hope is a proud Aboriginal woman from Bundjalung country (northern coast NSW) and South Pacific Islander woman with kin ties to Murray Island.</p> <p>Mrs Hope's qualifications and experience include:</p> <ul style="list-style-type: none"> <li>• Over 25 years working across Commonwealth and state government in both mainstream and specialised social policy development, human service delivery, and more recently the health environment, including Senior Executive roles such as Deputy CEO/COO, Australian Institute of Aboriginal and Torres Strait Islander Studies; and Assistant Secretary, Health and Community Service Programmes Department of Veterans Affairs.</li> <li>• Undertook policy development, program implementation and service delivery transformation and has been formally recognised across jurisdictions for her work.</li> <li>• Executive Masters of Public Administration through the Australian National University and a Graduate Certificate in Management (Public Sector) through the Royal Melbourne Institute of Technology.</li> </ul>	5/5	N/A

Committee member name and title	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings held	Member remuneration (inc. GST)
<p><b>Blair Exell</b></p> <p>Management Member since May 2020</p>	<p>Blair Exell is the Deputy Chief Executive Officer, Policy and Programs.</p> <p>Mr Exell's qualifications and experience include:</p> <ul style="list-style-type: none"> <li>• Over 25 years working on international development in policy, program and emergency/humanitarian roles.</li> <li>• Worked in not for profit organisations, as well as government roles in AusAID, DFAT and the NIAA.</li> <li>• Australia's Senior Aid representative in Cambodia, Solomon Islands and Indonesia.</li> <li>• Is the former Ambassador for Regional Health Security and has served as co-chair of the Interdepartmental Task Force for the 2014 West Africa Ebola Response.</li> <li>• Graduated in Economics from the Australian National University.</li> </ul>	<p>1/2</p>	<p>N/A</p>

Committee member name and title	Qualifications, knowledge, skills or experience	Number of meetings attended/total number of meetings held	Member remuneration (inc. GST)
<p><b>Ian Anderson</b> Management Member November 2019 to April 2020</p>	<p>Professor Ian Anderson was the Deputy Chief Executive Officer, Policy and Programs before departing the NIAA in March 2020. He has spent most of his professional life working in Indigenous health and education, and graduated as a doctor in 1989. He was awarded his PhD in 2006. Ian’s professional background includes:</p> <ul style="list-style-type: none"> <li>• Deputy Secretary of Indigenous Affairs in the Department of the Prime Minister and Cabinet from 2017 to 2019.</li> <li>• Over two decades association with the Victorian Aboriginal Health Service as an Aboriginal health worker, doctor, Chief Executive Officer and board member, and a period as Medical Adviser to the Office for Aboriginal and Torres Strait Islander Health in the Commonwealth Department of Health and Aged Care.</li> <li>• Professor Anderson has chaired Ministerial Councils such as the National Aboriginal and Torres Strait Islander Health Equality Council and the Aboriginal and Torres Strait Islander Higher Education Council.</li> <li>• Prior to joining the public service, Professor Anderson held successive leadership roles at the University of Melbourne including the Foundation Chair, Indigenous Higher Education and as Pro Vice-Chancellor (Engagement).</li> <li>• He was previously the Foundation Chair of Indigenous Health, Melbourne.</li> <li>• Professor Anderson became an Officer of the Order of Australia (AO) in 2017 and was appointed a Fellow of the Academy of Social Sciences and Academy of Health and Medical Sciences, both in 2018.</li> </ul>	0/2	N/A

## Fraud and Risk Management

The NIAA has zero tolerance for dishonest, fraudulent or corrupt behaviour. The NIAA is committed to deterring and preventing such behaviour in the performance of its business operations, as fraud and corrupt practices may threaten the NIAA's ability to achieve its objectives and accordingly, undermine its reputation. The NIAA's Fraud Control Plan 2020–2022 outlines the obligations, systems, policies, and strategies the NIAA has in place to prevent, detect and respond to fraud. The plan sets out how the NIAA meets its obligation under Section 10 of the *Public Governance, Performance and Accountability Rule 2014* (Cth) (Fraud Rule).

Fraud prevention is the responsibility of all NIAA staff. All new NIAA staff and contractors must complete the mandatory fraud awareness training as part of the employee induction program with follow up training every two years.

In the NIAA, the Fraud Control and Investigation Section within the Corporate Group is responsible for conducting investigations of suspected internal and external fraud. All investigation activities adhere to the requirements of the Australian Government Investigation Standards.

The NIAA conducts internal and external fraud risk assessments on all new programs. These assessments are reviewed either annually or biannually depending on the risk rating. Fraud risk assessments are also undertaken when a major new activity, policy or program is being developed or when a significant change occurs in the NIAA.

Internal and external guidelines for reporting fraud to the NIAA have been published on NIAA's intranet and internet sites. Fraud can be reported to the NIAA through the following avenues:

- By phone to the Fraud and Advice Hotline: (02) 6152 3020
- By email to the Fraud Helpdesk: [fraud@niaa.gov.au](mailto:fraud@niaa.gov.au)
- By mail to:  
Director, Fraud Control and Investigations  
PO Box 2191  
Canberra ACT 2600

# Our People

In establishing the NIAA, we committed to working as 'one team'. Achieving our vision of being a reliable and trusted partner contributing to improving the lives of Indigenous Australians requires us to be a united team with an organisational culture that draws on the right capability, and our passion and pride to make a difference.

To support this, the NIAA launched two major initiatives during 2019–20: the NIAA Values and Behaviours and the Footprints Continuous Professional Development Program.

These programs will be supported by the implementation of the NIAA Leadership Continuum and a refreshed performance management framework in 2020–21, continuing our focus on supporting our people to contribute to a high-performing organisation.

## Values and Behaviours

While upholding the APS Values has been at the core of the NIAA since its establishment in 2019, we have also been embedding the NIAA Values and Behaviours into our culture.

Our Values and Behaviours are a shared endeavour, developed with significant input from staff at all levels and across all groups in the NIAA. The Values and Behaviours underpin all aspects of how we work with each other, our partners and stakeholders and we aim to live them within the workplace every day.

Our NIAA shared values are:

- We respect multiple perspectives
- We are professional and act with integrity
- We invest in each other's success
- We are authentic
- We deliver with purpose.



Accountability is a driving force within the NIAA. We hold ourselves to account in living the Values and Behaviours, by regularly assessing how we are progressing in embedding them in our engagement with others. A toolkit was developed to support staff embed practices that reflect our Values and Behaviours. This toolkit contains modules of activities for all staff to undertake. To further support this, a Values Hub is available online for staff which promotes the exchange of ideas and experiences in building our Values and Behaviours capability.

## Footprints

The NIAA is committed to continuous learning and development to ensure our staff grow their knowledge, skills and empathy of all staff, including Aboriginal and Torres Strait Islander peoples, as a key aspect of working in the NIAA.

The Footprints cross-cultural learning program articulates a minimum professional standard of learning practice for all staff to ensure excellence and safety when engaging with staff and stakeholders, strengthening NIAA's position as an exemplar in Indigenous affairs.

Footprints enables all staff to maintain and increase their cross-cultural knowledge and skills. Staff are encouraged to participate in learning activities that will strengthen their ability to embed respectful learning about the diverse cultural backgrounds of all NIAA staff and increase their knowledge and understanding of Aboriginal and Torres Strait Islander peoples, culture and histories.

Staff are supported to participate in learning activities to achieve a minimum level of learning in a 12 month cycle. This reinforces a commitment to a strong learning culture, which challenges staff to strengthen their knowledge and ability to embed culturally safe practices. It also supports cross-cultural proficiency that strengthens our staff's efforts to improve the lives of Aboriginal and Torres Strait Islander peoples.

SECTION FOUR  
MANAGEMENT AND ACCOUNTABILITY

Since its inception, Footprints' flexible approach to learning has proven successful with more than 3000 instances of completed activities across more than 100 diverse learning activities. Staff choose their own activities and learning styles to address their individual learning needs, business priorities, and areas of interest that meet the program's learning outcomes.



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Staff speaking with Minister Wyatt in the NAIDOC Reading Room at Charles Perkins House. (L-R) Samantha Reed, Jessica Norman, Lachlan McDevitt, Kyle Scarcella.

## Managing our Human Resources

At 30 June 2020, NIAA had 1276 employees, including 87 non-ongoing employees.

NIAA has a diverse workforce. Just over two-thirds of our workforce are women (68.4 per cent) and 23 per cent identify as Aboriginal and/or Torres Strait Islander employees.

NIAA has staff working across Australia, with 41 per cent of staff located outside Canberra in other capital cities and regional and remote areas. Further information is provided in the following tables.

The NIAA was established on 1 July 2019, therefore 2018–19 statistics are included in the PM&C Annual Report 2019–20.

**Table 4.2: All Ongoing and Non-Ongoing Employees Current Report Period (2019–20)**

	Total Ongoing	Total Non-Ongoing
NSW	70	8
QLD	85	7
SA	45	3
TAS	4	1
VIC	24	1
WA	77	5
ACT	715	41
NT	169	21
External Territories	-	-
Overseas	-	-
<b>Total</b>	<b>1189</b>	<b>87</b>

**Table 4.3: All Ongoing and Non-Ongoing Employees by Gender and Full-time and Part-time Status Current Report Period (2019–20)**

	Male			Female			Indeterminate			Total
	Full-Time	Part-Time	Total Male	Full-Time	Part-Time	Total Female	Full-Time	Part-Time	Total Indeterminate	
Ongoing	357	17	374	656	158	814	1	-	1	<b>1189</b>
Non-Ongoing	33	3	36	42	8	50	-	1	1	<b>87</b>

**Table 4.4: Australian Public Service Act Ongoing Employees Current Report Period (2019–20)**

	Male			Female			Indeterminate			Total
	Full-Time	Part-Time	Total Male	Full-Time	Part-Time	Total Female	Full-Time	Part-Time	Total Indeterminate	
SES1-3	30	-	30	23	1	24	-	-	-	54
EL1-2	182	13	195	291	70	361	-	-	-	556
APS1-6	145	4	149	342	87	429	1	-	1	579
<b>Total</b>	<b>357</b>	<b>17</b>	<b>374</b>	<b>656</b>	<b>158</b>	<b>814</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1189</b>

**Table 4.5: Australian Public Service Act Non-Ongoing Employees Current Report Period (2019–20)**

	Male			Female			Indeterminate			Total
	Full-Time	Part-Time	Total Male	Full-Time	Part-Time	Total Female	Full-Time	Part-Time	Total Indeterminate	
SES1-3	-	-	-	-	-	-	-	-	-	0
EL1-2	12	2	14	8	5	13	-	-	-	27
APS1-6	21	1	22	34	3	37	-	1	-	60
<b>Total</b>	<b>33</b>	<b>3</b>	<b>36</b>	<b>42</b>	<b>8</b>	<b>50</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>87</b>

**Table 4.6: Australian Public Service Act Employees by Full-time and Part-time Status Current Report Period (2019–20)**

	Ongoing			Non-Ongoing			Total
	Full-Time	Part-Time	Total Ongoing	Full-Time	Part-Time	Total Non-Ongoing	
SES3	3	-	3	-	-	-	3
SES2	9	-	9	-	-	-	9
SES1	41	1	42	-	-	-	42
EL2	137	15	152	8	1	9	161
EL1	336	68	404	12	6	18	422
APS6	265	54	319	15	2	17	336
APS5	126	24	150	12	3	15	165
APS4	81	12	93	26	-	26	119
APS3	9	1	10	-	-	-	10
APS2	2	-	2	-	-	-	2
APS1	5	-	5	2	-	2	7
Other	-	-	-	-	-	-	-
<b>Total</b>	<b>1014</b>	<b>175</b>	<b>1189</b>	<b>75</b>	<b>12</b>	<b>87</b>	<b>1276</b>

**Table 4.7: Australian Public Service Act Indigenous Employment Current Report Period (2019–20)**

	Total
Ongoing	276
Non-Ongoing	16
<b>Total</b>	<b>292</b>

**Table 4.8: Australian Public Service Act Indigenous Employment by Classification Current Report Period (2019–20)**

	Total
SES3	1
SES2	5
SES1	10
EL2	19
EL1	62
APS6	69
APS5	67
APS4	53
APS3	6
APS2	-
APS1	-
Other	-
<b>Total</b>	<b>292</b>

**Table 4.9: Australian Public Service Act Employment arrangements Current Report Period (2019–20)**

	SES	Non-SES	Total
Enterprise Agreement	-	-	-
Section 24(1) determination	54	1222	1276
Individual flexibility arrangement	-	-	-
<b>Total</b>	<b>54</b>	<b>1222</b>	<b>1276</b>

Note: the CEO issued a Determination under section 24(1) of the *Public Service Act 1999* to provide entitlements to all non-SES employees. The Determination substantially reflected the terms and conditions set out in the *Department of the Prime Minister and Cabinet Enterprise Agreement 2017–2020*. In April 2020, a majority of NIAA staff voted to defer bargaining for 12 months. The NIAA intends to negotiate its first enterprise agreement to cover non-SES employees in 2021.

**Table 4.10: Australian Public Service Act Employment Salary Ranges by Classification Level (Minimum/Maximum) Current Report Period (2019–20)**

	Minimum Salary	Maximum Salary
SES 3	\$355,253	\$401,438
SES 2	\$266,347	\$295,355
SES 1	\$201,622	\$234,901
EL 2	\$125,115	\$148,907
EL 1	\$107,494	\$122,513
APS 6	\$83,647	\$94,000
APS 5	\$75,626	\$80,851
APS 4	\$68,495	\$73,253
APS 3	\$62,967	\$65,586
APS 2	\$56,384	\$60,084
APS 1	\$48,006	\$52,490
Other	-	-
<b>Minimum/Maximum range</b>	<b>\$48,006</b>	<b>\$401,438</b>

## Executive Remuneration

During the reporting period ended 30 June 2020, the NIAA had nine executives who meet the definition of key management personnel (KMP). Their names and the length of term as KMP are summarised below in Table 4.11.

**Table 4.11: Key Management Personnel**

Name	Position	Term as KMP
Ray Griggs	Chief Executive Officer	July 2019 to present
Ian Anderson	Deputy CEO	July 2019 to March 2020
Blair Exell	Deputy CEO	December 2019 to present
Leticia Hope	Deputy CEO	December 2019 to present
Rachael Jackson	Chief Operating Officer	September 2019 to present
Deborah Lewis	Chief Operating Officer	July 2019 to August 2019
Vance Khan <sup>#</sup>	Group Manager / SESB2	January 2020 to present
Kevin Brahim <sup>*</sup>	Group Manager / SESB2	December 2019 to present
Jamie Fox <sup>*</sup>	Group Manager / SESB2	February 2020 to present

<sup>#</sup> Commenced in January 2020 with the NIAA. Role is a member of the Executive Board.

<sup>\*</sup> Bi-annual rotating position of the Executive Board.

In the note 6.2 of the financial statements for the period ending 30 June 2020, the NIAA disclosed the following KMP expenses:

**Table 4.12: Key Management Personnel Expenses**

	30 June 2020 \$
Short-term benefits	
Base Salary	1,851,000
Bonuses	-
Other benefits and allowances	240,235
<b>Total Short-term benefits</b>	<b>2,091,235</b>
Superannuation contribution	234,549
<b>Total Post-employment benefits</b>	<b>234,549</b>
Long service leave	128,356
<b>Total Other long-term benefits</b>	<b>128,356</b>
Termination benefits	-
<b>Total Remuneration</b>	<b>2,454,140</b>

**Table 4.13: Key Management Personnel Remuneration for the Reporting Period:**

Name	Short-term benefits			Other benefits & allowances		Post-employment benefits		Other long-term benefits		Termination benefits	Total remuneration
	Base salary	Bonuses		benefits & allowances	Superannuation contribution	Long service leave	Other long-term benefits				
Ray Griggs	526,989	0	59,897	21,003	20,282	0	0	0	628,171		
Ian Anderson	276,217	0	28,855	42,234	6,912	0	0	0	354,217		
Blair Exell	193,545	0	33,684	30,307	4,599	0	0	0	262,135		
Leticia Hope	206,772	0	43,973	28,631	34,830	0	0	0	314,205		
Kevin Brahim	151,098	0	20,129	26,293	20,273	0	0	0	217,792		
Vance Khan	115,389	0	12,370	18,931	1,604	0	0	0	148,294		
Jamie Fox	127,227	0	12,819	22,540	4,244	0	0	0	166,830		
Rachael Jackson	204,220	0	23,586	36,686	34,848	0	0	0	299,341		
Deborah Lewis	49,543	0	4,922	7,925	765	0	0	0	63,155		
<b>Total</b>	<b>1,851,000</b>	<b>0</b>	<b>240,235</b>	<b>234,549</b>	<b>128,356</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,454,140</b>		

Note: The above remuneration disclosures are determined in relation to the period of the KMP position held during the 2019–20 financial year.

**Table 4.14: Senior Executive Remuneration for the Reporting Period (\$)**

Band	Number of senior executives	Short-term benefits			Post-employment benefits			Other long-term benefits			Termination benefits	Total remuneration
		Average base salary	Average annual leave	Average other benefits & allowances	Average bonuses	Average other superannuation contribution	Average long service leave	Average other long-term term benefits	Average termination benefits	Average total remuneration		
\$0 – \$220,000	33	77,839	13,393	0	468	9,974	2,676	0	0	0	104,351	
\$220,000 – \$245,000	4	175,032	19,546	0	0	29,141	6,689	0	0	0	230,408	
\$245,000 – \$270,000	8	200,147	24,645	0	327	33,834	6,827	0	0	0	265,779	
\$270,000 – \$295,000	12	211,360	21,236	0	563	36,075	12,415	0	0	0	281,649	
\$295,000 – \$320,000	9	222,394	24,679	0	278	37,540	25,066	0	0	0	309,957	
\$320,000 – \$345,000	6	256,269	25,215	0	2,771	39,560	7,566	0	0	0	331,381	
\$345,000 – \$370,000	2	256,965	48,361	0	0	43,610	3,557	0	0	0	352,492	
\$370,000 – \$395,000	1	290,237	32,611	0	0	53,101	14,456	0	0	0	390,405	
<b>Total</b>	<b>75</b>	<b>156,662</b>	<b>19,665</b>	<b>0</b>	<b>586</b>	<b>24,864</b>	<b>8,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>209,927</b>	

Note: The total number of SES included in the above table represents those SES who worked for the full-year and part-year due to leaving the Agency and any acting arrangements where the length of acting was longer than two months. As such the total numbers will be higher than the permanent workforce at these levels.

## Work Health and Safety

The NIAA maintains and implements an effective work health and safety (WHS) system and plans that promote continuous WHS improvements and support a positive safety culture. Key work health and safety initiatives during 2019–20 include:

- The NIAA Safety Board met four times. The Safety Board provides strategic advice to assist the CEO in exercising his accountabilities under the *Work Health and Safety Act 2011* (WHS Act) to effectively manage safety issues across all aspects of the NIAA's activities.
- The National Health and Safety Committee was formed and meets quarterly to discuss WHS matters with both worker and management representatives.
- The NIAA applied the new Occupational Health and Safety Standard ISO 45001 to the NIAA WHS Management System. This standard intends to improve the safety standards of the workplace by placing a greater focus on identifying and controlling safety risks.
- The annual Rehabilitation Management System audit was conducted in August 2019. The audit demonstrated an effective system with a small number of areas for improvement recommended. A corrective plan was developed and implemented.
- Workers' compensation claim statistics improved in 2019–20. The decreasing number of claims lodged and accepted is as a result of injury prevention strategies and staff utilising the early intervention assistance program, which provides reimbursement to staff who have sustained a minor work-related injury or illness.
- An internal taskforce was stood-up to provide a coordinated response to the COVID-19 pandemic and associated restrictions and working from home arrangements impacting staff. This was achieved while keeping mental health and wellbeing front and centre. Twice weekly briefings with the Health and Safety Representative (HSR) cohort were also conducted.
- The annual flu vaccination program was conducted in conjunction with other COVID-19 specific wellbeing initiatives, such as working safely from home fact sheets and seminars.
- The NIAA ensured the safety and wellbeing of staff following the deterioration of air quality caused by the bushfire crisis in early 2020. An air quality protocol was developed based on our experiences and learnings throughout this period.

- The inaugural HSR forum was held over a two day period in October 2019 to support the development of HSR knowledge and effectiveness in their roles.
- Injury prevention and safety awareness campaigns were conducted during 'National Safe Work Month' in October 2019.

## Notifiable incidents and investigations

Three incidents were mandatorily notified to Comcare in 2019–20. There were no investigations conducted or notices given under Part 10 of the *Work Health and Safety Act 2011*.

Date	Type	Details	Status
9 September 2019	Fall or release from a height of any plant, substance or thing.	Metal block from door release mechanism dislodged and fell. Block did not hit or injure any worker.	Closed. Nil action by Comcare.
10 September 2019	Fall or release from a height of any plant, substance or thing.	Ceiling tile in meeting room fell. No workers present at the time.	Closed. Nil action by Comcare
8 December 2019	Serious injury or illness.	Worker had slip/trip/fall incident during work-related travel.	Closed. Nil action by Comcare.

## Disability Reporting Mechanism

The *National Disability Strategy 2010–2020* is Australia's overarching framework for disability reform. It acts to ensure the principles underpinning the United Nations *Convention on the Rights of Persons with Disabilities* are incorporated into Australia's policies and programs that affect people with disability, their families and carers.

All levels of government will continue to be held accountable for the implementation of the strategy through biennial progress reporting to the Council of Australian Governments. Progress reports can be found at [dss.gov.au](https://dss.gov.au).

Disability reporting is included in the Australian Public Service Commission's State of the Service reports and the *APS Statistical Bulletin*. These reports are available at [www.apsc.gov.au](https://www.apsc.gov.au).

## External Scrutiny

### Judicial and Administrative Decisions

The NIAA has not been the subject of significant judicial decisions, decisions of administrative tribunals, the Australian Information Commissioner, or Australian Privacy Commissioner during 2019–20.

### Reports by the Auditor-General

The NIAA participated in two Australian National Audit Office cross entities performance audits tabled in 2019–20:

- Aboriginal and Torres Strait Islander Participation Targets in Major Procurements (tabled on 20 February 2020).
- Aboriginal and Torres Strait Islander Participation Targets in Intergovernmental Agreements (tabled on 23 April 2020).

The NIAA is currently involved in the Indigenous Advancement Strategy: Children and Schooling Program and Indigenous Advancement Strategy: Safety and Wellbeing Program audits. These are due to be tabled in the second half of 2020.

### Parliamentary Committees

There have been no reports on the operations of the NIAA during 2019–20 by a Committee of either House, or of both Houses of the Parliament.

### Reports by the Commonwealth Ombudsman

The Commonwealth Ombudsman did not release any reports during 2019–20 that involved the NIAA or that had, or might have, a significant impact on the NIAA's operations.

## Complaints Management

The NIAA manages complaints impartially and transparently through our complaints and feedback system. Complaints and feedback are usually received through the online portal on the NIAA website, the complaints email address ([complaints@niaa.gov.au](mailto:complaints@niaa.gov.au)) and the complaints hotline (02 6152 3050).

During 2019–20, 80 complaints were received by the NIAA.

## Financial Performance

The NIAA is responsible for leading and coordinating the Commonwealth's policy development, program design and implementation, and service delivery for Aboriginal and Torres Strait Islander peoples. The NIAA does this through delivering administered programs and Special Accounts – including the Aboriginals Benefit Account (ABA) and other Special Appropriations on behalf of the Government. Total expenditure in 2019–20 was \$1.9 billion.

### Departmental Operating Result

Establishing the Agency has required a strong focus on effective structures and targeted efforts to establish overall financial management in its first year of operations. The NIAA reported an operating deficit of \$17.9 million during 2019–20. After adjusting for unfunded depreciation, amortisation expenses, principal repayments of lease liabilities and non-cash write-downs and impairments, the NIAA recorded an operating surplus of \$0.293 million.

### Income

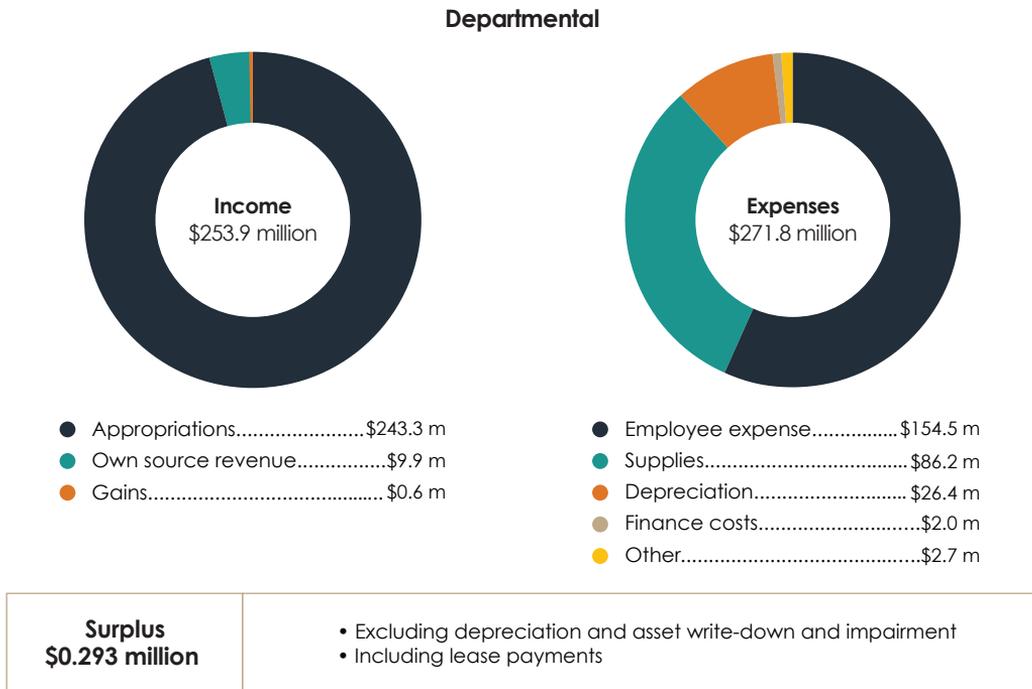
A total of \$9.9 million of own source revenue was recorded for 2019–20. Own source revenue comprises predominately of cost recoveries and rental income from sub leased premises. Gains are the result of updated make-good provisions.

## Expenses

Departmental expenses are comprised predominately of employee expenses to support the achievement of our Outcome statement and in the delivery of the Indigenous Advancement Strategy. Other factors influencing expenses include:

- the implementation of AASB16 Leases has changed the composition for departmental expenses by increasing finance costs and depreciation expense where previously lease costs would have formed part of supplier expense;
- an extensive review of the Agency's asset register and associated records, including an asset revaluation exercise, has resulted in an asset write-down and impairment loss of \$2.6 million included as part of the operating result. A further \$1.455 million has been included in the comprehensive income total arising from a downward asset revaluation movement for buildings; and
- the provision for remediation activities in Government Engagement Centres located in the top end of the Northern Territory of \$4.1 million, included in supplier expenses.

**Graph 4.1: NIAA Departmental Income and Expenses 2019–20**

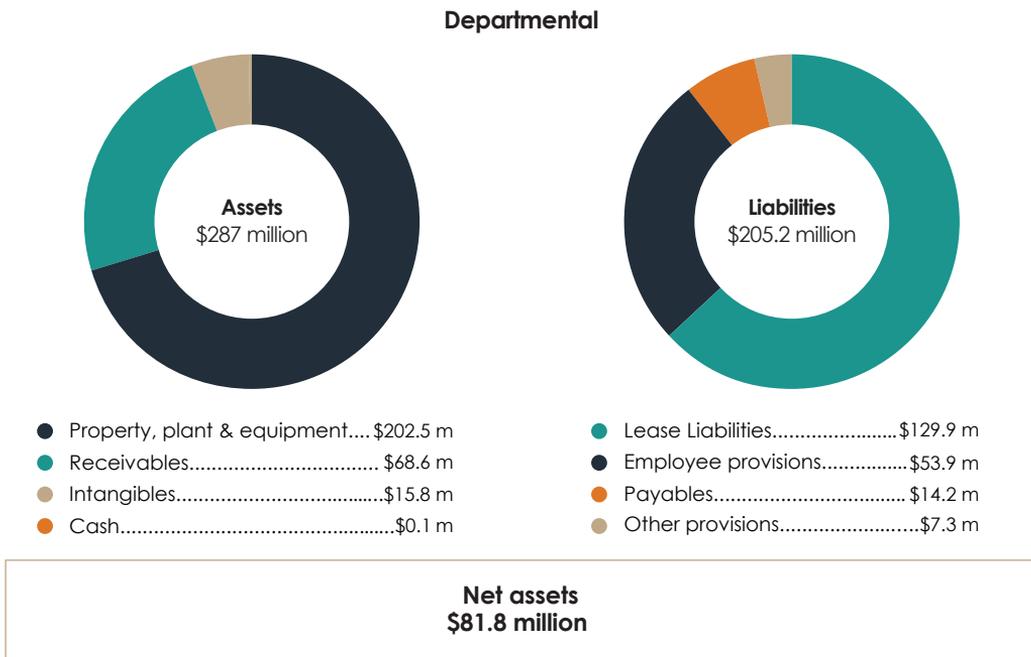


**Assets and Liabilities**

The Agency reported a net asset position of \$81.8 million, reflecting the net of departmental assets of \$286.9 million and liabilities of \$205.2 million. The non-financial asset balances increased significantly, driven by the implementation of AASB 16 Leases. This was attributed to the recording of over 200 leases held by the NIAA across property and motor vehicles as right-of-use assets.

A lease liability resulting from the recognition of right-of-use assets has also increased the Agency's liabilities.

**Graph 4.2: NIAA Departmental Assets and Liabilities 2019–20**



**Administered Program Performance**

In 2019–20, the NIAA administered the Indigenous Advancement Strategy (IAS) with budgeted expenditure of \$1.27 billion, special appropriations (budgeted \$72.7 million) special accounts (budgeted \$286 million) and other services funded under Appropriation Act No.2 (\$4.8 million). Administered grant expenditure is recorded across six programs.

Actual administered expenses totalled \$1,655.9 million for 2019–20, in aggregate across all funding sources. The table below outlines actual expenditure comparative to budget.

It is noted that as a new agency, there was an administrative timing difference in the transfer of special accounts. Consequently, the reported budget noted below is understated, which explains the basis for the actual expenditure exceeding the budgeted.

**Table 4.15: Total Expenditure by Program**

Program	IAS <sup>1</sup> \$M	Special Appropriation \$M	Special Accounts <sup>2</sup> \$M	Other <sup>3</sup> \$M	Total Administered Expenditure \$M	Total Departmental Expenditure \$M	Total Expenditure \$M
1.1 Jobs, Land and the Economy	652.6	1.0	287.5	9.9	951.0	-	951.0
1.2 Children and Schooling	249.0	70.4	0.1	4.7	324.2	-	324.2
1.3 Safety and Wellbeing	260.3	-	-	-	260.3	-	260.3
1.4 Culture and Capability	48.4	-	-	-	48.4	-	48.4
1.5 Remote Australia Strategies	52.7	-	14.7	-1.4	66.0	-	66.0
1.6 Evaluation and Research	6.0	-	-	-	6.0	-	6.0
1.7 Departmental Support	-	-	-	-	-	271.8	271.8
<b>Total Actuals</b>	<b>1,269.0</b>	<b>71.4</b>	<b>302.3</b>	<b>13.2</b>	<b>1,655.9</b>	<b>271.8</b>	<b>1,927.7</b>

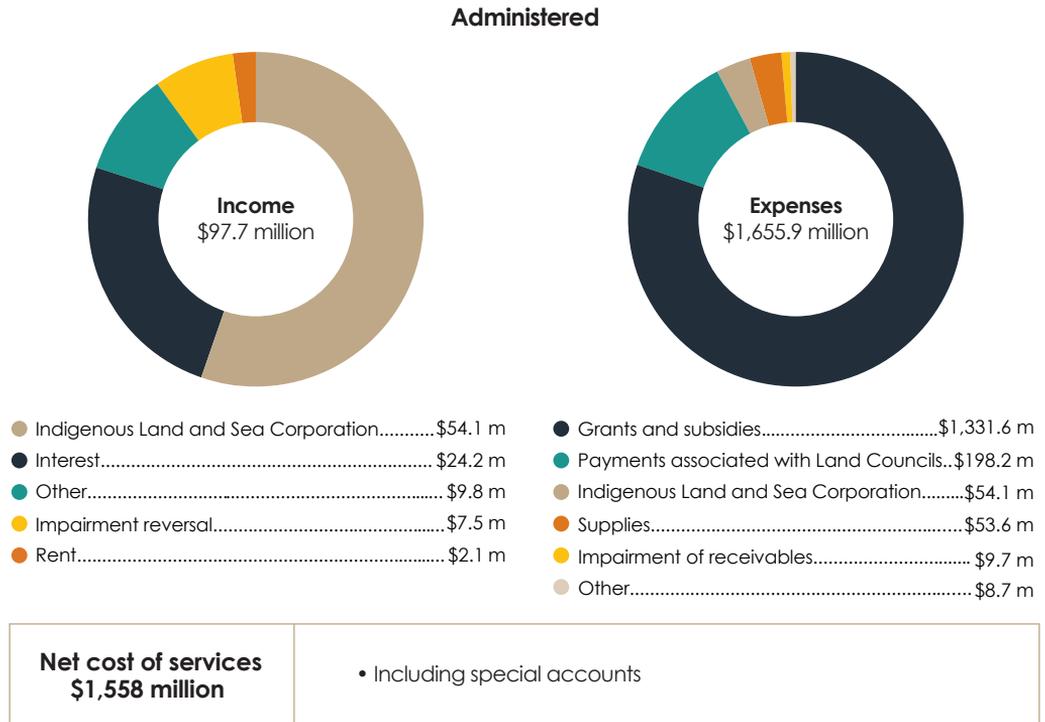
1 Actual IAS expenditure includes Ordinary Annual Services funded by Appropriation Act No. 1.

2 Special Accounts comprise, Aboriginals Benefit Account; Indigenous Land and Sea Corporation Funding Special Account; Aboriginal and Torres Strait Islander Unclaimed Money Special Account; Services for Other Entities and Trust Monies Special Account; Indigenous Remote Service Delivery Special Account.

3 Other is primarily comprised of expenditure not requiring appropriation in the Budget year.

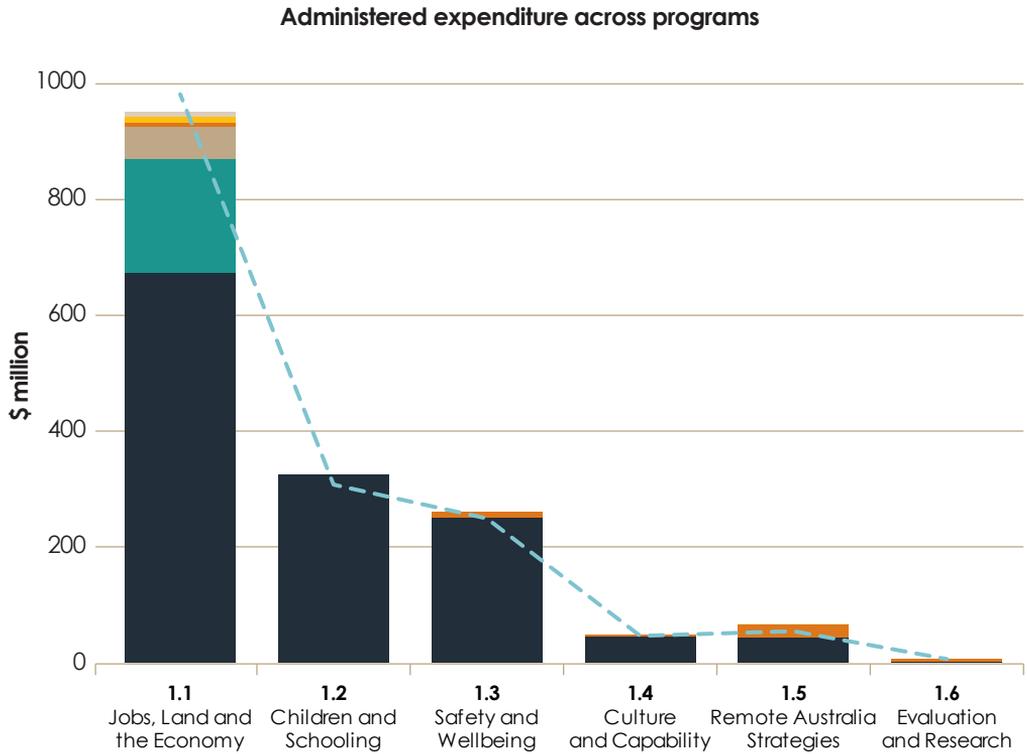
The following graph depicts income and expenditure. Income is derived predominately through interest earned on the Aboriginals Benefit Account as well as the pass-through payment provided to the NIAA to make payment onto the ILSC.

**Graph 4.3: NIAA Administered Income and Expenses 2019–20**



The following graph depicts total administered budgeted expenditure by program.

**Graph 4.4: Total Administered Budgeted Expenditure by Program**

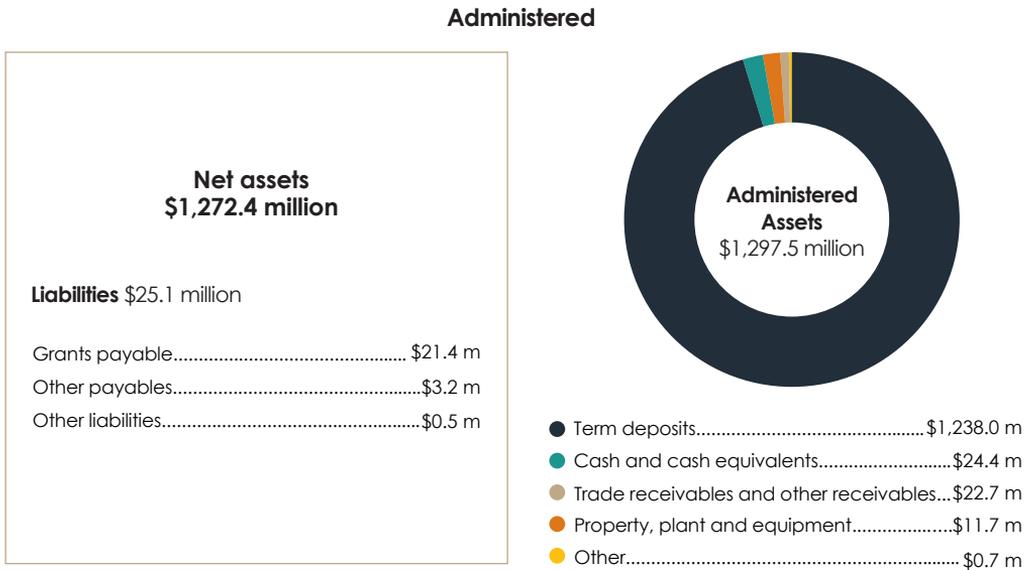


	1.1	1.2	1.3	1.4	1.5	1.6
● Grants and subsidies	\$672.2 m	\$324.0 m	\$249.0m	\$43.9 m	\$42.4 m	\$0.1 m
● Payment associated with Land Councils	\$198.2 m	-	-	-	-	-
● ILSC	\$54.1 m	-	-	-	-	-
● Supplies	\$8.4 m	\$0.1 m	\$11.2 m	\$4.4 m	\$23.6 m	\$5.9 m
● Impairment of receivables	\$9.6 m	-	-	-	-	-
● Other	\$8.6 m	\$0.1 m	\$0.1 m	-	-	-
— Budget	\$972.6 m	\$306.3 m	\$243.5 m	\$49.9 m	\$53.6 m	\$12 m

**Administered Assets and Liabilities**

The NIAA holds net administered assets of \$1,272.4 million, representing assets of \$1,297.5 million less liabilities of \$25.1 million. The main contributors to this balance are the Aboriginals Benefit Account (ABA) and other special accounts, through term deposit investments, interest receivable, cash and equivalent balances and right-of-use assets for township leases approximately \$1.28 billion; offset by the grants payable on IAS programs.

**Graph 4.5: NIAA Administered Assets and Liabilities 2019–20**



**Table 4.16: Resourcing Statement**

	Actual Available Appropriation for 2019–20 \$'000	Payments Made 2019–20 \$'000	Remaining balance 2019–20 \$'000
	(a)	(b)	(a)-(b)
<b>Ordinary annual services</b>			
Departmental appropriation <sup>1,5</sup>	305,705	243,280	62,425
<b>Total</b>	<b>305,705</b>	<b>243,280</b>	<b>62,425</b>
<b>Administered Expenses</b>			
Administered appropriation <sup>2</sup>	1,358,549	1,334,583	-
<b>Total</b>	<b>1,358,549</b>	<b>1,334,583</b>	<b>-</b>
<b>Total ordinary annual services</b>	<b>A</b>	<b>1,577,863</b>	<b>-</b>
<b>Other services</b>			
<b>Administered expenses</b>			
<b>Specific payments to States, Act, NT and local Government</b>			
Administered appropriations	4,779	4,779	-
<b>Total</b>	<b>4,779</b>	<b>4,779</b>	<b>-</b>
<b>Departmental non-operating</b>			
Equity injections <sup>3</sup>	8,821	6,761	2,060
<b>Total</b>	<b>8,821</b>	<b>6,761</b>	<b>2,060</b>
<b>Total other services</b>	<b>B</b>	<b>11,540</b>	<b>-</b>
<b>Total available annual appropriations and payments</b>	<b>A+B</b>	<b>1,589,403</b>	<b>-</b>
<b>Special appropriations</b>			
<b>Special appropriations limited</b>			
<b>by criteria/entitlement</b>			
<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	-	398,268	-
<i>Higher Education Support Act 2003</i>	-	70,414	-
<b>Special appropriations limited</b>			
<b>by amount</b>			
<i>Public Governance, Performance and Accountability Act 2013</i>	-	468,682	-
<b>Total special appropriations</b>	<b>C</b>	<b>468,682</b>	<b>-</b>

SECTION FOUR  
MANAGEMENT AND ACCOUNTABILITY

	Actual Available Appropriation for 2019–20 \$'000	Payments Made 2019–20 \$'000	Remaining balance 2019–20 \$'000
	(a)	(b)	(a)-(b)
<b>Special accounts<sup>4</sup></b>			
Opening balance			
Appropriation receipts	398,714	-	-
Non-appropriation receipts to Special Accounts	1,464,142	-	-
Payments made	-	1,838,503	-
<b>Total special accounts</b>	<b>D 1,862,856</b>	<b>1,838,503</b>	<b>24,353</b>
<b>Total Resourcing and payments A+B+C+D</b>	<b>3,540,710</b>	<b>3,896,588</b>	<b>-</b>
Less appropriations drawn from annual or special appropriations above and credited to special accounts	(398,714)	(398,714)	-
<b>Total net resourcing and payments for the NIAA</b>	<b>3,141,996</b>	<b>3,497,874</b>	<b>-</b>

- 1 Appropriation Act (No. 1) 2019–20, Appropriation Act (No. 3) 2019–20 and including section 74 retained revenue receipts, less permanent quarantines of \$9.350 million plus section 75 transfers of \$112.909 million. For further details refer to Note 5.1 to the financial statements.
- 2 Appropriation Act (No. 1) 2019–20, Appropriation Act (No. 3) 2019–20 less quarantines of \$7.013 million plus section 75 transfers of \$563.429 million. For further details refer to Note 5.1 to the financial statements.
- 3 Appropriation Act (No. 2) 2019–20 and including section 75 transfers of \$7.715 million. For further details refer to Note 5.1A to the financial statements.
- 4 Excludes trust monies held in Services for Other Entities and Trust Monies (SOETM) and other special accounts.
- 5 Departmental capital budgets are not separately identified in Appropriation Bill (No.1, 3, 5) and form part of ordinary annual services items. For accounting purposes, this amount has been designated as a 'contribution by owner'.

**Table 4.17: Expenses by Outcome**

<b>Expenses for Outcome 1</b>			
Outcome 1: Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation.	<b>Budget* 2019–20 \$'000</b>	<b>Actual Expenses 2019–20 \$'000</b>	<b>Variation 2019–20 \$'000</b>
	(a)	(b)	(a) - (b)
<b>Program 1.1: Jobs, Land and the Economy</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	685,422	652,618	32,804
Special appropriations	451,043	398,269	52,774
Special Accounts	286,084	287,514	(1,430)
Less expenses made from appropriations credited to special accounts	(450,000)	(397,233)	(52,767)
Expenses not requiring appropriation in the Budget year	-	9,937	(9,937)
<b>Total for Program 1.1</b>	<b>972,549</b>	<b>951,105</b>	<b>21,444</b>
<b>Program 1.2: Children and Schooling</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	229,849	248,982	(19,133)
Other Services (Appropriation Act No.2)	4,779	4,779	-
Special appropriations	71,681	70,414	1,267
Special Accounts	-	64	(64)
Less expenses made from appropriations credited to special accounts	-	(50)	50
<b>Total for Program 1.2</b>	<b>306,309</b>	<b>324,189</b>	<b>(17,880)</b>

**Expenses for Outcome 1**

Outcome 1: Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation.

	<b>Budget*</b> <b>2019–20</b> <b>\$'000</b>	<b>Actual</b> <b>Expenses</b> <b>2019–20</b> <b>\$'000</b>	<b>Variation</b> <b>2019–20</b> <b>\$'000</b>
	(a)	(b)	(a) - (b)
<b>Program 1.3: Safety and Wellbeing</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	243,454	260,292	(16,838)
<b>Total for Program 1.3</b>	<b>243,454</b>	<b>260,292</b>	<b>(16,838)</b>
<b>Program 1.4: Culture and Capability</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	49,921	48,380	1,541
<b>Total for Program 1.4</b>	<b>49,921</b>	<b>48,380</b>	<b>1,541</b>
<b>Program 1.5: Remote Australia Strategies</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	53,611	52,743	868
Special Accounts	-	14,671	(14,671)
Less expenses made from appropriations credited to special accounts	-	(1,431)	1,431
<b>Total for Program 1.5</b>	<b>53,611</b>	<b>65,983</b>	<b>(12,372)</b>
<b>Program 1.6: Evaluation and Research</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	12,000	5,990	6,010
Expenses not requiring appropriation in the Budget year	-	-	-
<b>Total for Program 1.6</b>	<b>12,000</b>	<b>5,990</b>	<b>6,010</b>

### Expenses for Outcome 1

Outcome 1: Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation.

	<b>Budget*</b> <b>2019–20</b> <b>\$'000</b>	<b>Actual</b> <b>Expenses</b> <b>2019–20</b> <b>\$'000</b>	<b>Variation</b> <b>2019–20</b> <b>\$'000</b>
	(a)	(b)	(a) - (b)
<b>Program 1.7: Program Support</b>			
Departmental expenses			
Departmental appropriation <sup>1</sup>	250,572	243,029	7,543
S74 External Revenue	4,036	9,635	(5,599)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	10,119	19,146	(9,027)
<b>Total for Program 1.7</b>	<b>264,727</b>	<b>271,810</b>	<b>(7,083)</b>
<b>Outcome 1 Totals by appropriation type</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Act No. 1)	1,274,257	1,269,005	5,252
Other Services (Appropriation Act No.2)	4,779	4,779	-
Special appropriations	522,724	468,683	54,041
Special Accounts	286,084	302,249	(16,165)
Expenses not requiring appropriation in the Budget year	-	9,937	(9,937)
Less expenses made from appropriations credited to special accounts	(450,000)	(398,714)	(51,286)
<b>Administered total</b>	<b>1,637,844</b>	<b>1,655,939</b>	<b>(18,095)</b>
Departmental expenses			
Departmental appropriation <sup>1</sup>	250,572	243,029	7,543
S74 External Revenue	4,036	9,635	(5,599)
Expenses not requiring appropriation in the Budget year <sup>2</sup>	10,119	19,146	(9,027)

<b>Expenses for Outcome 1</b>			
Outcome 1: Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programmes, and through measures that recognise the special place that Indigenous people hold in this Nation.	<b>Budget*</b>	<b>Actual</b>	<b>Variation</b>
	<b>2019–20</b>	<b>2019–20</b>	<b>2019–20</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	(a)	(b)	(a) - (b)
<b>Departmental total</b>	<b>264,727</b>	<b>271,810</b>	<b>(7,083)</b>
<b>Total expenses for Outcome 1</b>	<b>1,902,571</b>	<b>1,927,749</b>	<b>(25,178)</b>

	<b>Budget</b>	<b>Actual</b>	<b>Variation</b>
	<b>2019–20</b>	<b>2019–20</b>	<b>2019–20</b>
Average staffing level (number)	1,205	1,090	115

- \* Full year budget, including any subsequent adjustments made to the 2019–20. Additional Estimates budget.
- 1 Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.
- 2 Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, write-down and impairment of assets and audit fees.

# Procurement

In 2019–20, the NIAA undertook procurement and purchasing activities in accordance with the principles set out in the Commonwealth Procurement Rules (CPRs).

The CPRs are applied to the NIAA's procurement activities through the Accountable Authority Instructions and supporting operational guidelines and procurement framework. The NIAA's procurements are also supported by the provision of centralised advice on all procurement matters provided by the Department of the Prime Minister and Cabinet under a shared service arrangement. This ensures that the NIAA undertakes competitive, non-discriminatory procurement processes; uses resources efficiently, effectively, economically and ethically; and makes decisions in an accountable manner.

The NIAA paid 96 per cent of invoices within their required time frames.

In 2019–20, NIAA awarded 46 new contracts to Indigenous businesses. This represents 17 per cent of all NIAA contracts awarded with a value over \$10,000. The total estimated value of contracts that NIAA awarded to Indigenous businesses in 2019–20 was \$7.1 million, or 21 per cent of total contract value.

The NIAA's standard contract templates include provisions allowing the Auditor-General to have access to the relevant contractor's premises. Contracts of \$100,000 or greater (inclusive of GST) that were let during 2019–20 provided for the Auditor-General to have access to the relevant contractor's premises where appropriate.

There were nil contracts in 2019–20 in excess of \$10,000 (inclusive of GST) that were exempt from being reported on AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982*.

Information on procurements expected to be undertaken in 2020–21 through an open approach to market is published in the NIAA's annual procurement plan, available on the AusTender website ([www.tenders.gov.au](http://www.tenders.gov.au)).

# Consultancies

Information on the value of contracts and consultancies is available on the AusTender website ([www.tenders.gov.au](http://www.tenders.gov.au)).

The NIAA engages consultants for specialist expertise or when independent research, review or assessment is required. Decisions to engage consultants during 2019–20 were made in accordance with the PGPA Act and related regulations, including the CPRs and relevant internal policies.

During 2019–20, seven new consultancy contracts were entered into involving total actual expenditure of \$0.316 million. In addition, seven ongoing consultancy contracts were active during the period involving total actual expenditure of \$1.52 million (Table 4.18). The ongoing consultancy contracts were previously reported under the Department of the Prime Minister and Cabinet. This annual report contains information about actual expenditure on contracts for consultancies.

## Consultancy summary statement

**Table 4.18: Consultancies**

Consultancies	2019–20
Number of existing consultancies	7
Number of new consultancies	7
<b>Total consultancies</b>	<b>14</b>
<b>Total expenditure</b>	<b>\$1.52m</b>

# Small Business

The NIAA recognises the importance of ensuring that small businesses are paid on time. This has been particularly important during the period in which Australia responded to the COVID-19 crisis. One of the mechanisms to support businesses which the NIAA employed was implementing immediate payment terms upon the validation of an invoice. This ensured that businesses received outstanding payments and cash flow on an expedited basis.

The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.

The NIAA supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises (SMEs) and Small Enterprise participation statistics are available on the Department of Finance website ([www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts)).

The NIAA's procurement practices support SMEs by adopting whole-of-government solutions to simplify interactions with SMEs.

This includes:

- using the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- implementing the Indigenous Procurement Policy, noting that many Indigenous businesses are also SMEs
- using the Australian Industry Participation policies and programs to encourage SME engagement opportunities
- using credit cards for procurements valued below \$10,000
- complying with the government's Supplier Pay on Time or Pay Interest Policy.

## Significant Non-compliance Issues with Finance Law

No significant instances of non-compliance requiring a report to the responsible Minister in accordance with the PGPA Act have been recorded in the NIAA for 2019–20.

# Assets Management

The NIAA manages its assets in accordance with Department of Finance Resource Management Guides and relevant accounting standards. In 2019–20, the NIAA recognised Right-of-Use assets for land, buildings and motor vehicles subject to long-term operating leases under the implementation of *Australian Accounting Standard 16, Leases*.

The NIAA administers a significant strategic asset in the form of an investment on behalf of the Australian Government for the Aboriginals Benefit Account (ABA), which is a special account. The ABA investment strategy is focused on the operating cash flow requirements and management of risks. Monies surplus to immediate operating requirements are invested under section 58 of the PGPA Act. Further details regarding the ABA are contained in the ABA annual report in the appendices.

## Property

As at 30 June 2020, NIAA occupied office space in 40 locations. Of these NIAA owned one commercial building, leased 23 office spaces, and was hosted in 16 locations.

NIAA receives revenue in 19 of the 23 leased locations, and the owned commercial building. NIAA pays rent to seven other Commonwealth entities for the 16 hosted office spaces.

The NIAA owned 96 residential properties to provide accommodation for staff in locations where it would otherwise be difficult to secure suitable housing.

In addition, the NIAA leases 67 Government Engagement Complexes and Visiting Officer Quarters in remote locations in the Northern Territory, Queensland, Western Australia and South Australia. NIAA staff work and live in Indigenous communities to support the Agency's purpose.

The NIAA's property portfolio is managed externally by Jones Lang LaSalle (JLL) in accordance with the Commonwealth Property Management Framework under the Whole of Australian Government Property Services Provider Arrangements.



Property Services Coordinated Procurement are managed by the Department of Finance as a whole-of-government initiative.

The NIAA continually reviews its property portfolio to ensure that it meets business objectives and is as cost efficient as possible.

## Environmental Performance

The NIAA has a responsibility to the Australian Government and the wider community to minimise the impact of our operations on the environment.

In 2019–20 we continued to mitigate the effects of our impact on the environment by:

- including environmental impacts in our purchasing policies where appropriate
- complying with all relevant Commonwealth, state and territory environmental legislation, regulations, policies and initiatives
- using technology such as videoconferencing to facilitate meetings with interstate colleagues where appropriate
- co-locating with other agencies in regional locations as leases expire or when opportunities arise.

During 2019–20, we minimised our impacts on the environment in the areas of energy efficiency, waste and water use by:

- maintaining a National Australian Built Environment Rating System (NABERS) 5 star base building rating for building energy at Charles Perkins House, 16 Bowes Place, Woden ACT
- increasing from a 4 star to a 4.5 star NABERS energy tenancy rating at Jacana House, 39 Wood St, Darwin NT
- reducing environmental impact through usage of solar system installed in the Ceduna office
- monitoring energy usage at our properties across Australia to identify potential savings
  - In 2019–20, energy consumption for tenant light and power in NIAA commercial properties was 5,899 MJ per FTE. This is 1,601 MJ per FTE below the Energy Efficiency in Government Operations Policy target of 7,500 MJ per FTE

- moving to a 'paper-light office' by supporting the use of electronic document management as well as flexible mobile technology solutions for staff
- using energy saver mode for most office equipment when not in use
- purchasing up to 10 per cent of the energy for tenant power from green power sources for Canberra offices.

## Advertising and Market Research

The NIAA did not undertake any official Campaign Advertising as defined by the Department of Finance during the reporting period.

## Grants

Information on grants awarded by the NIAA during the period 1 July 2019 to 30 June 2020 is available at [www.niaa.gov.au](http://www.niaa.gov.au).

# Freedom of Information

Entities subject to the *Freedom of Information Act 1982* (FOI Act), such as the NIAA, are required to publish a broad range of information on their website for the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. The IPS underpins a pro-disclosure culture across the Australian Government and reflects the objective, outlined in subsection 3(3) of the FOI Act, that information held by government is a national resource to managed for public purposes.

In the 2019–20 financial year, the NIAA received 56 FOI requests and finalised 54 of these within statutory timeframes. The remaining two (2) requests were carried over into the 2020–21 financial year.

The NIAA also received:

- two internal review requests – one was finalised and one carried over into the 2020–21 financial year
- six Information Commissioner review requests — two were withdrawn by the applicant and four carried over into the 2020–21 financial year
- three FOI requests for the Office of the Minister for Indigenous Australians — one was withdrawn by the applicant and two carried over into the 2020–21 financial year.



# SECTION FIVE

# FINANCIAL STATEMENTS

## Independent Auditor's Report



### INDEPENDENT AUDITOR'S REPORT

#### To the Minister for Indigenous Australians

#### Opinion

In my opinion, the financial statements of the National Indigenous Australians Agency (the Entity) for the year ended 30 June 2020:

- comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2020 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

#### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How the audit addressed the matter
<p><b>Occurrence of Grants expenses</b></p> <p><i>Refer to Note 2.1C Grants</i></p> <p>I focused on the occurrence of grants expenses given the significant value of transactions involved, their diverse nature and the fact that these grants are delivered across geographically dispersed locations under non-uniform operational and control environments.</p> <p>For the year ended 30 June 2020, the National Indigenous Australians Agency reported Administered grants expenses of \$1.33 billion.</p>	<p>To audit the occurrence of grants expenses, I performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>evaluated the design and operating effectiveness of the control framework, including information technology controls, supporting grants management. This included controls over the recording, disbursement and monitoring of grant expenses; and</li> <li>examined, on a sample basis, grant approvals and assessments of grantee performance to substantiate grant expenses and compliance with relevant legislation and/or grant agreements.</li> </ul>
<p><b>Existence, completeness and valuation of assets and liabilities transferred from the Department of the Prime Minister and Cabinet (the Department)</b></p> <p><i>Refer to Note 8.2 Restructuring</i></p> <p>On 1 July 2019, the Entity was established with responsibility for indigenous affairs functions transferred from the Department. Assets and liabilities associated with those functions transferred from that Department to the Entity.</p> <p>The Entity received \$140.7 million in departmental assets and \$66.8 million in departmental liabilities. It also received \$1.125 billion in administered assets and \$35.0 million in administered liabilities. I focused on the existence, completeness and valuation of the Entity's recording of those assets and liabilities, as they form the Entity's opening balances on the Statement of Financial Position.</p> <p>Significant disclosure related to the transfer of functions is also required by the Entity in accordance with the Public Governance, Performance and Accountability Financial Reporting Rule 2015 and Australian Accounting Standards.</p>	<p>To audit the existence, completeness and valuation of the assets and liabilities transferred, I performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>assessed whether the assets and liabilities transferred were recorded in accordance with the agreement between the Entity and Department;</li> <li>assessed whether the assets and liabilities were recorded at net book value upon the transfer of functions; and</li> <li>assessed the Entity's Restructuring note disclosure accorded with the Public Governance, Performance and Accountability Financial Reporting Rule 2015 and Australian Accounting Standards.</li> </ul>

**Accountable Authority's responsibility for the financial statements**

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as he determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

**Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office 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 the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, 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 my 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 Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Rahul Tejani  
Executive Director  
Delegate of the Auditor-General<sup>1</sup>

Canberra  
8 September 2020

National Indigenous Australians Agency

# Financial Statements

For the period ended 30 June 2020

## Contents

## Certification

## Primary financial statements

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Cash Flow Statement
- Administered Schedule of Comprehensive Income
- Administered Schedule of Assets and Liabilities
- Administered Reconciliation Schedule
- Administered Cash Flow Statement

## Overview

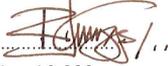
## Notes to the financial statements

- 1. Departmental Financial Performance
  - 1.1. Expenses
  - 1.2. Own-Source Revenue and Gains
- 2. Income and Expenses Administered on Behalf of Government
  - 2.1. Administered – Expenses
  - 2.2. Administered - Income
- 3. Departmental Financial Position
  - 3.1. Financial Assets
  - 3.2. Non-Financial Assets
  - 3.3. Payables
  - 3.4. Interest Bearing Liabilities
  - 3.5. Other Provisions
- 4. Assets and Liabilities Administered on Behalf of Government
  - 4.1. Administered – Financial Assets
  - 4.2. Administered – Non-Financial Assets
  - 4.3. Administered – Payables
  - 4.4. Administered – Interest Bearing Liabilities
- 5. Funding
  - 5.1. Appropriations
  - 5.2. Special Accounts
- 6. People and Relationships
  - 6.1. Employee Provisions
  - 6.2. Key Management Personnel Remuneration
  - 6.3. Related Party Disclosures
- 7. Managing Uncertainties
  - 7.1. Contingent Assets and Liabilities
  - 7.2. Financial Instruments
  - 7.3. Administered - Financial Instruments
- 8. Other Information
  - 8.1 Aggregate Assets and Liabilities
  - 8.2 Restructuring

**National Indigenous Australians Agency  
Statement by the Accountable Authority and Chief Financial Officer**

In our opinion, the attached financial statements for the year ended 30 June 2020 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the National Indigenous Australians Agency will be able to pay its debts as and when they fall due.

Signed 

Ray Griggs AO CSC  
Chief Executive Officer

 September 2020

Signed 

Samuel Volker FCA  
Chief Financial Officer

 September 2020

**National Indigenous Australians Agency  
Statement of Comprehensive Income**

for the period ended 30 June 2020

	Notes	2020 \$'000	PAES Budget <sup>1</sup> \$'000
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits	1.1A	154,542	156,130
Suppliers	1.1B	86,168	84,323
Depreciation and amortisation	3.2	26,416	21,467
Finance costs	1.1C	2,031	2,807
Impairment loss on financial instruments		14	-
Write-down and impairment of other assets	1.1D	2,623	-
Losses from asset sales	1.1E	16	-
<b>Total expenses</b>		<u>271,810</u>	<u>264,727</u>
<b>Own-Source Revenue</b>			
Revenue from contracts with customers	1.2A	7,644	4,036
Rental Income	1.2B	1,991	-
Resources received free of charge	1.2C	361	-
<b>Total own-source revenue</b>		<u>9,996</u>	<u>4,036</u>
<b>Gains</b>			
Reversal of make good provisions	3.5	559	566
<b>Total gains</b>		<u>559</u>	<u>566</u>
<b>Total own-source revenue</b>		<u>10,555</u>	<u>4,602</u>
<b>Net cost of services</b>		<u>(261,255)</u>	<u>(260,125)</u>
Revenue from Government – Departmental Appropriations		<u>243,322</u>	<u>250,572</u>
<b>Deficit</b>		<u>(17,933)</u>	<u>(9,553)</u>
<b>OTHER COMPREHENSIVE (LOSS)</b>			
<b>Items not subject to subsequent reclassification to net cost of services</b>			
Changes in asset revaluation reserve	3.2	(1,455)	-
<b>Total other comprehensive (loss)</b>		<u>(1,455)</u>	<u>-</u>
<b>Total comprehensive (loss)</b>		<u>(19,388)</u>	<u>(9,553)</u>

<sup>1</sup>As the NIAA was established on 1 July 2019, no prior year comparative information is presented in these financial statements. The Portfolio Additional Estimates Statements (PAES) represent the first opportunity to present the budgeted financial position.

**Accounting Policy**

*Revenue from Government – Departmental Appropriations*

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue from Government when the NIAA gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriation receivable is recognised at its nominal amounts.

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

**National Indigenous Australians Agency  
Statement of Financial Position**

as at 30 June 2020

	Notes	2020 \$'000	PAES Budget \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents		111	-
Trade and other receivables	3.1	68,621	46,075
<b>Total financial assets</b>		<b>68,732</b>	<b>46,075</b>
<b>Non-Financial Assets<sup>1</sup></b>			
Property, plant and equipment	3.2	202,450	196,019
Intangibles	3.2	15,757	23,131
Prepayments		28	-
<b>Total non-financial assets</b>		<b>218,235</b>	<b>219,150</b>
Assets held for sale - land and buildings		-	1,012
<b>Total assets</b>		<b>286,967</b>	<b>266,237</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	3.3A	9,281	2,046
Other payables	3.3B	4,887	114
<b>Total payables</b>		<b>14,168</b>	<b>2,160</b>
<b>Interest Bearing Liabilities</b>			
Leases	3.4	129,881	122,975
<b>Total interest bearing liabilities</b>		<b>129,881</b>	<b>122,975</b>
<b>Provisions</b>			
Employee provisions	6.1	53,846	49,163
Other provisions	3.5	7,267	642
<b>Total provisions</b>		<b>61,113</b>	<b>49,805</b>
<b>Total liabilities</b>		<b>205,162</b>	<b>174,940</b>
<b>Net assets</b>		<b>81,805</b>	<b>91,297</b>
<b>EQUITY</b>			
Contributed equity		80,823	80,454
Retained earnings		(3,079)	5,327
Asset revaluation reserve		4,061	5,516
<b>Total equity</b>		<b>81,805</b>	<b>91,297</b>

<sup>1</sup>Right-of-use assets are included in the property, plant and equipment line item.

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

**National Indigenous Australians Agency  
Statement of Changes in Equity**

for the period ended 30 June 2020

Notes	2020 \$'000	PAES Budget \$'000
<b>CONTRIBUTED EQUITY</b>		
<b>Opening balance<sup>1</sup></b>	-	-
<b>Transactions with owners</b>		
<b>Contributions by owners</b>		
Appropriations - equity injection	1,897	8,821
Departmental Capital Budget (DCB)	10,590	10,590
Restructuring 8.2	68,336	61,043
<b>Total transactions with owners</b>	<b>80,823</b>	<b>80,454</b>
<b>Closing balance as at 30 June</b>	<b>80,823</b>	<b>80,454</b>
<b>RETAINED EARNINGS</b>		
<b>Opening balance<sup>1</sup></b>	-	-
Adjustment on initial application of AASB 16 (Leases)	14,854	14,880
<b>Adjusted opening balance</b>	<b>14,854</b>	<b>14,880</b>
<b>Comprehensive income</b>		
Deficit for the period	(17,933)	(9,553)
<b>Total comprehensive income</b>	<b>(17,933)</b>	<b>(9,553)</b>
<b>Closing balance as at 30 June</b>	<b>(3,079)</b>	<b>5,327</b>
<b>ASSET REVALUATION RESERVE</b>		
<b>Opening balance<sup>1</sup></b>	-	-
<b>Contributions by owners</b>		
Restructuring 8.2	5,516	5,516
<b>Total transactions with owners</b>	<b>5,516</b>	<b>5,516</b>
<b>Comprehensive income</b>		
Change in asset revaluation reserve 3.2	(1,455)	-
<b>Total comprehensive income</b>	<b>(1,455)</b>	<b>-</b>
<b>Closing balance as at 30 June</b>	<b>4,061</b>	<b>5,516</b>
<b>Total equity closing balance</b>	<b>81,805</b>	<b>91,297</b>

<sup>1</sup>The NIAA was established on 1 July 2019, there are no opening balances.

**Accounting Policy**

**Equity injections**

Amounts appropriated which are designated as 'equity injections' (less any formal reductions) and DCB are recognised directly in contributed equity in that year respectively.

**Restructuring of Administrative Arrangements**

Net assets received from or relinquished to another Government entity under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

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

**National Indigenous Australians Agency  
Cash Flow Statement**

for the period ended 30 June 2020

	2020 \$'000	PAES Budget \$'000
<b>Notes</b>		
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Sale of services	6,640	4,036
Net GST received	2,446	-
Appropriations	<u>237,645</u>	<u>250,572</u>
<b>Total cash received</b>	<u>246,731</u>	<u>254,608</u>
<b>Cash used</b>		
Employees	146,043	156,130
Suppliers	79,977	83,757
Short-term lease rentals	1,594	-
Interest payments on lease liabilities	2,021	2,807
Retained receipts transferred to the Official Public Account	<u>6,553</u>	<u>-</u>
<b>Total cash used</b>	<u>236,188</u>	<u>242,694</u>
<b>Net cash from operating activities</b>	<u>10,543</u>	<u>11,914</u>
<b>INVESTING ACTIVITIES</b>		
<b>Cash received</b>		
Proceeds from sale of property, plant and equipment	<u>150</u>	<u>-</u>
<b>Total cash received</b>	<u>150</u>	<u>-</u>
<b>Cash used</b>		
Purchase of property, plant and equipment	5,332	4,931
Purchase of intangibles	<u>6,913</u>	<u>14,480</u>
<b>Total cash used</b>	<u>12,245</u>	<u>19,411</u>
<b>Net cash (used by) investing activities</b>	<u>(12,095)</u>	<u>(19,411)</u>
<b>FINANCING ACTIVITIES</b>		
<b>Cash received</b>		
Contributed equity		
Equity injections	6,761	8,821
Departmental Capital Budget (DCB)	<u>5,745</u>	<u>10,590</u>
<b>Total cash received</b>	<u>12,506</u>	<u>19,411</u>
<b>Cash used</b>		
Principal payments of lease liabilities	<u>10,843</u>	<u>11,914</u>
<b>Total cash used</b>	<u>10,843</u>	<u>11,914</u>
<b>Net cash from financing activities</b>	<u>1,663</u>	<u>7,497</u>
<b>Net increase in cash held</b>	<u>111</u>	<u>-</u>
Cash and cash equivalents at the beginning of the reporting period	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>111</u>	<u>-</u>

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

**National Indigenous Australians Agency  
Departmental Budget Variance Commentary**

**Departmental Budget Variance Commentary:**

The below table provides commentary for significant variances between the NIAA's budget estimates for Departmental functions, as published in the 2019-20 Portfolio Additional Estimates Statements (PAES budget), and the actual expenditure and net asset position for the year. The PAES budget estimates has been used as the NIAA was not included in the 2019-20 Portfolio Budget Statements as a separate entity.

**Explanation of major variances**

**Affected line items and statement**

**Employee benefits:**

Employee benefits were less than anticipated due to a lag in recruitment, partially offset by the increase in leave provisions due to salary growth rate and bond rate movements. The variance in cash used is due to timing of final June payments and accruals.

Expenses – Statement of Comprehensive Income.  
Employees – Cash Flow Statement.

**Write-down and impairment of other assets:**

As a result of the 2019-20 impairment review, a number of demountable buildings were written down (\$0.5m) and one software asset was written off (\$0.9m). A number of assets were disposed of due to being beyond economic repair or obsolete. An expense of \$0.5m was recognised for the remaining decrement from the Land and Building revaluation due to the asset revaluation reserve for these assets being exhausted.

Expenses - Statement of Comprehensive Income.  
Buildings - Statement of Financial Position.

**Depreciation, amortisation and purchases of non-financial assets:**

During 2019-20, a review was undertaken of the useful lives of all non-financial assets and as a result 193 building and leasehold improvement assets were re-lifed to align with current expectation of use. This has resulted in accelerated depreciation expense of \$1.1m combined with additional Right-of-Use (ROU) leases not included in PAES which has been partially offset by lower than expected intangible purchases.

Expenses – Statement of Comprehensive Income.  
Property, Plant and Equipment & Intangibles – Statement of Financial Position. Purchase of property, plant and equipment and Intangibles – Cash Flow Statement.

**Revenue from contracts with customers:**

Revenue received from recovery of departmental expenses was higher than anticipated due to an increase in secondment arrangements and higher than anticipated sub-lease revenue.

Own-Source Income – Statement of Comprehensive Income. Sales of services and Retained receipts transferred to the Official Public Account – Cash Flow Statement.

**Other provisions:**

During 2019-20 the NIAA identified a number of leased premises that require restoration due to obligations in respect of the remediation of mould contamination (\$4.1m).

Other Provisions – Statement of Financial Position  
– Supplier expenses – Statement of Comprehensive Income

**Assets held for sale:**

The NIAA withdrew 2 properties which were listed for sale from the residential property market in November 2019. There are currently no properties on the market for sale.

Assets held for sale – land and buildings – Statement of Financial Position

**National Indigenous Australians Agency  
Administered Schedule of Comprehensive Income**

for the period ended 30 June 2020

	Notes	2020 \$'000	PAES Budget \$'000
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits	2.1A	149	-
Suppliers	2.1B	53,569	65,703
Subsidies - <i>Petrol Sniffing Prevention Strategy</i>		182	-
Grants	2.1C	1,331,427	1,314,046
Depreciation and amortisation	4.2	276	74
Finance costs		7	-
Impairment loss on trade and other receivables		9,661	-
Payments associated with Land Councils	2.1D	198,224	203,878
Payments to Indigenous Land and Sea Corporation <sup>1</sup>		54,143	54,143
Mining withholding tax		8,301	-
<b>Total expenses</b>		<b>1,655,939</b>	<b>1,637,844</b>
<b>Income</b>			
<b>Revenue</b>			
<b>Non-Taxation Revenue</b>			
Interest	2.2A	24,191	38,745
Rental income	2.2B	2,115	-
Indigenous Land and Sea Corporation Funding Special Account <sup>1</sup>		54,143	54,143
Other revenue	2.2C	7,356	10,787
<b>Total non-taxation revenue</b>		<b>87,805</b>	<b>103,675</b>
<b>Total revenue</b>		<b>87,805</b>	<b>103,675</b>
<b>Gains</b>			
Reversal of impairment losses		7,516	-
Other gains		2,401	-
<b>Total gains</b>		<b>9,917</b>	<b>-</b>
<b>Total income</b>		<b>97,722</b>	<b>103,675</b>
<b>Net (cost of) services</b>		<b>(1,558,217)</b>	<b>(1,534,169)</b>
<b>Total comprehensive deficit</b>		<b>(1,558,217)</b>	<b>(1,534,169)</b>

<sup>1</sup> Funding to the Indigenous Land and Sea Corporation is provided annually each October, funded by receipt of funds from the Indigenous Land and Sea Future Fund through the Indigenous Land and Sea Corporation Funding Special Account administered by the NIAA.

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

**National Indigenous Australians Agency  
Administered Schedule of Assets and Liabilities**

as at 30 June 2020

	Notes	2020 \$'000	PAES Budget \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	4.1A	24,353	10,133
Trade receivables and other receivables	4.1B	22,669	35,299
Term deposits		<u>1,238,007</u>	<u>1,280,056</u>
<b>Total financial assets</b>		<b><u>1,285,029</u></b>	<b><u>1,325,488</u></b>
<b>Non-Financial Assets<sup>1</sup></b>			
Property, plant and equipment	4.2	11,733	472
Prepayments		<u>720</u>	<u>3,678</u>
<b>Total non-financial assets</b>		<b><u>12,453</u></b>	<b><u>4,150</u></b>
<b>Total assets administered on behalf of Government</b>		<b><u>1,297,482</u></b>	<b><u>1,329,638</u></b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Trade creditors and accruals		1,403	8,248
Grants	4.3A	21,444	23,964
Other payables	4.3B	1,716	2,820
<b>Total payables</b>		<b><u>24,563</u></b>	<b><u>35,032</u></b>
<b>Interest Bearing Liabilities</b>			
Leases	4.4	468	476
<b>Total interest bearing liabilities</b>		<b><u>468</u></b>	<b><u>476</u></b>
<b>Provisions</b>			
Employee provisions	6.1B	25	-
<b>Total provisions</b>		<b><u>25</u></b>	<b><u>-</u></b>
<b>Total liabilities administered on behalf of Government</b>		<b><u>25,056</u></b>	<b><u>35,508</u></b>
<b>Net assets</b>		<b><u>1,272,426</u></b>	<b><u>1,294,130</u></b>

<sup>1</sup>Right-of-use assets are included in the property, plant and equipment line item.

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

### National Indigenous Australians Agency Administered Budget Variance Commentary

**Administered Budget Variance Commentary:**

The below table provides commentary for significant variances between the NIAA's budget estimates for Administered functions, as published in the 2019-20 Portfolio Additional Estimates Statements (PAES budget), and the actual expenditure and net asset position for the year. The PAES budget estimates has been used as the NIAA was not included in the 2019-20 Portfolio Budget Statements as a separate entity.

<p><b>Impairment loss on trade and other receivables:</b> The variance is made up of impairment of aged grant acquittals which could not be anticipated at the time of budget.</p>	<p>Impairment loss allowance on trade and other receivables - Administered Schedule of Comprehensive Income; Other receivables – Administered Schedule of Assets and Liabilities.</p>
<p><b>Other gains:</b> The repayments of grant acquittals previously written off, as well as a gain on the concessional loan to the Indigenous Land and Sea Corporation (ILSC) which was paid in full ahead of schedule, could not be anticipated at the time of budget.</p>	<p>Other gains - Administered Schedule of Comprehensive Income and Repayment of loans – Administered Cash Flow Statement</p>
<p><b>Interest:</b> Income from earnings on term deposits is lower than the estimated budget as a result of a decline in interest rates on offer in the current financial market. Estimated interest earnings on the concessional loan to the ILSC is also lower than estimates, as the loan was paid off in full ahead of schedule.</p>	<p>Interest income - Administered Schedule of Comprehensive Income; Repayment of loans – Administered Cash Flow Statement</p>
<p><b>Cash and cash equivalents:</b> Cash is higher than the estimated budget as a result of the creation of two new special accounts for the NIAA and the transfer of their opening balances from the Department of the Prime Minister and Cabinet.</p>	<p>Cash and cash equivalent – Administered Schedule of Assets and Liabilities and Note 5.2 Special Accounts</p>
<p><b>Right-of-use-assets:</b> Right-of-use assets are recorded under property, plant and equipment associated with the implementation of AASB 16 Leases, this includes \$9.5 million for head lease agreements managed by the Executive Director of Township Leasing.</p>	<p>Property, plant and equipment and Prepayments – Administered Schedule of Assets and Liabilities</p>

**National Indigenous Australians Agency  
Administered Reconciliation Schedule**

for the period ended 30 June 2020

	<b>2020</b>
	<b>\$'000</b>
<b>Opening assets less liabilities as at 1 July</b>	-
Adjustment on initial application of AASB 16	<u>9,561</u>
<b>Adjusted opening assets less liabilities</b>	<u>9,561</u>
<b>Net contribution by services</b>	
Income	97,722
Expenses	(1,655,939)
<b>Transfers (to) / from the Australian Government</b>	
Appropriation transfers from Official Public Account	
Annual appropriation for administered expenses	1,455,678
Special appropriations	468,861
Special account	55,098
Appropriation transfers to Official Public Account	
Transfers to Official Public Account	(193,263)
Transfers to Official Public Account special accounts	(55,098)
Transfers to Official Public Account special appropriations	(178)
Restructuring <sup>1</sup>	<u>1,089,984</u>
<b>Closing assets less liabilities as at 30 June</b>	<u>1,272,426</u>

<sup>1</sup> Refer Note 8.2 Restructuring.

**Accounting Policy**

**Administered Cash Transfers to and from the Official Public Account**

Revenue collected by the NIAA for use by the Government rather than for the NIAA is administered revenue. Collections are transferred to the Official Public Account (OPA), maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA are adjustments to the administered cash held by NIAA on behalf of the Government and reported as such in the Administered Cash Flow Statement and in the Administered Reconciliation Schedule.

**National Indigenous Australians Agency  
Administered Cash Flow Statement**

for the period ended 30 June 2020

	2020
	Notes
	\$'000
<b>OPERATING ACTIVITIES</b>	
<b>Cash received</b>	
Net GST received	103,752
Indigenous Land and Sea Corporation Funding Special Account	54,143
Other	7,525
<b>Total cash received</b>	<b>165,420</b>
<b>Cash used</b>	
Employees	172
Suppliers	53,854
Subsidy payments	182
Grant payments	1,448,052
Interest payments on lease liabilities	7
Payments associated with Land Councils	198,306
Payments to Indigenous Land and Sea Corporation	54,143
Other	14,790
<b>Total cash used</b>	<b>1,769,506</b>
<b>Net cash used by operating activities</b>	<b>(1,604,086)</b>
<b>INVESTING ACTIVITIES</b>	
<b>Cash received</b>	
Proceeds from realisation of investments	1,340,500
Interest on investments and loans	28,571
Repayment of loans <sup>1</sup>	26,793
<b>Total cash received</b>	<b>1,395,864</b>
<b>Cash used</b>	
Purchase of investments	1,536,007
<b>Total cash used</b>	<b>1,536,007</b>
<b>Net cash used by investing activities</b>	<b>(140,143)</b>
<b>FINANCING ACTIVITIES</b>	
<b>Cash received</b>	
Cash received due to restructuring	1,637
<b>Total cash received</b>	<b>1,637</b>
<b>Cash used</b>	
Principal payments of lease liabilities	69
<b>Total cash used</b>	<b>69</b>
<b>Net cash from financing activities</b>	<b>1,568</b>
<b>Net cash decrease in cash held</b>	<b>(1,742,661)</b>
Cash and cash equivalents at the beginning of the reporting period	35,916
<sup>1</sup> Includes interest on a concessional loan to the ILSC which was repaid in full during the year.	

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

**National Indigenous Australians Agency  
Administered Cash Flow Statement**

*for the period ended 30 June 2020*

	Notes	2020 \$'000
<b>Cash from Official Public Account</b>		
Appropriations		1,924,539
Special Accounts		55,098
<b>Total cash from official public account</b>		<b>1,979,637</b>
<b>Cash to Official Public Account</b>		
Appropriations		193,441
Special Accounts		55,098
<b>Total cash to official public account</b>		<b>248,539</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	4.1A	<b>24,353</b>

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

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

### Overview

#### Objectives of National Indigenous Australians Agency

The National Indigenous Australians Agency (NIAA) was established as an Executive Agency as at 1 July 2019. The NIAA is a non-corporate Commonwealth entity subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The NIAA is responsible for leading and coordinating the Commonwealth's policy development, program design and implementation, and service delivery for Indigenous Australians. The NIAA provides advice to the Prime Minister and the Minister for Indigenous Australians on whole-of-government priorities for Aboriginal and Torres Strait Islander people.

#### The Basis of Preparation

The financial statements are general purpose financial statements and are required by section 42 of the PGPA Act.

The financial statements and notes have been prepared in accordance with:

- *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except where certain assets and liabilities are recorded at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars, and are rounded to the nearest thousand dollars unless otherwise specified.

As the NIAA was established on 1 July 2019, there is no comparative information presented in these financial statements.

Except where stated below, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

#### Taxation

The NIAA is exempt from all forms of taxation except Fringe Benefits Tax (FBT), the Goods and Services Tax (GST) and Mining Withholding Tax (MWT).

#### New Australian Accounting Standards

No accounting standards have been adopted earlier than the application date as stated in the standard.

AASB 16 *Leases* and AASB 15 *Revenue from Contracts with Customers* and 1058 *Income of Not-for-Profit Entities* are applicable to the current reporting period and the financial impact is recorded in the financial statements for the period ended 30 June 2020.

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 *Revenue*, AASB 111 *Construction Contracts* and Interpretation 13 *Customer Loyalty Programmes*. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of AASB 1004 *Contributions* and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives, and where volunteer services are received.

AASB 16 *Leases* has replaced AASB 117 'Leases', Interpretation 4 'Determining whether an Arrangement contains a Lease', Interpretation 115 'Operating Leases—Incentives' and Interpretation 127 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'.

AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

*for the period ended 30 June 2020*

low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed below and in the relevant notes to the financial statements.

*Application of AASB 15 Revenue from Contracts with Customers / AASB 1058 Income of Not-For-Profit Entities*

The NIAA adopted AASB 15 and AASB 1058 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019. Accordingly, the balance of contribution by owners on restructuring as at 1 July 2019 is not restated, that is, it is presented as previously reported under the various applicable AASBs and related interpretations.

Under the new income recognition model, the NIAA shall first determine whether an enforceable agreement exists and whether the promises to transfer goods or services to the customer are 'sufficiently specific'. If an enforceable agreement exists and the promises are 'sufficiently specific' (to a transaction or part of a transaction), the NIAA applies the general AASB 15 principles to determine the appropriate revenue recognition. If these criteria are not met, the NIAA shall consider whether AASB 1058 applies.

In relation to AASB 15, the NIAA elected to apply the new standard to all new and uncompleted contracts from the date of initial application. The NIAA is required to aggregate the effect of all of the contract modifications that occur before the date of initial application.

In terms of AASB 1058, the NIAA is required to recognise volunteer services at fair value if those services would have been purchased if not provided voluntarily, and the fair value of those services can be measured reliably.

The application of AASB 15 and AASB 1058 have had no material impact on the NIAA.

*Application of AASB 16 Leases*

The NIAA adopted AASB 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 July 2019.

The NIAA elected to apply the practical expedient to not reassess whether a contract is, or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under AASB 117 were not reassessed. The definition of a lease under AASB 16 was applied only to contracts entered into or changed on or after 1 July 2019.

AASB 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. NIAA applied the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117:

- Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if AASB 16 had been applied since the commencement date;
- Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under AASB 136 Impairment of assets as at the date of initial application; and
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessee, the NIAA previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under AASB 16, the NIAA recognises right-of-use assets and lease liabilities for most leases.

On adoption of AASB 16, the NIAA recognised right-of-use assets and lease liabilities in relation to leases of office space, land and motor vehicles, which had previously been classified as operating leases.

The lease liabilities were measured at the present value of the remaining lease payments, discounted using the NIAA's incremental borrowing rate or the interest rate implicit in the lease as at 1 July 2019. NIAA's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions.

**National Indigenous Australians Agency  
Notes to and forming part of the financial statements**

for the period ended 30 June 2020

The right-of-use assets were measured as follows:

- a) Office space and Land: measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.
- b) All other leases: the carrying value that would have resulted from AASB 16 being applied from the commencement date of the leases, subject to the practical expedients noted above.

*Impact on transition to AASB 16 Leases*

On transition to AASB 16, the NIAA recognised additional right-of-use assets and additional lease liabilities, recognising the reversal of lease incentives and straight lining provisions, recognised under the old AASB 117 standard, in retained earnings.

For administered Township Head Lease agreements managed by the Office of Township Leasing, the NIAA recognised additional right-of-use assets previously recognised as prepayments of lease rentals and reversed these through retained earnings. No additional lease liabilities were recognised as all lease payments had been made in advance.

The impact of the transition to AASB16 is set out below:

	AASB 117 1 July 2019 <sup>1</sup> \$000s	AASB 16 1 July 2019 \$000's	Increase / (decrease) \$000's
<b>Departmental</b>			
<b>Assets</b>			
Right-of-use assets - property, plant and equipment	-	142,899	142,899
<b>Liabilities</b>			
Other payables - Lease incentives/straight-lining liabilities	14,854	-	(14,854)
Lease liabilities	-	142,899	142,899
	<u>14,854</u>	<u>142,899</u>	<u>128,045</u>
<b>Retained earnings (after restructuring)</b>	<u>73,852</u>	<u>88,706</u>	<u>14,854</u>
<b>Administered</b>			
<b>Assets</b>			
Other non-financial assets – rental prepayments	1,911	-	(1,911)
Right-of-use assets - property, plant and equipment	-	12,004	12,004
	<u>1,911</u>	<u>12,004</u>	<u>10,093</u>
<b>Liabilities</b>			
Lease liabilities	-	532	532
<b>Opening assets less liabilities (before restructuring)</b>	<u>1,911</u>	<u>11,472</u>	<u>9,561</u>

<sup>1</sup> Pre-transition balances in the table above reflect the balances recognised under the restructuring arrangements (note 8.2) which were recognised using the historical AASB 117 standard.

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

### Compliance with statutory conditions for payments from the consolidated revenue fund

During 2019-20 the NIAA reviewed its exposure to the risk of not complying with statutory conditions on payments from appropriations, namely section 83 of the Constitution. The review identified the following technical breach:

- The Aboriginals Benefit Account (ABA) special account – testing of transactions revealed that four payments totalling \$0.177 million made in 2019-20 million (2018-19: three payments totalling \$1.66 million) from the ABA under section 64(3) of the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA) contravened section 83 of the Constitution due to difficulties in precisely estimating mining royalties. Payments out of the ABA are required to be made based on royalties received by the Northern Territory or Australian Governments. The contraventions occurred when the royalties upon which the payments were based had been estimated at a value greater than the eventual actual value. Legislation has been prepared and is awaiting presentation to Parliament to reduce the non-compliance risks associated with these payments to an acceptably low level.
- Overpayments of \$0.174 million have been recovered in 2019-20 through the reduction of subsequent section 64(3) payments leaving \$0.003 million to be offset against future payments. As at 30 June 2019 there were overpayments totalling \$1.694 million to be recovered, of these \$1.653 million has been offset against section 64(3) payments in 2019-20 leaving \$0.041 million to be applied against future payments. As at 30 June 2020, a prepayment of \$0.045 million has been recognised representing these amounts.

The NIAA will continue to monitor its level of compliance with section 83 of the Constitution across all legislation for which it is administratively responsible. Legislation has been prepared and is awaiting presentation to Parliament to reduce the non-compliance risks associated with these payments to an acceptably low level.

### Events after the Reporting Period

There are no significant events that occurred after balance date that warrant disclosure, or must be brought to account in the financial statements.

### Impact of COVID-19

The NIAA administered financial statements have been impacted by COVID-19 restrictions with increased payments to Land Councils, through the ABA, to enable them to meet administrative and operational requirements relating to COVID-19.

With respect to the NIAA departmental financial statements, the only area assessed as having a COVID-19 impact is the non-financial land and building assets. Whilst significant uncertainty exists due to COVID-19, it is too early to quantify the impact, real estate markets are less volatile than financial markets and to date there hasn't been significant change in transaction prices in most capital cities in residential property markets.

The NIAA has assessed the overall impact of COVID-19 pandemic on the balances included in the financial statements and has concluded that COVID-19 has not had a material impact on the balances.

**National Indigenous Australians Agency  
Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**1. Departmental Financial Performance**

This section analyses the financial performance of the National Indigenous Australians Agency for the year ended 30 June 2020.

**1.1. Expenses**

	2020
	\$'000
<b>Note 1.1A: Employee Benefits</b>	
Wages and salaries	112,572
Superannuation	
Defined contribution plans	11,124
Defined benefit plans	11,743
Leave and other entitlements	18,549
Separation and redundancies	554
<b>Total employee benefits</b>	<b>154,542</b>

**Accounting Policy**

Accounting policies for employee related expenses are contained in the People and Relationships section, refer Note 6.

**Note 1.1B: Suppliers**

**Goods and services supplied or rendered**

Consultants, legal, contractors and secondees	12,039
Minor equipment, repairs and maintenance	592
General expenses	5,319
Facility management and security	15,075
Information, communication and technology	1,156
Shared Service Provider for the provision of payroll, IT, financial operations and travel services	43,625
Travel	5,565
<b>Total goods and services supplied or rendered</b>	<b>83,371</b>

Goods supplied	2,943
Services rendered	80,428
<b>Total goods and services supplied or rendered</b>	<b>83,371</b>

**Other suppliers**

Workers compensation expenses	1,203
Short-term leases	1,594
<b>Total other suppliers</b>	<b>2,797</b>
<b>Total suppliers</b>	<b>86,168</b>

**Accounting Policy**

**Short-term leases and leases of low-value assets**

The NIAA has elected to not recognise right-of-use assets and lease liabilities where the remaining lease term is less than 12 months or the remaining asset value was of low value (less than \$10,000) at the time of transition (1 July 2019). The NIAA recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

	2020
	\$'000
<b>Note 1.1C: Finance Costs</b>	
Interest on lease liabilities	2,021
Unwinding of discount on make good	<u>10</u>
<b>Total finance costs</b>	<b><u>2,031</u></b>

Refer Overview Section for the accounting policy on leases.

<b>Note 1.1D: Write-Down and Impairment of Other Assets</b>	
Impairment of property, plant and equipment	978
Impairment of intangibles	1,122
Revaluation decrements	<u>523</u>
<b>Total write-down and impairment of other assets</b>	<b><u>2,623</u></b>

<b>Note 1.1E: Losses from Asset Sales</b>	
Property, plant and equipment	
Loss on sale	<u>16</u>
<b>Total losses from asset sales</b>	<b><u>16</u></b>

**Accounting Policy**

Gains or losses from disposal of assets are recognised when control of the asset has passed to the purchaser.

Write-down and impairment of assets relates to assets identified as beyond economic repair, obsolete or damaged and no longer in use or assets assessed as containing indicators of impairment.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**1.2. Own-Source Revenue and Gains**

	2020
	\$'000
<b>Own-Source Revenue</b>	
<b>Note 1.2A: Revenue from Contracts with Customers</b>	
Cost recovery	7,644
<b>Total revenue from contracts with customers</b>	<u>7,644</u>
<b>Disaggregation of revenue from contracts with customers</b>	
<b>Major sources of revenue:</b>	
Cost recovery	7,644
<b>Total sources of revenue:</b>	<u>7,644</u>
<b>Type of customer:</b>	
Australian Government entities (related parties)	7,644
Non-government entities	-
<b>Total type of customer:</b>	<u>7,644</u>
<b>Timing of transfer of services:</b>	
Point in time	7,644
<b>Total timing of transfer of services:</b>	<u>7,644</u>

**Accounting Policy**

Revenue from rendering of services is recognised at a point in time reflecting the completion of performance delivery obligations. Revenue from Memorandum of Understanding (MoU) agreements between the NIAA and other related parties for the recovery of costs are recognised at the time that the relevant costs are incurred.

**Note 1.2B: Rental Income**

Operating lease income	1,991
<b>Total rental income</b>	<u>1,991</u>

**Accounting Policy**

The principal activities from which the NIAA generates its revenue is sublease of its property and land portfolio. This is recognised in income on a straight-line basis over the lease term.

**Note 1.2C: Resources Received Free of Charge**

Remuneration of auditors - financial statements audit	361
<b>Total other revenue</b>	<u>361</u>

**Accounting Policy**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**2. Income and Expenses Administered on Behalf of Government**

This section analyses the activities that the National Indigenous Australians Agency does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

**2.1. Administered – Expenses**

	<b>2020</b>
	<b>\$'000</b>
<b>Note 2.1A: Employee benefits</b>	
Wages and salaries	111
Superannuation	
Defined contribution plans	20
Leave and other entitlements	18
<b>Total employee benefits</b>	<b>149</b>
<b>Note 2.1B: Suppliers</b>	
<b>Goods and services supplied or rendered</b>	
Outsourced providers, contractors and consultants	45,694
General expenses	5,951
Travel	304
Information, communication and technology	1,620
<b>Total goods and services supplied or rendered</b>	<b>53,569</b>
Goods supplied	18
Services rendered	53,551
<b>Total goods and services supplied or rendered</b>	<b>53,569</b>

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

	2020
	\$'000
<b>Note 2.1C: Grants</b>	
Public sector	
Australian Government entities (related entities)	112,586
State and Territory Governments	28,104
Local Governments	65,891
Private sector	
Non-profit organisations	959,280
Commercial entities	165,566
<b>Total grants</b>	<b>1,331,427</b>
1.1 Jobs, Land and the Economy	672,190
1.2 Children and Schooling	324,036
1.3 Safety and Wellbeing	248,825
1.4 Culture and Capability	43,942
1.5 Remote Australia Strategies	42,329
1.6 Evaluation and Research	105
<b>Total grants</b>	<b>1,331,427</b>
<b>Note 2.1D: Payments Associated with Land Councils</b>	
Payments associated with Land Councils administration	82,257
Land Councils distributions	115,967
<b>Total payments associated with Land Councils</b>	<b>198,224</b>
<b>Accounting Policy</b>	
<p>The NIAA administers a number of grants and subsidy schemes on behalf of the Government. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed; or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. Settlement is made according to the terms and conditions of each grant. This is usually within 30 days of performance or eligibility.</p>	

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

<b>2.2. Administered - Income</b>	
	<b>2020</b>
	<b>\$'000</b>
<b>Note 2.2A: Interest</b>	
Interest on investments	23,144
Interest on loans	256
Unwinding of discount on concessional loans	791
<b>Total interest</b>	<b>24,191</b>
<b>Note 2.2B: Rental Income</b>	
Lease rental income	2,115
<b>Total rental income</b>	<b>2,115</b>
<b>Note 2.2C: Other Revenue</b>	
Return of grant funding	7,344
Other	12
<b>Total other revenue</b>	<b>7,356</b>

**Accounting Policy**

All administered revenues relate to ordinary activities performed by the NIAA on behalf of the Australian Government. As such, administered appropriations are not revenues of the individual entity. The NIAA oversees the distribution or expenditure of the funds as directed. Interest revenue is recognised using the effective interest method.

Return of grant funding is recognised where grants previously provided are not fully acquitted, with the unacquitted component required to be recovered.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**3. Departmental Financial Position**

This section analyses the National Indigenous Australians Agency's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

**3.1. Financial Assets**

	<b>2020</b>
	<b>\$'000</b>
<b>Note 3.1: Trade and Other Receivables</b>	
<b>Goods and services receivables</b>	
Goods and services - cost recovery	3,934
<b>Total goods and services receivables</b>	<b>3,934</b>
<b>Appropriations receivables</b>	
Existing programs	64,375
<b>Total appropriations receivables</b>	<b>64,375</b>
<b>Other receivables</b>	
Statutory receivables	326
<b>Total other receivables</b>	<b>326</b>
<b>Total trade and other receivables (gross)</b>	<b>68,635</b>
<b>Less impairment loss allowance</b>	
Goods and services	(14)
<b>Total impairment loss allowance</b>	<b>(14)</b>
<b>Total trade and other receivables (net)</b>	<b>68,621</b>

**Accounting Policy**

Receivables for services, which have 30-day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**  
*for the period ended 30 June 2020*

**3.2. Non-Financial Assets**  
**Note 3.2: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles**

	Land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
<b>As at 1 July 2019</b>							
Recognition of right-of-use asset on initial application of AASB 16 - gross book value	787	141,075	-	1,037	-	-	142,899
<b>Adjusted total as at 1 July 2019</b>	<b>787</b>	<b>141,075</b>	<b>-</b>	<b>1,037</b>	<b>-</b>	<b>-</b>	<b>142,899</b>
<b>Additions</b>							
By purchase - PPE	-	316	1,827	4,401	-	-	6,544
By purchase - Intangibles	-	-	-	-	7,146	657	7,803
Right-of-use assets	-	3,107	-	1,286	-	-	4,393
Acquisition of entities or operations (including restructuring) and impairments recognised in other comprehensive income	10,336	36,678	23,484	4,536	11,323	330	86,687
Revaluations recognised in net cost of services	-	(1,455)	-	-	-	-	(1,455)
Reclassifications from held for sale <sup>1</sup>	(369)	(154)	-	-	-	-	(523)
Depreciation and amortisation	400	445	-	-	-	-	845
Depreciation on right-of-use assets	-	(2,097)	(2,417)	(1,954)	(2,399)	(178)	(9,045)
Disposals	(161)	(16,381)	-	(829)	-	-	(17,371)
Write-down and impairments recognised in net cost of services (expense)	-	(50)	-	(30)	-	-	(80)
Remeasurement of right-of-use assets	-	(693)	(13)	(191)	(1,122)	-	(2,019)
	8	(479)	-	-	-	-	(471)
<b>Total as at 30 June 2020</b>	<b>11,001</b>	<b>160,312</b>	<b>22,881</b>	<b>8,256</b>	<b>14,948</b>	<b>809</b>	<b>218,207</b>
<b>Total as at 30 June 2020 represented by</b>							
Gross book value	11,162	178,787	25,298	10,998	16,955	987	244,187
Accumulated depreciation, amortisation and impairment	(161)	(18,475)	(2,417)	(2,742)	(2,007)	(178)	(25,980)
<b>Total as at 30 June 2020</b>	<b>11,001</b>	<b>160,312</b>	<b>22,881</b>	<b>8,256</b>	<b>14,948</b>	<b>809</b>	<b>218,207</b>
<b>Carrying amount of right-of-use assets</b>	<b>634</b>	<b>127,322</b>	<b>-</b>	<b>1,494</b>	<b>-</b>	<b>-</b>	<b>129,450</b>

<sup>1</sup>Note: Reclassification from for sale assets to land and buildings has occurred during 2019-20 due to removing 2 properties from the market

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

### **Contractual commitments for the acquisition of property, plant, equipment and intangible assets**

Contractual commitments for the acquisition of IT equipment and other capital works of \$0.206m are payable within one year.

#### **Accounting Policy**

##### Asset recognition threshold

Purchases of property, plant and equipment and intangibles are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than IT assets where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the NIAA where there exists an obligation to restore the asset to its original condition. These costs are included in the value of the NIAA's property, plant and equipment with a corresponding provision for the 'make good' recognised.

Property, plant and equipment (excluding right-of-use assets) are subsequently measured at fair value.

##### Lease of right-of-use assets (ROU)

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

Following initial application, an impairment review is undertaken for any ROU lease asset that shows indicators of impairment and an impairment loss is recognised against any ROU lease asset that is impaired.

##### Revaluations

Valuations of property, plant and equipment (excluding right-of-use assets) are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The NIAA currently adopts a rolling revaluation plan which ensures all assets are formally revalued by experts at least once every three years. If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific expert valuation in the reporting period, where practicable, regardless of the timing of the last specific expert valuation and a desktop valuation undertaken in the other years.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity through the asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the operating result. Revaluation decrements for a class of assets are recognised directly in the operating result except to the extent that they reversed a previous revaluation increment for that class.

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

The fair value of assets was measured by using approaches recognised by AASB 13, including the market approach, the current replacement cost approach, with inputs used including adjusted market transactions, current acquisition prices, replacement costs, consumed economic benefits and the obsolescence of the asset. These approaches are consistent with generally accepted valuation methodologies utilised by the valuation profession.

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

Fair values for each class of asset are determined as shown below:

Asset Class	Fair value measured at
Land	Market selling price
Buildings excluding leasehold improvements	Market selling price and depreciated replacement cost
Leasehold improvements	Depreciated replacement cost
Plant and equipment	Market selling price and depreciated replacement cost

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured using the cost (Depreciated Replacement Cost or DRC) approach. Professional judgement has been applied in calculating the consumed economic benefit/asset obsolescence relevant to the asset under construction.

All property, plant and equipment assets are valued on a recurring basis except for assets held for sale and ROU assets.

### Significant Accounting Estimates – Fair Value

In 2019-20, the NIAA procured valuation services from independent valuation experts (Opteon Solutions) to perform a valuation of the Land and Buildings Portfolio (excluding right-of-use assets) as at 30 June 2020. The market approach was adopted for all but a small portion of the assets which had limited observable market information for which depreciated replacement cost was adopted. The resulting overall decrease in the portfolio value from \$44.078 million to \$42.100 million represents a 4.5% decline.

The NIAA performed an internal assessment of the results of the expert valuation prior to acceptance and adoption of the valuation results. The following factors contributed to the acceptance of the valuation results:

- The valuation was conducted as at 30 June 2020 to enable current market conditions to be assessed;
- While acknowledging that market conditions are changing due to COVID-19, real estate markets are less volatile than financial markets; and
- The valuation report indicated that sales analysis was considered to have adequately quantified the market conditions as at the date of valuation.

Whilst significant uncertainty exists due to COVID-19, it is too early to quantify the impact, real estate markets are less volatile than financial markets and to date there hasn't been significant change in transaction prices in most capital cities in residential property markets. The NIAA will conduct a revaluation of its land and building classes during 2020-21 to ensure all material impacts whether COVID-19 related or not are reviewed to ensure the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date.

The leasehold improvements and plant and equipment asset classes were assessed as not being subject to material valuation volatility in 2019-20.

### Assets held for sale

Assets held for sale are measured at the lesser of their carrying amount and fair value less cost to sell and are valued at a non-recurring basis. The NIAA currently has no held for sale assets.

### Intangibles

The NIAA's intangibles comprise internally developed and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

### Impairment

All assets were assessed for impairment during 2020.

Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

### Depreciation and amortisation

Depreciable assets are written-off to their estimated residual values over their estimated useful lives to the NIAA using, in all cases, the straight-line method of depreciation.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

Depreciation rates (useful lives and lease terms), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Depreciation rates applying to each class of asset are based on the following total useful lives for the current reporting period:

<b>Asset Class</b>	<b>2020</b>
Buildings excluding leasehold improvements	3 to 50 years
Leasehold improvements	1 to 40 years
Plant and equipment	1 to 25 years
Intangibles	1 to 5 years
ROU assets	1 to 99 years

***Derecognition***

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**3.3. Payables**

2020  
\$'000

**Note 3.3A: Suppliers**

Trade creditors and accruals	9,281
<b>Total suppliers</b>	<b>9,281</b>

**Note 3.3B: Other Payables**

Salaries, wages and superannuation	3,724
Separation and redundancies payable	82
Unearned income	114
Other	967
<b>Total other payables</b>	<b>4,887</b>

**3.4. Interest Bearing Liabilities**

**Note 3.4: Leases**

Lease liabilities	129,881
<b>Total leases</b>	<b>129,881</b>

Total cash outflow for leases for the year ended 30 June 2020 is disclosed in the Cash Flow Statement under principal payments of lease liabilities and interest payments on lease liabilities.

**Accounting Policy**

Refer Overview Section for accounting policy on leases.

**3.5. Other Provisions**

	Provision for make good \$'000	Provision for restoration	Total \$'000
<b>As at 1 July 2019</b>			
Provisions recognised on restructuring	642	-	642
Additional provisions made	3,295	4,105	7,400
Finance cost	10	-	10
Amounts used	-	(226)	(226)
Gain on reversal of provision	(559)	-	(559)
<b>Total as at 30 June 2020</b>	<b>3,388</b>	<b>3,879</b>	<b>7,267</b>

The NIAA currently has 28 agreements for the leasing of premises which have provisions requiring the entity to restore the premises to their original condition at the conclusion of the lease.

During 2019-20 the NIAA has identified 27 leased premises that require restoration due to obligations in respect of the remediation of mould contamination.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**Significant accounting judgements and estimates**

Provision for the restoration of leased premises (make good) is based on future obligations relating to the underlying assets.

The remediation provision includes a provision for the cost of remediation of mould contamination reflecting the cost of restoring the affected structures to their pre-existing condition. The relevant structures are located in remote locations so COVID-19 travel restrictions limited the ability of the NIAA to assess the extent of work required across all affected structures. An estimation of the total cost has been developed based on the initial cost estimate of one location.

**4. Assets and Liabilities Administered on Behalf of Government**

This section analyses assets used to conduct operations and the operating liabilities incurred as a result the National Indigenous Australians Agency does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

**4.1. Administered – Financial Assets**

	<b>2020</b>
	<b>\$'000</b>
<b>Note 4.1A: Cash and Cash Equivalents</b>	
Cash on hand or on deposit	-
Aboriginals Benefit Account - Special Account	9,793
Cash held in the Official Public Account - Special Account	14,560
<b>Total cash and cash equivalents</b>	<b>24,353</b>

**Note 4.1B: Trade and Other Receivables**

<b>Other receivables</b>	
Statutory receivables	10,504
Interest receivable	9,514
Grants receivable	25,625
Other	513
<b>Total other receivables</b>	<b>46,156</b>
<b>Total trade and other receivables (gross)</b>	<b>46,156</b>
<b>Less impairment loss allowance</b>	
Grants receivable	(23,487)
<b>Total impairment loss allowance</b>	<b>(23,487)</b>
<b>Total trade and other receivables (net)</b>	<b>22,669</b>

**National Indigenous Australians Agency**  
Notes to and forming part of the financial statements  
for the period ended 30 June 2020

**4.2. Administered – Non-Financial Assets**

Note 4.2: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment

	Land \$'000	Buildings \$'000	Total \$'000
<b>As at 1 July 2019</b>			
Recognition of right-of-use asset on initial application of AASB 16	11,710	294	12,004
<b>Adjusted total as at 1 July 2019</b>	11,710	294	12,004
Remeasurement of right-of-use assets	3	2	5
Depreciation on right-of-use assets	(225)	(51)	(276)
<b>Total as at 30 June 2020</b>	11,488	245	11,733
<b>Total as at 30 June 2020 represented by</b>			
Fair value	11,713	296	12,009
Accumulated depreciation	(225)	(51)	(276)
<b>Total as at 30 June 2020</b>	11,488	245	11,733
<b>Carrying amount of right-of-use assets</b>	11,488	245	11,733

**Accounting Policy**

**Depreciation**

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives (lease term) for the current reporting period:

Land	30 to 99 years
Buildings	22 to 30 years

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

<b>4.3. Administered – Payables</b>	
	2020
	\$'000
<b>Note 4.3A: Grants</b>	
Public sector	
Australian Government entities (related parties)	191
Local Governments	1,637
Private sector	
Commercial entities	6,469
Non-profit organisations	13,147
<b>Total grants</b>	<u>21,444</u>
All grant payables are expected to be settled in no more than 12 months.	
<b>Note 4.3B: Other Payables</b>	
Other payables	1,716
<b>Total other payables</b>	<u>1,716</u>
All other payables are expected to be settled in no more than 12 months.	

<b>4.4. Administered – Interest Bearing Liabilities</b>	
<b>Note 4.4: Leases</b>	
Lease liabilities	468
<b>Total leases</b>	<u>468</u>
Total cash outflow for leases for the year ended 30 June 2020 is disclosed in the Administered Cash Flow Statement under principal payments of lease liabilities and interest payments on lease liabilities.	

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**5. Funding**

This section identifies the National Indigenous Australians Agency funding structure.

**5.1. Appropriations**

Note 5.1A: Annual and Unspent Appropriations ('Recoverable GST Exclusive')

	2020
	\$'000
<b>Ordinary annual services</b>	
Annual Appropriation	
Operating	185,003
Capital budget	10,590
Section 74 receipts	6,553
Section 75 transfers	67,669
<b>Total available appropriation</b>	<b>269,815</b>
Appropriation applied in 2020 (current and prior years)	(243,280)
<b>Variance</b>	<b>26,535</b>
Prior year section 75 transfers	45,240
<b>Closing unspent appropriation balance</b>	<b>71,775</b>
<b>Balance comprises appropriations as follows:<sup>1</sup></b>	
<i>Appropriation Act (No. 1) 2019-20</i>	14,923
<i>Appropriation Act (No. 3) 2019-20</i>	51,896
<i>Appropriation Act (No.3) 2019-20 - Capital Budget (DCB)</i>	4,845
<i>Appropriation Act (No. 1) 2019-20 cash held by the agency</i>	111
<b>Total unspent appropriation - ordinary annual services</b>	<b>71,775</b>
<b>Other services</b>	
Annual Appropriation	
Equity injections	1,106
Section 75 transfers	791
<b>Total available appropriation</b>	<b>1,897</b>
Appropriation applied in 2020 (current and prior years)	(6,761)
<b>Variance</b>	<b>(4,864)</b>
Prior year section 75 transfers	6,924
<b>Closing unspent appropriation balance</b>	<b>2,060</b>
<b>Balance comprises appropriations as follows:</b>	
<i>Appropriation Act (No 2) 2018-19 - Non Operating Equity Injection</i>	163
<i>Supply Act (No. 2) 2019-20 - Non Operating - Equity Injection</i>	791
<i>Appropriation Act (No 2) 2019-20 - Non Operating Equity Injection</i>	1,106
<b>Total unspent appropriation - other services</b>	<b>2,060</b>

<sup>1</sup> The Departmental unspent annual appropriation is shown inclusive of Section 51 quarantines against *Appropriation Act (No. 1) 2019-20* of \$2.100 million and *Appropriation Act (No.3) 2019-20* of \$7.250 million.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**Note 5.1B: Administered Annual and Unspent Appropriations ('Recoverable GST Exclusive')**

	2020 \$'000
<b>Ordinary annual services</b>	
Annual Appropriation	
Operating	745,396
Section 74 receipts	56,737
Section 75 transfers	563,429
<b>Total available appropriation</b>	<b>1,365,562</b>
Appropriation applied (current and prior years)	(1,334,583)
<b>Variance</b>	<b>30,979</b>
Opening unspent appropriation balance	-
<b>Closing unspent appropriation balance</b>	<b>30,979</b>
<b>Balance comprises appropriations as follows:<sup>1</sup></b>	
<i>Appropriation Act (No. 1) 2017-18</i>	26
<i>Appropriation Act (No. 1) 2018-19</i>	3,338
<i>Appropriation Act (No. 1) 2019-20</i>	27,615
<b>Total unspent appropriation - ordinary annual services</b>	<b>30,979</b>
<b>Other services</b>	
Annual Appropriation	
States, ACT, NT and Local government	2,787
Section 75 transfers	1,992
<b>Total available appropriation</b>	<b>4,779</b>
Appropriation applied (current and prior years)	(4,779)
<b>Variance</b>	<b>-</b>
<b>Closing unspent appropriation balance</b>	<b>-</b>
<b>Total unspent appropriation</b>	<b>30,979</b>

<sup>1</sup> The administered unspent annual appropriation is shown inclusive of Section 51 withholdings against *Appropriation Act (No. 1) 2017-18* of \$0.026 million and *Appropriation Act (No. 1) 2018-19* of \$3.338 million as well as an administrative quarantine against *Appropriation Act (No. 1) 2019-20* of \$3.649 million.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**Note 5.1C: Special Appropriations ('Recoverable GST Exclusive')**

	<b>Appropriation Applied 2020 \$'000</b>
<b>Authority</b>	<b>\$'000</b>
<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	<b>398,268</b>
<i>Public Governance, Performance and Accountability Act 2013 s.77</i>	-
<i>Higher Education Support Act 2003</i>	<b>70,414</b>
<b>Total</b>	<b>468,682</b>

There were no transactions during 2019-20 for special appropriations *Indigenous Education (Targeted Assistance) Act 2000*, s.13 and *Native Title Act 1993* s.54(2).

**National Indigenous Australians Agency**  
Notes to and forming part of the financial statements  
for the period ended 30 June 2020

**5.2. Special Accounts**

	Aboriginals and Torres Strait Islander Corporations Unclaimed Money Account <sup>1</sup>	Aboriginals Benefit Account <sup>2</sup>	Indigenous Land and Sea Corporation Funding Special Account <sup>3</sup>	Indigenous Remote Service Delivery Special Account <sup>4</sup>	Services for Other Entities and Trust Moneys <sup>5</sup>
	2020 \$'000	2020 \$'000	2020 \$'000	2020 \$'000	2020 \$'000
<b>Balance brought forward from previous period</b>	-	-	-	-	-
<b>Increases</b>					
<b>Administered</b>					
Appropriation credited to special account	-	397,233	-	1,431	50
Investments realised	-	1,340,500	-	-	-
Interest receipts	-	28,315	-	-	-
Other receipts	1,030	11,584	54,143	26,383	2,187
<b>Total increase</b>	<b>1,030</b>	<b>1,777,632</b>	<b>54,143</b>	<b>27,814</b>	<b>2,237</b>
<b>Available for payments</b>	<b>1,030</b>	<b>1,777,632</b>	<b>54,143</b>	<b>27,814</b>	<b>2,237</b>
<b>Decreases</b>					
<b>Administered</b>					
Transfers to OPA	-	-	-	-	-
PGPA Act section 58 investments	-	(1,536,007)	-	-	-
Payments made	(43)	(231,832)	(54,143)	(16,414)	(64)
<b>Total administered decreases</b>	<b>(43)</b>	<b>(1,767,839)</b>	<b>(54,143)</b>	<b>(16,414)</b>	<b>(64)</b>
<b>Total balance carried to next period</b>	<b>987</b>	<b>9,793</b>	<b>-</b>	<b>11,400</b>	<b>2,173</b>
<b>Balance represented by:</b>					
Cash held in entity bank accounts	-	9,793	-	-	-
Cash held in the Official Public Account	987	-	-	11,400	2,173
<b>Total balance carried to next period</b>	<b>987</b>	<b>9,793</b>	<b>-</b>	<b>11,400</b>	<b>2,173</b>

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

<sup>1</sup>*Appropriation: Public Governance, Performance and Accountability Act 2013; section 80*

*Establishing Instrument: Corporations (Aboriginal and Torres Strait Islander) Act 2006; section 551-20*

Purpose: To administer unclaimed moneys received by the Registrar of Aboriginal and Torres Strait Islander Corporations.

This account is non-interest bearing.

<sup>2</sup>*Appropriation: Public Governance, Performance and Accountability Act 2013; section 80*

*Establishing Instrument: Aboriginal Land Rights (Northern Territory) Act 1976; sections 62, 63, 64 and 65*

Purpose: For the receipt and disbursement of the equivalent of mining royalty moneys derived from mining operations on Aboriginal land in the Northern Territory.

This account is interest bearing.

<sup>3</sup>*Appropriation: Public Governance, Performance and Accountability Act 2013; section 80*

*Establishing Instrument: Section 12 of the Aboriginal and Torres Strait Islander Land and Sea Future Fund Act 2018 (ATSILSFF Act).*

Purpose: To make payments to the Indigenous Land and Sea Corporation.

This account is non-interest bearing.

<sup>4</sup>*Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*

*Establishing Instrument: IRSD Determination 2020 that replaced Determination 2010/06 on 9<sup>th</sup> April 2020.*

Purpose: To support high priority projects in remote Indigenous communities and to develop, promote, assist or improve the design, delivery and coordination of governance, community development, infrastructure and services in remote Indigenous communities.

This account is non-interest bearing.

<sup>5</sup>*Appropriation: Public Governance, Performance and Accountability Act 2013; section 78*

*Establishing Instrument: NIAA SOETM Special Account 2020*

Purpose: To disburse an amount held on trust or otherwise for the benefit of a person other than the Commonwealth.

This account is non-interest bearing.

### **Aboriginal Advancement Account**

*The Aboriginal Advancement Account was established under section 80 of the PGPA Act.*

*Establishing Instrument: Aboriginal Land (Lake Condah and Framlingham Forest) Act 1987, section 38*

The purpose of the account is for furthering the social and economic advancement of Aboriginal people living in Victoria. There were no transactions credited or debited to the special account during 2020.

**National Indigenous Australians Agency  
Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**6. People and Relationships**

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

**6.1. Employee Provisions**

	2020
	\$'000
<b>6.1: Employee Provisions</b>	
Annual leave	15,883
Long service leave	37,963
<b>Total employee provisions</b>	<b>53,846</b>

**Accounting Policy**

**Employee benefits**

Liabilities for 'short-term employee benefits' and termination benefits due within 12 months of the end of the reporting period are measured at their nominal amounts.

**Leave**

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the NIAA is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the NIAA's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary during 2020. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

**Separation and redundancy**

A liability is made for separation and redundancy benefit payments. The NIAA recognises a liability for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

**Superannuation**

The NIAA's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or another fund of their choice.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The NIAA makes employer contributions to the employees' superannuation scheme. For Commonwealth defined benefits schemes, these rates are determined by an actuary to be sufficient to meet the current cost to the Government. NIAA accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

**National Indigenous Australians Agency  
Notes to and forming part of the financial statements**

for the period ended 30 June 2020

	<b>2020</b>
	<b>\$'000</b>
<b>Note 6.1B: Administered Employee Provisions</b>	
Annual leave	16
Long service leave	9
<b>Total employee provisions</b>	<b>25</b>
<b>Accounting Policy</b>	
The expense and liabilities for services rendered by administered staff are recognised as administered items.	

**6.2. Key Management Personnel Remuneration**

	<b>2020</b>
	<b>\$'000</b>
<b>6.2 Key Management Personnel Remuneration Expenses</b>	
Short-term employee benefits	2,091
Post-employment benefits	235
Other long-term employee benefits	128
<b>Total key management personnel remuneration expenses</b>	<b>2,454</b>

The total number of key management personnel included in the above table is 9. Included in that number is 1 staff member who worked for the full-year and 8 staff who worked a part-year, due to the NIAA reform process finalising governance structures and executives leaving the agency. The number of key management personnel at 30 June 2020 is 7.

Key management personnel on acting arrangements are included where the length of the arrangement is longer than two months.

**6.3. Related Party Disclosures**

**Related party relationships:**

The entity is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel, Cabinet Ministers and other Australian Government entities.

**Transactions with related parties:**

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. The NIAA transacts with other Australian Government controlled entities for normal day-to-day business operations provided under normal terms and conditions or on a cost recovery basis. This includes shared service arrangements received for the provision of HR, IT and Finance related functions, secondees and the collection of rental income. These transactions have not been separately disclosed in this note.

Giving consideration to the relationships with related parties and the transactions entered into during the year, it has been determined that there were no related party transactions to be separately disclosed.

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

### 7. Managing Uncertainties

This section analyses how the National Indigenous Australians Agency manages financial risks within its operating environment.

#### 7.1. Contingent Assets and Liabilities

##### Note 7.1A: Contingent Assets and Liabilities

###### Unquantifiable contingent liabilities - claims for damages and costs

Claims have been made against the Australian Government in relation to its administration of the Northern Territory prior to self-government; including a number of claims by former residents of the Retta Dixon Home and former residents of the Garden Point Mission. Some of the claims have been settled or resolved during 2019-20, with the remainder still being assessed.

##### Accounting Policy

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when the probability of settlement is greater than remote.

##### Note 7.1B: Administered Contingent Assets and Liabilities

The NIAA is not aware of any material administered quantifiable or unquantifiable contingent assets or liabilities as at 30 June 2020.

### 7.2. Financial Instruments

	2020
	\$'000
<b>Note 7.2A: Categories of Financial Instruments</b>	
<b>Financial assets at amortised cost</b>	
Cash and cash equivalents	111
Goods and services receivables (net)	3,920
<b>Total financial assets at amortised cost</b>	<u>4,031</u>
<b>Total financial assets</b>	<u>4,031</u>
<b>Financial Liabilities</b>	
<b>Financial liabilities measured at amortised cost</b>	
Trade creditors and accruals	9,281
Other payables	4,742
Leases	129,881
<b>Total financial liabilities measured at amortised cost</b>	<u>143,904</u>
<b>Total financial liabilities</b>	<u>143,904</u>
<b>Note 7.2B: Net Gains or Losses on Financial Assets</b>	
<b>Financial assets at amortised cost</b>	
Impairment	(14)
<b>Net gains/ (losses) on financial assets at amortised cost</b>	<u>(14)</u>
<b>Net gains/ (losses) on financial assets</b>	<u>(14)</u>

## National Indigenous Australians Agency Notes to and forming part of the financial statements

for the period ended 30 June 2020

### **Accounting Policy**

#### **Financial assets**

The NIAA classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss;
- b) financial assets at fair value through other comprehensive income; and
- c) financial assets measured at amortised cost.

The classification depends on both the NIAA's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the NIAA becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

The NIAA does not hold any financial assets at fair value through profit or loss or at fair value through other comprehensive income.

#### **Financial Assets at Amortised Cost**

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

#### **Effective Interest Method**

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

#### **Impairment of financial assets**

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses. Using the general approach, the loss allowance is based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased. The simplified approach for trade and contract receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

#### **Financial liabilities**

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

Financial liabilities are recognised and derecognised upon 'trade date'.

Settlement of supplier payables is usually made within 30 days.

#### **Significant accounting judgements and estimates**

The relevant government bond rate has been used to discount non-current liabilities.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**7.3. Administered - Financial Instruments**

	2020
	\$'000
<b>Note 7.3A: Categories of Financial Instruments</b>	
<b>Financial assets at amortised cost</b>	
Bank term deposits	1,238,007
Cash and cash equivalents	24,353
Interest receivable	9,514
Grants receivable (net)	2,138
<b>Total financial assets at amortised cost</b>	<b>1,274,012</b>
<b>Total financial assets</b>	<b>1,274,012</b>
<b>Financial Liabilities</b>	
<b>Financial liabilities measured at amortised cost</b>	
Trade creditors and accruals	1,403
Grants	21,444
Other payables	1,716
Leases	468
<b>Total financial liabilities measured at amortised cost</b>	<b>25,031</b>
<b>Total financial liabilities</b>	<b>25,031</b>

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**Note 7.3B: Net Gains or Losses on Financial Assets**

**Financial assets at amortised cost**

Interest revenue	<b>24,191</b>
Reversal of impairment	<b>9,917</b>
Impairment	<b>(9,661)</b>
<b>Net gains/(losses) on financial assets at amortised cost</b>	<b>24,447</b>

**Accounting Policy**

Investment activities are conducted in accordance with the requirements of section 58 of the PGPA Act. Investments are typically low risk and take the form of term deposits. The duration of the term deposits are usually for a term of three to 12 months.

The investment objective of NIAA is to comply with legislative obligations under the PGPA Act and the ALRA. Investment practices are also governed by the investment policy of NIAA, which requires the management of the portfolio to respond to positive investment opportunities in the market so as to achieve the best possible returns for the account within the legislative framework.

The investment portfolio and bank accounts are managed to ensure sufficient funds are available for payments as required.

The asset allocation of the portfolio as at 30 June 2020 is 100% of term deposits with Australian banks.

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**8. Other Information**

**8.1 Aggregate Assets and Liabilities**

**Note 8.1A: Aggregate Assets and Liabilities**

	2020 \$'000
<b>Assets expected to be recovered in:</b>	
No more than 12 months	69,878
More than 12 months	<u>217,089</u>
<b>Total assets</b>	<u>286,967</u>
<b>Liabilities expected to be settled in:</b>	
No more than 12 months	47,824
More than 12 months	<u>157,338</u>
<b>Total liabilities</b>	<u>205,162</u>

**Note 8.1B: Administered - Aggregate Assets and Liabilities**

<b>Assets expected to be recovered in:</b>	
No more than 12 months	1,257,624
More than 12 months	<u>39,858</u>
<b>Total assets</b>	<u>1,297,482</u>
<b>Liabilities expected to be settled in:</b>	
No more than 12 months	24,643
More than 12 months	<u>413</u>
<b>Total liabilities</b>	<u>25,056</u>

**National Indigenous Australians Agency**  
**Notes to and forming part of the financial statements**

for the period ended 30 June 2020

**8.2 Restructuring**

**Note 8.2: Restructuring**

	2020	
	Department of the Prime Minister and Cabinet <sup>1</sup>	
	Departmental \$'000	Administered \$'000
<b>FUNCTION ASSUMED</b>		
<b>Assets recognised</b>		
Cash and cash equivalents	-	37,552
Trade and other receivables	52,249	41,304
Other financial assets	750	1,042,500
Property, plant and equipment	75,152	-
Intangibles	11,535	-
Assets held for sale	1,012	-
Other non-financial assets	-	3,677
<b>Total assets recognised</b>	<b>140,698</b>	<b>1,125,033</b>
<b>Liabilities recognised</b>		
Trade creditors and accruals	2,047	8,263
Grants payable	-	23,964
Other payables	16,078	2,773
Employee provisions	48,079	49
Make good provisions	642	-
<b>Total liabilities recognised</b>	<b>66,846</b>	<b>35,049</b>
<b>Net assets/(liabilities) assumed</b>	<b>73,852</b>	<b>1,089,984</b>
<b>Equity recognised</b>		
Reserves	5,516	-
<b>Total equity recognised</b>	<b>5,516</b>	<b>-</b>

<sup>1</sup> The NIAA was established on 1 July 2019 in the Department of Prime Minister and Cabinet portfolio. Responsibility for Indigenous Affairs was transferred from Department of the Prime Minister and Cabinet to the NIAA following the executive order effective 1 July 2019.

Aboriginals Benefit Account

# Auditor's Report



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## INDEPENDENT AUDITOR'S REPORT

To the Minister for Indigenous Australians

### Opinion

In my opinion, the financial statements of the Aboriginals Benefit Account ('the Entity') for the year ended 30 June 2020:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following statements as at 30 June 2020 and for the year then ended:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer of the National Indigenous Australians Agency is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act.

Under section 64B(4) of the *Aboriginal Land Rights (Northern Territory) Act 1976*, sections 42 and 43 (other than subsection 43(4)) of the *Public Governance, Performance and Accountability Act 2013* (which deal with annual financial statements for Commonwealth entities and audits of those statements), and rules made for the purposes of those sections, apply in relation to the Aboriginals Benefit Account as if the Account were a Commonwealth entity and the Chief Executive Officer were the accountable authority of that Commonwealth entity.

The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

**Auditor's responsibilities for the audit of the financial statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office 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 the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, 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 my 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 Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Rahul Tejani  
Executive Director  
Delegate of the Auditor-General

Canberra  
7 September 2020

**OFFICIAL**

**Aboriginals Benefit Account**

# Financial Statements

For the period ended 30 June 2020

**ABORIGINALS BENEFIT ACCOUNT  
STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL  
OFFICER**

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The accompanying financial statements of the Aboriginals Benefit Account (ABA) for the year ended 30 June 2020 have been prepared in accordance with section 64B of the *Aboriginal Land Rights (Northern Territory) Act 1976*, which requires the financial statements to be prepared in accordance with section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Minister for Finance has granted the ABA an exemption under the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR). The exemption applies to the following requirements of the FRR:

- (a) Sections 9, 32 and 33 of the FRR. The ABA is required to present its administered activities in departmental format, in accordance with current practice.
- (b) Divisions 2, 3, 4 and 5 of Part 6 of the FRR to the extent that the ABA has no appropriation transactions and balances other than through its special account.

In our opinion, the attached financial statements for the year ended 30 June 2020 comply with subsection 42(2) of the PGPA Act and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the ABA will be able to pay its debts as and when they fall due.



Ray Griggs AO CSC  
Chief Executive Officer

7 September 2020



Samuel Volker FCA  
Chief Financial Officer

7 September 2020

**ABORIGINALS BENEFIT ACCOUNT**  
**STATEMENT OF COMPREHENSIVE INCOME**  
*for the period ended 30 June 2020*

	Notes	2020 \$'000	2019 \$'000
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Payments to advisory committee members		98	104
Suppliers - services rendered		86	80
Grants	1.1A	20,937	10,292
Payments for township leases	1.1B	5,523	5,547
Payments to Land Councils for administrative purposes	1.1C	85,684	61,466
Distribution to Land Councils	1.1D	120,799	127,814
Depreciation <sup>1</sup>	2.2A	203	-
Impairment loss on financial instruments		68	280
Other expenses	1.1E	3,432	2,725
<b>Total expenses</b>		<b>236,830</b>	<b>208,308</b>
<b>Own-Source Income</b>			
<b>Own-source revenue</b>			
Interest	1.2A	23,144	25,661
Lease rental income	1.2B	2,115	2,251
Resources received free of charge	1.2C	3,432	2,725
Return of grant funding		485	267
<b>Total own-source revenue</b>		<b>29,176</b>	<b>30,904</b>
<b>Gains</b>			
Gain on realisation of investments	1.2D	-	-
Other gains		-	5
<b>Total gains</b>		<b>-</b>	<b>5</b>
<b>Total own-source income</b>		<b>29,176</b>	<b>30,909</b>
<b>Net cost of services</b>		<b>207,654</b>	<b>177,399</b>
Revenue from Government	1.2E	402,664	426,051
<b>Surplus</b>		<b>195,010</b>	<b>248,652</b>
<b>Total comprehensive income</b>		<b>195,010</b>	<b>248,652</b>

<sup>1</sup> Depreciation is attributable to the implementation of AASB 16 Leases, comparatives have not been reclassified.

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

**ABORIGINALS BENEFIT ACCOUNT  
STATEMENT OF FINANCIAL POSITION**

*as at 30 June 2020*

	Notes	2020 \$'000	2019 \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3.1	9,793	9,154
Trade and other receivables	2.1	10,619	15,659
Investments - term deposits		<u>1,238,007</u>	<u>1,042,500</u>
<b>Total financial assets</b>		<u>1,258,419</u>	<u>1,067,313</u>
<b>Non-Financial Assets</b>			
Property, plant and equipment – right-of-use assets <sup>1</sup>	2.2A	11,269	-
Other non-financial assets	2.2B	<u>45</u>	<u>3,678</u>
<b>Total non-financial assets</b>		<u>11,314</u>	<u>3,678</u>
<b>Total assets</b>		<u>1,269,733</u>	<u>1,070,991</u>
<b>LIABILITIES</b>			
<b>Payables</b>			
Office of Township Leasing administrative liabilities		1,401	742
Other payables	2.3	<u>1,428</u>	<u>7,915</u>
<b>Total payables</b>		<u>2,829</u>	<u>8,657</u>
<b>Total liabilities</b>		<u>2,829</u>	<u>8,657</u>
<b>Net assets</b>		<u>1,266,904</u>	<u>1,062,334</u>
<b>EQUITY</b>			
Retained surplus		<u>1,266,904</u>	<u>1,062,334</u>
<b>Total equity</b>		<u>1,266,904</u>	<u>1,062,334</u>

<sup>1</sup>Right-of-use assets are recognised with the implementation of AASB 16 *Leases*, comparatives have not been reclassified.

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

**ABORIGINALS BENEFIT ACCOUNT  
STATEMENT OF CHANGES IN EQUITY**  
*for the period ended 30 June 2020*

	Notes	2020 \$'000	2019 \$'000
<b>TOTAL EQUITY - RETAINED EARNINGS</b>			
<b>Opening balance</b>			
Balance carried forward from previous period		1,062,334	814,201
Other adjustments		-	(563)
Adjustment for changes in accounting policies		-	44
Adjustment on initial application of AASB 16		9,560	-
<b>Adjusted opening balance</b>		<b>1,071,894</b>	<b>813,682</b>
<b>Comprehensive income</b>			
Surplus for the period		195,010	248,652
<b>Total comprehensive income</b>		<b>195,010</b>	<b>248,652</b>
<b>Closing balance as at 30 June</b>		<b>1,266,904</b>	<b>1,062,334</b>

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

**ABORIGINALS BENEFIT ACCOUNT  
CASH FLOW STATEMENT**

*for the period ended 30 June 2020*

	Notes	2020 \$'000	2019 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		397,233	429,608
Net GST received		1,712	858
Lease rental receipts		<u>2,430</u>	<u>2,394</u>
<b>Total cash received</b>		<u>401,375</u>	<u>432,860</u>
<b>Cash used</b>			
Committee members		88	104
Suppliers		14	36
Grants		22,981	11,497
Payments for township leases		5,609	4,524
Payments to Land Councils for administrative purposes		85,684	61,466
Distributions to Land Councils		<u>119,168</u>	<u>128,885</u>
<b>Total cash used</b>		<u>233,544</u>	<u>206,512</u>
<b>Net cash from operating activities</b>		<u>167,831</u>	<u>226,348</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from realisation of investments		1,340,500	853,746
Interest on investments		<u>28,315</u>	<u>20,348</u>
<b>Total cash received</b>		<u>1,368,815</u>	<u>874,094</u>
<b>Cash used</b>			
Investments		<u>1,536,007</u>	<u>1,102,500</u>
<b>Total cash used</b>		<u>1,536,007</u>	<u>1,102,500</u>
<b>Net cash used by investing activities</b>		<u>(167,192)</u>	<u>(228,406)</u>
<b>Net increase/(decrease) in cash held</b>		<u>639</u>	<u>(2,058)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>9,154</u>	<u>11,212</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	3.1	<u>9,793</u>	<u>9,154</u>

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

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

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Overview

1. Financial Performance
  - 1.1. Expenses
  - 1.2. Own-Source Revenue and Gains
2. Financial Position
  - 2.1. Financial Assets
  - 2.2. Non-Financial Assets
  - 2.3. Payables
3. Funding
  - 3.1. Special Accounts
4. Managing Uncertainties
  - 4.1. Contingent Assets and Liabilities
  - 4.2. Financial Instruments
5. Other Information
  - 5.1. Aggregate Assets and Liabilities

**ABORIGINALS BENEFIT ACCOUNT  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the period ended 30 June 2020*

**Overview**

**Basis of preparation of the financial statements**

The Aboriginals Benefit Account's (ABA) activities are classified as administered activities carried out by the National Indigenous Australia Agency (NIAA) on behalf of the Australian Government and are reported in the NIAA's administered financial statements for the period 1 July 2019 to 30 June 2020. In addition to being included in the NIAA's financial statements, the ABA prepares separate audited financial statements as required by the *Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA)*.

The Minister for Finance has granted the ABA an exemption under the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR). The exemption applies to the following requirements of the FRR:

- (a) Sections 9, 32 and 33 of the FRR. The ABA is required to present its administered activities in departmental format, in accordance with current practice.
- (b) Divisions 2, 3, 4 and 5 of Part 6 of the FRR to the extent that the ABA has no appropriation transactions and balances other than through its special account.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or financial position. The financial statements are presented in Australian dollars.

**New Australian Accounting Standards**

No accounting standard has been adopted earlier than the application date as stated in the standard.

The Australian Accounting Standards Board (AASB) released new accounting standards for application from 1 July 2019:

- AASB 16 *Leases* has replaced AASB 117 *Leases*, Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases—Incentives* and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The ABA has adopted this new accounting standard to recognise lease agreements as right-of-use (ROU) assets.

AASB 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. AASB 16 substantially carries forward the lessor accounting in AASB 117, with the distinction between operating leases and finance leases being retained. The details of the changes in accounting policies, transitional provisions and adjustments are disclosed in the relevant notes to the financial statements.

*Impact on transition to AASB 16 Leases*

On transition to AASB 16 for the Township Head Lease agreements managed by the Office of Township Leasing (OTL), ROU assets were recognised by reversing introductory lease prepayments and straight lining provisions, previously recognised as operating leases under the old AASB 117 standard, in retained earnings.

The impact on transition is summarised below:

	<b>\$'000</b>
	1 July 2019
ROU assets – property, plant and equipment	11,472
Reduce prepayments	<u>(1,912)</u>
Total adjustment recognised in retained earnings	<u>9,560</u>

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

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- AASB 15 *Revenue from Contracts with Customers*, AASB 2016-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-For-Profit Entities* and AASB 1058 *Income of Not-for-Profit Entities*.

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 *Revenue*, AASB 111 *Construction Contracts* and Interpretation 13 *Customer Loyalty Programmes*. The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

AASB 1058 is relevant in circumstances where AASB 15 does not apply. AASB 1058 replaces most of the not-for-profit (NFP) provisions of AASB 1004 *Contributions* and applies to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable the entity to further its objectives, and where volunteer services are received.

There are no changes to accounting policies as a result of applying AASB 15 and AASB 1058.

**Taxation**

The ABA is exempt from all forms of taxation except Mining Withholding Tax (MWT), Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

MWT is payable in respect of payments made from royalty equivalents credited to the ABA pursuant to section 63 of the ALRA. In accordance with the Taxation Laws Amendment Act (No. 3) 1994, the rate of MWT payable in respect of the payments made from royalty equivalents credited to the ABA pursuant to section 63 of the ALRA, is 4% (2019: 4%).

GST is payable on purchases made by the ABA under subsection 64(4) and 64(6) of the ALRA. These amounts are recoverable from the Australian Taxation Office (ATO).

**Compliance with statutory conditions for payments from the consolidated revenue fund**

The Government monitors and assesses risks and decides on any appropriate action to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

During 2019-20 the NIAA reviewed the ABA's exposure to the risk of not complying with statutory conditions on payments from appropriations, namely section 83 of the Constitution. The risk profile and internal controls to manage this risk continue to remain appropriate.

Total ABA cash expenditure for 2019-20 is \$233.544 million (2018-19: \$206.512 million). Within the 2019-20 expenditure there are four section 64(3) ALRA payments totalling \$0.177 million (2018-19: three payments totalling \$1.66 million) that have technically contravened section 83 of the Constitution due to difficulties in precisely estimating mining royalties. Payments out of the ABA are required to be made based on royalties received by the Northern Territory or Australian Governments. The contraventions occurred when the royalties upon which the payments were based had been estimated at a value greater than the eventual actual value. Legislation has been prepared and is awaiting presentation to Parliament to reduce the non-compliance risks associated with these payments to an acceptably low level.

Overpayments of \$0.174 million have been recovered in 2019-20 through the reduction of subsequent section 64(3) payments leaving \$0.003 million to be offset against future payments. As at 30 June 2019 there were overpayments totalling \$1.694 million to be recovered, of these \$1.653 million has been offset against section 64(3) payments in 2019-20 leaving \$0.041 million to be applied against future payments. As at 30 June 2020, a prepayment of \$0.045 million has been recognised representing these amounts.

**Significant accounting judgements and estimates**

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities.

**ABORIGINALS BENEFIT ACCOUNT  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the period ended 30 June 2020*

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**Events after the reporting period**

No significant after balance date events have occurred that warrant disclosure or must be brought to account in the Financial Statements.

**Related party disclosures**

Related parties to the ABA are Key Management Personnel including the Minister for Indigenous Australians, and other Australian Government entities. The Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the ABA. Given consideration to relationships with related entities, and transactions entered into during the reporting period by the ABA, there are no related party transactions to be separately disclosed.

**Impact of COVID-19**

The ABA has been impacted by the COVID-19 restrictions with increased administrative payments to Land Councils to enable them to meet administrative and operational requirements relating to COVID-19. The NIAA has assessed the impact of COVID-19 pandemic on the balances included in the ABA financial statements and has concluded that COVID-19 has not had a material impact on the balances.

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

**1. Financial Performance**

This section analyses the financial performance of the Aboriginals Benefit Account for the year ended 30 June 2020.

**1.1. Expenses**

	2020	2019
	\$'000	\$'000
<b>Note 1.1A: Grants</b>		
<b>Public sector</b>		
Australian Government entities (related parties)	317	-
Local Governments	305	-
<b>Private sector</b>		
Non-profit organisations	19,240	10,157
Commercial entities	1,064	-
Stores Infrastructure Project	11	88
Mining Withholding Tax	-	47
<b>Total grants</b>	<b>20,937</b>	<b>10,292</b>

**Accounting Policy**

The ABA makes payments to or for the benefit of Aboriginals living in the Northern Territory under subsection 64(4) of the ALRA. A mining withholding tax is payable on grant payments made from royalty equivalents credited to the ABA pursuant to section 63 of the ALRA.

A mining withholding tax is not payable on grant payments made from other income.

**Note 1.1B: Payments for township leases**

Office of township leasing administrative expenses	3,449	2,787
Community entity administrative expenses	322	284
Township leasing revenue returned	1,752	1,813
Amortisation of township introductory payments <sup>1</sup>	-	663
<b>Total payments for township leases</b>	<b>5,523</b>	<b>5,547</b>

<sup>1</sup>For Amortisation of township introductory payments refer Note 2.2B Other non-financial assets.

**Accounting Policy**

Administrative expenses have been recognised when the relevant expense is incurred.

Head Lease agreements include provisions for the payment of variable lease rentals (referred to as bonus or annual lease rentals). Head Lease variable lease rentals are recognised as an expense in accordance with the terms of the Head Lease (i.e. on recognition of applicable sub-lease rentals).

Prior to 1 July 2019, township introductory payments made under section 64(4A) were recognised as a lease rental prepayment and amortised on a straight-line basis over the initial period specified in the Head Lease. This accounting treatment ceased on 1 July 2019 with the adoption of AASB 16 under which these arrangements are now required to be treated as ROU assets. Township introductory payments are now recognised as principal repayments of ROU assets and depreciated over the life of the Head lease.

**ABORIGINALS BENEFIT ACCOUNT  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the period ended 30 June 2020

**Office of the Executive Director Township Leasing**

The OTL is headed by the Executive Director of Township Leasing, a statutory appointment under the ALRA. Its aim is to enhance the economic development of communities through its leasing activities. The Executive Director of Township Leasing is responsible for managing, on behalf of the Australian Government, any township leases entered into with Indigenous communities in the Northern Territory as specified under section 19A of the ALRA. The OTL manages the head lease over the specified township and negotiates any sub-leasing to commercial entities, government agencies, community organisations and others.

**Community Entity Township Leasing**

Under section 3AAA of the ALRA the Minister is able to approve any organisation as a Commonwealth entity to hold a township lease. Government policy allows for a community entity representative of traditional owners and community members to be approved to hold and administer a section 19A township lease. Community entities may be provided with funding from the ABA at the direction of the Minister for the purpose of acquiring and administering a township lease under section 64(4A) of the ALRA.

	2020	2019
	\$'000	\$'000
<b><u>Note 1.1C: Payments to Land Councils for administrative purposes</u></b>		
<b>Subsection 64(1) payments:</b>		
Northern Land Council	39,917	30,686
Mining Withholding Tax	1,663	1,279
<b>Sub-total Northern Land Council</b>	<b>41,580</b>	<b>31,965</b>
Central Land Council	28,826	19,688
Mining Withholding Tax	1,201	820
<b>Sub-total Central Land Council</b>	<b>30,027</b>	<b>20,508</b>
Tiwi Land Council	5,766	4,521
Mining Withholding Tax	240	188
<b>Sub-total Tiwi Land Council</b>	<b>6,006</b>	<b>4,709</b>
Anindilyakwa Land Council	7,748	4,113
Mining Withholding Tax	323	171
<b>Sub-total Anindilyakwa Land Council</b>	<b>8,071</b>	<b>4,284</b>
<b>Total payments associated with Land Councils administration</b>	<b>85,684</b>	<b>61,466</b>

**Accounting Policy**

Land Councils obtain funding based on their operational requirements in accordance with subsection 64(1) of the ALRA. Estimates for funding are submitted to the Minister for Indigenous Australians for approval and are distributed to Land Councils on a quarterly basis during the year. Payments to Land Councils are recognised as an expense when the payment obligation falls due. A mining withholding tax of 4% of the total amount paid to Land Councils is withheld and paid to the ATO.

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

	2020	2019
	\$'000	\$'000
<b>Note 1.1D: Distribution to Land Councils</b>		
<b>Subsection 64(3) payments:</b>		
Northern Land Council	17,419	17,865
Mining Withholding Tax	<u>726</u>	<u>744</u>
<b>Sub-total Northern Land Council</b>	<b><u>18,145</u></b>	<b><u>18,609</u></b>
Central Land Council	25,466	18,342
Mining Withholding Tax	<u>1,061</u>	<u>764</u>
<b>Sub-total Central Land Council</b>	<b><u>26,527</u></b>	<b><u>19,106</u></b>
Anindilyakwa Land Council	73,082	86,495
Mining Withholding Tax	<u>3,045</u>	<u>3,604</u>
<b>Sub-total Anindilyakwa Land Council</b>	<b><u>76,127</u></b>	<b><u>90,099</u></b>
<b>Total land councils distributions</b>	<b><u>120,799</u></b>	<b><u>127,814</u></b>

**Accounting Policy**

In accordance with subsection 64(3) and 35(2) of the ALRA, 30% of the royalty equivalents, received in respect of mining on Aboriginal land, are paid to the Land Councils for distribution to Aboriginal associations, communities or groups, for the benefit of those Aboriginal people who are affected by mining operations. A mining withholding tax of 4% of the 30% amount paid to Land Councils is withheld and paid to the ATO.

**Note 1.1E: Other expenses**

Salaries and operating expenses <sup>1</sup>	3,432	2,725
<b>Total other expenses</b>	<b><u>3,432</u></b>	<b><u>2,725</u></b>

<sup>1</sup> Expenses associated with the administration of the ABA were received from the NIAA and the Australian National Audit Office (ANAO) as resources received free of charge. This included the provision of audit services. Refer Note 1.2C Resources received free of charge.

**1.2. Own-Source Revenue and Gains**

**OWN-SOURCE REVENUE**

**Note 1.2A: Interest**

Term deposits	23,037	25,478
Interest bearing bank account	<u>107</u>	<u>183</u>
<b>Total interest</b>	<b><u>23,144</u></b>	<b><u>25,661</u></b>

**Accounting Policy**

Interest revenue is recognised using the effective interest method.

**ABORIGINALS BENEFIT ACCOUNT  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the period ended 30 June 2020*

	2020	2019
	\$'000	\$'000
<b>Note 1.2B: Lease rental income</b>		
Revenue lease receipt - Wurrumiyanga	808	902
Revenue lease receipt - Groote	761	841
Revenue lease receipt - Milikapiti	221	260
Revenue lease receipt - Wurankuwu	14	19
Revenue lease receipt - Pirlangimpi	266	176
Revenue lease receipt - Mutitjulu	45	13
Other	-	40
<b>Total lease rental income</b>	<b>2,115</b>	<b>2,251</b>

**Accounting Policy**

The ABA receives lease rental income for the sub-leasing of property held under Township Head Leases in the Northern Territory. Lease rental income is recognised when received by the ABA from sub lease arrangements. Refer to Note 1.1B Payments for township leases.

**Note 1.2C: Resources received free of charge**

Salaries	3,366	2,660
Remuneration of auditors - financial statements audit	66	65
<b>Total resources received free of charge</b>	<b>3,432</b>	<b>2,725</b>

**Accounting Policy**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Refer Note 1.1E Other expenses.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

The ABA has reported resources received free of charge in relation to the NIAA's expenses associated with management of the ABA's account, oversight of the ABA's grants and the ABA Advisory Committee secretariat.

**GAINS**

**Note 1.2D: Gain on realisation of investments**

Investments		
Proceeds from sale	1,340,500	853,746
Carrying value of assets sold	(1,340,500)	(853,746)
<b>Total gain from sale of assets</b>	<b>-</b>	<b>-</b>

**Accounting Policy**

The gain on realisation of investments represents the outcome of a financially liquid investment strategy. Consequently, the proceeds from sale matches the carrying value of assets sold.

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

	2020	2019
	\$'000	\$'000
<b>REVENUE FROM GOVERNMENT</b>		
<b>Note 1.2E: Revenue from Government</b>		
Appropriations		
Special appropriations	402,664	426,051
<b>Total revenue from Government</b>	<b>402,664</b>	<b>426,051</b>

**Accounting Policy**

Amounts appropriated are recognised as revenue. Revenue from Government is not typically recognised by administered entities, however, the exemption provided by the Minister for Finance under the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 in relation to the ABA requires disclosure of such amounts as revenue.

Royalties in respect of uranium and non-uranium mining on Aboriginal land are paid to the Australian Government, the Department of Industry, Science, Energy and Resources and the Northern Territory Treasury (Royalty Branch), respectively. Following advice from these entities, an equivalent amount is drawn down from the Official Public Account (OPA) to enable royalty equivalents to be credited to the ABA, in accordance with section 63 of the ALRA.

These receipts are credited to the ABA shortly after receipt of advice from the respective entity, which usually occurs in the week following payment of the royalties by mining companies to the entity.

**ABORIGINALS BENEFIT ACCOUNT  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the period ended 30 June 2020

**2. Financial Position**

This section analyses the Aboriginals Benefit Account's assets used to conduct its operations and the operating liabilities incurred as a result.

**2.1. Financial Assets**

	2020	2019
	\$'000	\$'000
<b>Note 2.1: Trade and other receivables</b>		
<b>Other receivables</b>		
Interest	9,514	14,685
GST receivable from the ATO	262	61
Other	2,060	2,062
<b>Total other receivables</b>	<b>11,836</b>	<b>16,808</b>
<b>Less impairment loss allowance</b>		
Other receivables	(1,217)	(1,149)
<b>Total impairment loss allowance</b>	<b>(1,217)</b>	<b>(1,149)</b>
<b>Total trade and other receivables (net)</b>	<b>10,619</b>	<b>15,659</b>

**2.2. Non-Financial Assets**

**Note 2.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment**

	Land	Total
	\$'000	\$'000
<b>As at 1 July 2019</b>	-	-
Recognition of ROU assets on initial application of AASB 16	11,472	11,472
<b>Adjusted total as at 1 July 2019</b>	<b>11,472</b>	<b>11,472</b>
Depreciation on ROU assets	(203)	(203)
<b>Total as at 30 June 2020</b>	<b>11,269</b>	<b>11,269</b>
<b>Total as at 30 June 2020 represented by</b>		
Gross book value	11,472	11,472
Accumulated depreciation and impairment	(203)	(203)
<b>Total as at 30 June 2020</b>	<b>11,269</b>	<b>11,269</b>
<b>Carrying amount of ROU assets</b>	<b>11,269</b>	<b>11,269</b>

**Accounting Policy**

Asset Recognition Threshold

Purchases of property, plant and equipment and intangibles are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000, which are expensed in the year of acquisition (other than IT assets where they form part of a group of similar items which are significant in total).

ROU assets exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value (less than \$10,000).

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

**Accounting Policy (continued)**

Lease ROU assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright.

Depreciation

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

	2020	2019
	\$'000	\$'000
<b>Note 2.2B: Other non-financial assets</b>		
Prepayments – subsection 64(3)	45	1,766
Prepayments – subsection 64(4A)	-	1,912
<b>Total other non-financial assets</b>	<b>45</b>	<b>3,678</b>

No indicators of impairment were found for other non-financial assets.

Township introductory payments – subsection 64(4A) prepayments

In prior years, township introductory payments were recognised as prepayments and amortised over the initial period as set out in the head lease agreement. The introduction of AASB 16, effective from 1 July 2019, has resulted in the recognition of head leases as land ROU assets and the de-recognition of township introductory payments as subsection 64(4A) prepayments.

Refer *Overview – New Australian Accounting Standards* for further information regarding the impact on transition to AASB 16.

**2.3. Payables**

<b>Note 2.3: Other payables</b>		
Royalty equivalent overpayment	151	5,885
Township leasing payable	1,063	1,808
Other	214	222
<b>Total other payables</b>	<b>1,428</b>	<b>7,915</b>

**ABORIGINALS BENEFIT ACCOUNT  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the period ended 30 June 2020

**3. Funding**

This section identifies the Aboriginals Benefit Account funding structure.

**3.1. Special Accounts**

**Note 3.1A: Special accounts ('recoverable GST exclusive')**

	Aboriginals Benefit Account <sup>1</sup>	
	2020 \$'000	2019 \$'000
<b>Balance brought forward from previous period</b>	<b>9,154</b>	11,212
<b>Increases</b>		
Appropriation credited to special account	397,233	429,608
Investments realised	1,340,500	853,746
Other receipts	30,745	22,742
<b>Total increases</b>	<b>1,768,478</b>	1,306,096
<b>Available for payments</b>	<b>1,777,632</b>	1,317,308
<b>Decreases</b>		
Payments made	(231,832)	(205,654)
PGPA Act section 58 purchase of investments	(1,536,007)	(1,102,500)
<b>Total decreases</b>	<b>(1,767,839)</b>	(1,308,154)
<b>Total balance carried to the next period</b>	<b>9,793</b>	9,154
<b>Balance represented by:</b>		
Cash held in entity bank account	9,793	9,154
<b>Total balance carried to the next period</b>	<b>9,793</b>	9,154

<sup>1</sup>Appropriation: Public Governance, Performance and Accountability Act 2013, section 80.

Establishing instrument: Aboriginal Land Rights (Northern Territory) Act 1976, sections 62, 63, 64 and 65.

Purpose: For the receipt and disbursement of the equivalent of mining royalty monies derived from mining operations on Aboriginal land in the Northern Territory.

**4. Managing Uncertainties**

This section analyses how the Aboriginals Benefit Account manages financial risks within its operating environment.

**4.1. Contingent Assets and Liabilities**

NIAA, on behalf of the ABA, is not aware of any material quantifiable or unquantifiable contingent assets or liabilities as at the signing date that would require disclosure in the financial statements.

**Accounting Policy**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the period ended 30 June 2020*

**4.2. Financial Instruments**

	2020	2019
	\$'000	\$'000
<b>Note 4.2A: Categories of financial instruments</b>		
<b>Financial assets at amortised cost</b>		
Term deposits	1,238,007	1,042,500
Cash and cash equivalents	9,793	9,154
Interest receivable	9,514	14,685
Other receivables (net)	843	913
<b>Total financial assets at amortised cost</b>	<b>1,258,157</b>	<b>1,067,252</b>
<b>Total financial assets</b>	<b>1,258,157</b>	<b>1,067,252</b>
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost:</b>		
Office of Township Leasing administrative liabilities	1,401	742
Other payables	1,063	1,808
<b>Total financial liabilities measured at amortised cost</b>	<b>2,464</b>	<b>2,550</b>
<b>Total financial liabilities</b>	<b>2,464</b>	<b>2,550</b>

Settlement is made according to the terms and conditions of each financial liability. This is usually within 30 days of performance or eligibility. Settlement of supplier and other payables is usually made within 30 days.

**Accounting Policy**

**Financial Assets**

**Investments**

Investment activities are conducted in accordance with the requirements of section 58 of the PGPA Act. Investments are typically low risk and take the form of term deposits. The duration of the term deposits are usually for a term of three to 12 months.

The investment objective of the NIAA as administrators for the ABA is to ensure that the ABA complies with legislative obligations under the PGPA Act and the ALRA; and that the ABA maintains and preserves its capital base.

The investment portfolio and bank accounts are managed to ensure sufficient funds are available for payments as required.

Investment practices are also governed by the investment policy of the NIAA, which requires the management of the portfolio to respond to positive investment opportunities in the market so as to achieve the best possible returns for the account within the legislative framework.

The asset allocation of the portfolio as at 30 June 2020 is 100% (2019: 100%) with Australian banks.

**Effective Interest Method**

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit and loss.

**Impairment of Financial Assets**

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses. Using the general approach, the loss allowance is based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased. The simplified approach for trade and other receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

**ABORIGINALS BENEFIT ACCOUNT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the period ended 30 June 2020

**Accounting Policy (continued)**

**Financial Liabilities**

**Financial Liabilities at amortised cost**

Financial liabilities are initially measured at fair value, net of transaction costs. These financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent goods or services have been received (and irrespective of having been invoiced).

	2020	2019
	\$'000	\$'000
<b><u>Note 4.2B: Net gains or losses on financial assets</u></b>		
<b>Financial assets at amortised cost</b>		
Interest revenue	23,144	25,661
Other gain	-	5
Impairment	(68)	(280)
<b>Net gain on financial assets at amortised cost</b>	<b>23,076</b>	<b>25,386</b>
<b>Net gain on financial assets</b>	<b>23,076</b>	<b>25,386</b>

The above net gain is from financial assets that are not recognised at fair value through profit and loss.

**Accounting Policy**

Gains or losses from disposal of assets are recognised when control of the asset has passed to the purchaser.

**5. Other Information**

**5.1. Aggregate Assets and Liabilities**

**Note 5.1A: Aggregate Assets and Liabilities**

**Assets expected to be recovered in:**

No more than 12 months	1,230,107	1,068,360
More than 12 months	39,626	2,631
<b>Total assets</b>	<b>1,269,733</b>	<b>1,070,991</b>

**Liabilities expected to be settled in:**

No more than 12 months	2,298	7,753
More than 12 months	531	904
<b>Total liabilities</b>	<b>2,829</b>	<b>8,657</b>

# SECTION SIX



# APPENDICES

## Appendix A

### Aboriginals Benefit Account Annual Report 2019–20

#### Aboriginals Benefit Account overview

The Aboriginals Benefit Account (ABA) is legislated under the *Aboriginal Land Rights (Northern Territory) Act 1976* (Land Rights Act). It is a special account for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The ABA receives and distributes monies generated from mining on Aboriginal land in the Northern Territory. Payments into the ABA are based on royalty equivalents that are determined by the estimated value of the statutory royalty payments.

The Minister for Indigenous Australians allocates funds from the ABA to the four Northern Territory Land Councils (Northern Land Council, Central Land Council, Anindilyakwa Land Council and Tiwi Land Council) for administrative purposes.

The Minister also approves grants for the benefit of Aboriginal people living in the Northern Territory, taking into consideration advice provided by the ABA Advisory Committee. The Committee is established under subsection 65(1) of the Land Rights Act to advise the Minister on beneficial payments under subsection 64(4). In 2019–20 the Committee comprised of 15 members, 14 members elected by the four Land Councils and an additional member with expertise in land management appointed by Minister Wyatt. Andrew Tipungwuti was the Chair for the period 1 July 2019 until 30 November 2019. The process for appointing a new Chair was underway during the period 1 December 2019 to 30 June 2020 and significantly delayed due to the impact of COVID-19. The Committee provided advice in relation to beneficial payments on 98 applications.

Due to the impact of COVID-19 during the reporting period, emergency support payments totalling \$10 million were provided to the four Land Councils as part of a \$123 million COVID-19 support package announced by Minister Wyatt on 2 April 2020.

As at 30 June 2020, the net assets of the ABA were \$1,266.9 million (excluding future commitments). This represents a 19.3 per cent increase from \$1,062.3 million at 30 June 2019 and reflects the surplus in operating activities attributable to mining royalty equivalents income.

Funds from the ABA are distributed to Royalty Associations in areas affected by mining. In addition, the Land Rights Act provides for lease administration costs of approved Commonwealth entities and other leases administered by the Executive Director of Township Leasing.

The NIAA is responsible for advising the Minister on the overall policy and financial management of the ABA. The NIAA also provides secretariat support to the committee and manages the ABA subsection 64(4) grants.

The NIAA administers the ABA in accordance with the requirements of the Land Rights Act and the PGPA Act.

The NIAA is responsible for ensuring the ABA complies with the Land Rights Act and relevant financial legislation. Section 64B of the Land Rights Act requires the NIAA to keep accounts and prepare financial statements in respect of the ABA, as determined by the Minister for Finance. Section 64B also requires the Auditor-General to report on the financial statements to the relevant Minister.

### **Aboriginals Benefit Account performance 2019–20**

Mining royalty equivalent receipts of \$402.7 million were credited to the ABA in 2019–20. This represents a 5.5 per cent decrease on the level of 2018–19 receipts. The decrease in royalty receipts can be attributed to volatility in the market place and fluctuations in exchange rates and world demand. **Tables 6.1** and **6.2** summarise the income and expenditure of ABA.

**Table 6.1: Summary of Aboriginals Benefit Account income, 2018–19 and 2019–20**

	2018–19 \$'000	2019–20 \$'000
Royalty equivalents	426,051	402,664
Interest	25,661	23,144
Resources received free of charge	2,725	3,432
Lease rental income	2,251	2,115
Other income	272	485
<b>Total ABA income</b>	<b>456,960</b>	<b>431,840</b>

**Table 6.2: Summary of Aboriginals Benefit Account expenditure (inclusive of mining withholding tax) 2018–19 and 2019–20**

	2018–19 \$'000	2019–20 \$'000
Payments to Land Councils for administrative purposes— Land Rights Act, subsection 64(1)	61,466	85,684
Payments to Land Councils for distribution to Royalty Associations— Land Rights Act, subsection 64(3)	127,814	120,799
Grant payments to or for the benefit of Aboriginal people in the Northern Territory— Land Rights Act, subsection 64(4)	10,292	20,937
Payments in relation to township leases and subleases— Land Rights Act, subsection 64(4A)	5,547	5,726
Administration (suppliers and employees including resources received free of charge)— Land Rights Act, subsection 64(6)	3,189	3,684
<b>Total expenditure</b>	<b>208,308</b>	<b>236,830</b>

## Credits into the Aboriginals Benefit Account

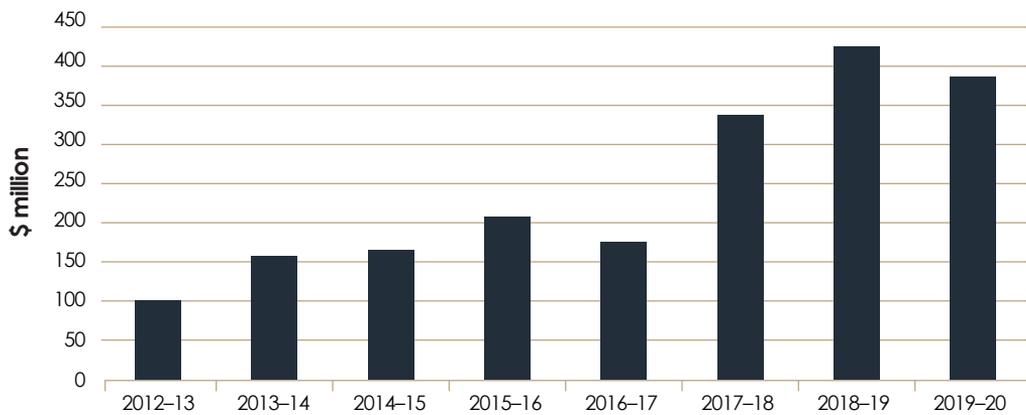
The ABA is credited with monies that are equivalent to the royalties received by the Commonwealth or the Northern Territory for mining on Aboriginal land in the Northern Territory (royalty equivalent receipts).

Interest received from the investment of ABA funds is credited directly into the ABA's bank account. **Table 6.1** details interest earned for the year, as well as royalty equivalent income, resources received free of charge and lease rental income.

The NIAA provides staff support free of charge to manage the ABA. These costs are included as revenue in **Table 6.1** and expenses in **Table 6.2**.

ABA royalty equivalent income is volatile, as it is subject to profits recorded by individual mines that are influenced by global commodity markets and other factors.

**Graph 6.1** shows royalty equivalent receipts transferred to the ABA since 2012–13.



# Debits out of the Aboriginals Benefit Account

A summary of total ABA expenditure in 2018–19 and 2019–20 is provided at **Table 6.2**.

## Payments to Land Councils for Administrative Expenses

**Table 6.3: ABA monies paid in 2018-19 and 2019-20 to the four Northern Territory Land Councils (net of mining withholding tax)**

Land Councils	2018–19 \$'000	2019–20 \$'000
Northern Land Council	30,686	39,917
Central Land Council	19,688	28,826
Tiwi Land Council	4,521	5,766
Anindilyakwa Land Council	4,113	7,748
<b>Total</b>	<b>59,008</b>	<b>82,257</b>

Note: Further details can be found in Section Five, financial statements.

## Office of Township Leasing and Aboriginals Benefit Account Administrative Payments

Administration costs of township leases and other leases administered by the Executive Director Township Leasing are captured under subsection 64(4A) of the *Aboriginal Land Rights (Northern Territory) Act 1976*. Costs associated with the administration of the ABA are captured under subsections 64(6) of the Land Rights Act. **Table 6.5** provides a breakdown of township leasing administration expenses for 2018–19 and 2019–20, including services provided free of charge.

## Payments to Royalty Associations

Under the Land Rights Act, 30 per cent of the royalty equivalent monies must be paid to each land council in the area in which a mining operation is situated. These monies are distributed to Aboriginal organisations (Royalty Associations) in those areas affected by mining operations. **Table 6.4** lists payments made in 2018–19 and 2019–20 to Land Councils for distribution to Royalty Associations (net of mining withholding tax). Further detail can be found in Section Five.

## Beneficial Payments

Under subsection 64(4) of the Land Rights Act, payments totalling \$20.9 million were provided for the benefit of Aboriginal and Torres Strait Islander peoples living in the Northern Territory during 2019–20. This is compared to \$10.3 million provided in 2018–19 (inclusive of mining withholding tax).

ABA beneficial grant funding in 2019–20 went to projects supporting **employment, training and cultural activities** in the Northern Territory. For example:

- Anindilyakwa Services Aboriginal Corporation was provided with \$153,188 to develop a covered outdoor area and storage container at the Bush Medijina site at Angurugu on Groote Eylandt. The area will provide a space to host cultural and capability-building initiatives for Warningakalina women. It will also be an area to work with employment program participants and hold community meetings.
- Jilamara Arts and Crafts Association in Milikapiti on the Tiwi Islands was provided with \$67,303 to purchase a vehicle to enable excursions to country to collect materials and undertake cultural activities. The new vehicle will also support the continuation of cultural programs provided to local school children by art centre elders, and be used to transport visitors and tourists from the airport to the art centre and to visit surrounding sites.

### **Homelands Project**

The NIAA manages the ABA Homelands Project, which is a one-off investment of \$40 million to improve infrastructure in homelands/outstations across the Northern Territory. The project is funded from subsection 64(4) of the Land Rights Act. It commenced in early 2018 and all funding is expected to be allocated by the end of 2021. The four Northern Territory Land Councils have selected homelands for the project and are assisting residents to develop proposals for works. As at 30 June 2020, proposals from **160** homelands have been recommended by the ABA Advisory Committee and approved by the Minister. It is anticipated that proposals will be received from approximately another 23 homelands. The NIAA is working with local Indigenous provider organisations on the delivery of successful proposals.

### **COVID-19 Support Package**

The Minister approved \$4 million for the Central Land Council, \$4 million for the Northern Land Council, \$1 million for Anindilyakwa Land Council and \$1 million for Tiwi Land Council on 2 April 2020 to allow them to address immediate infrastructure needs and travel expenses associated with people returning to homelands. In addition to travel assistance, expenditure has comprised the purchase of camping equipment (tents, BBQs, water storage facilities), clothing, bedding and blankets.

## **Mining Withholding Tax**

Under the *Income Tax Assessment Act 1936*, payments made from royalty equivalents credited to the ABA are subject to mining withholding tax at a rate specified in the *Income Tax (Mining Withholding Tax) Act 1979*. In accordance with the *Taxation Laws Amendment Act (No. 3) 1994*, the current rate of tax applied to payments of mining withholding tax is 4 per cent.

From 1 July 2003, the Australian Taxation Office determined the ABA to be a large pay-as-you-go (PAYG) withholder. Mining withholding tax liabilities on payments made are paid on or before due dates in accordance with the Taxation Office PAYG withholding requirements. The total mining withholding tax for 2019–20 was \$8.3 million, compared with \$7.6 million in 2018–19.



**Table 6.4: Payments to Land Councils for distribution to Royalty Associations (net of mining withholding tax)**

<b>Land Council</b>	<b>2018–19 \$'000</b>	<b>2019–20 \$'000</b>
Northern Land Council	17,865	17,419
Central Land Council	18,342	25,466
Anindilyakwa Land Council	86,495	73,082
Tiwi Land Council	-	-
<b>Total</b>	<b>122,702</b>	<b>115,967</b>

**Table 6.5: Departmental administration and expenditure (exclusive of GST)**

<b>Administration expenditure</b>	<b>2018–19 \$'000</b>	<b>2019–20 \$'000</b>
Departmental administration expenditure		
Resources provided free of charge	2,725	3,432
Subsection 64(6) payments		
Committee members sitting fees/ superannuation	104	98
Travel and other administrative costs	80	86
Subsection 64(4A) payments		
Office of township leasing administrative expenses	2,787	3,449
Payments for township leases	663	-
Depreciation	-	203
Township rent returned to owners under Head Lease agreement	1,813	1,752
Community entity administrative expenses	284	322
<b>Total administrative costs of the ABA</b>	<b>8,456</b>	<b>9,342</b>

# Management of the Aboriginals Benefit Account and its Investment Portfolio

The ABA investment strategy is focused on cash flow requirements, preservation of the fund and management of risk. Monies that are surplus to immediate requirements are invested under section 58 of the PGPA Act. To minimise the risk of loss, section 58 restricts the investment of public money to a limited number of specific low-risk investments such as government bonds, state and territory bonds, term deposits and negotiable cash deposits with a bank.

As at 30 June 2020, the ABA held \$1,238.0 million in term deposits with Australian banks. This compares with \$1,042.5 million at 30 June 2019.

## Appendix B

# Registrar of Indigenous Corporations Report 2019–2020

The Registrar of Indigenous Corporations is an independent statutory office holder who registers and regulates Aboriginal and Torres Strait Islander corporations under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). The Registrar is supported to do this work by the Office of the Registrar of Indigenous Corporations (ORIC).

As at 30 June 2020 the Registrar's functions were delivered by 39.6 full-time equivalent staff. Of these, 55 per cent identified as Aboriginal or Torres Strait Islander.

**Table 6.6: Funding and expenditure figures for ORIC, 2019–20**

Type of funding	Total 2019–20 budget (\$m)	Total 2019–20 expenditure (\$m)	2019–20 variance surplus/ (deficit) (\$m)
Departmental	\$8.259	\$8.158	\$0.101
Administered	\$1.000	\$0.998	\$0.002

## Performance

As at 30 June 2020 there were 3357 Aboriginal and Torres Strait Islander corporations registered under the CATSI Act, including 218 registered native title bodies corporate.

During the year, ORIC registered 189 new corporations, including seven transfers of incorporation from other legislation. ORIC finalised deregistration for 30 corporations.

Corporations lodged 5,938 forms and documents with ORIC requiring changes to the Register of Aboriginal and Torres Strait Islander Corporations. This figure included 2370 corporation reports; 1104 changes to directors, contact persons and secretaries; 863 member's lists; 211 contact details; and 218 rule books. Corporations requested 606 exemptions—ORIC granted 485 and rejected 113. There were 128,652 website sessions in which individuals made searches of the public register for information about individual corporations.



ORIC delivered corporate governance training to 512 participants from 224 corporations. There were 45 workshops/courses in total (two Certificate IV courses, three Introduction to Corporate Governance workshops, eight two-day governance workshops, 23 corporation-specific workshops, eight understanding finances). Ninety-nine per cent of participants reported they increased their understanding of corporate governance.

People from corporations and other interested people made 11,008 calls to ORIC's call centre. There were 5732 inquiries finalised (4680 received by phone, 1028 in writing, 24 in person).

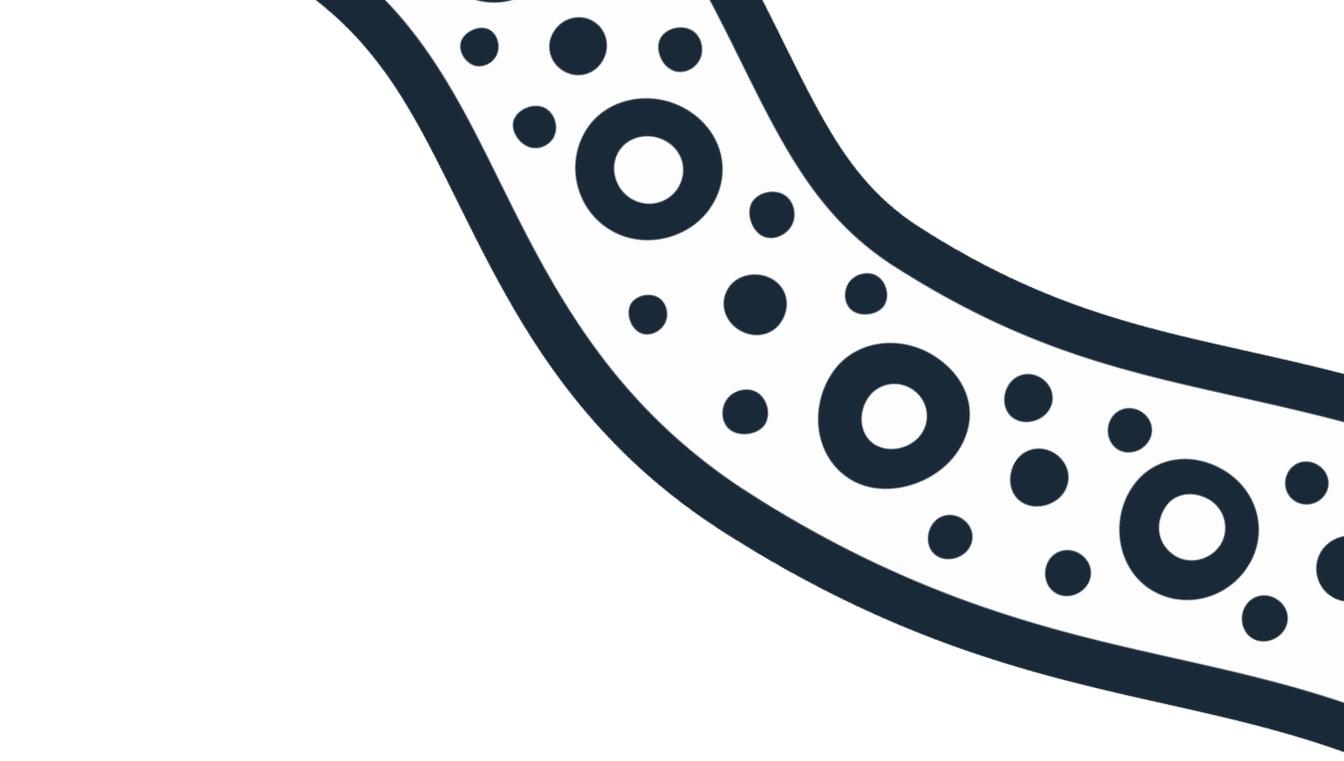
As at 30 June 2020, 77.1 per cent of corporations were compliant with their 2018–19 reporting obligations under the CATSI Act. During the year, ORIC received 523 complaints involving corporations and finalised 556, and received six dispute matters and finalised seven.

ORIC started the financial year with 22 examinations in progress and has started a further 30. As at 30 June 2020, 46 examinations had been finalised leaving six on hand. Of those finalised, 16 corporations were operating well and issued a management letter; 24 were required to improve standards outlined in a compliance notice; four had serious issues and were asked to show cause why a special administrator should not be appointed; one was provided a report on their solvency; and one where no action was taken directly with the corporation.

In the period there were two Registrar-initiated general meetings called. During 2019–20, ORIC assessed six referrals about potential breaches of the CATSI Act. One matter was referred to the NIAA for advice and five were referred for investigation. ORIC concluded five investigations, referring four briefs of evidence to the Commonwealth Director of Public Prosecutions and no briefs for civil action.

ORIC finalised two criminal prosecution matters (minor regulatory prosecutions) and has four in progress. There were no civil action matters in court or in progress.

The CATSI Act provides the Registrar with a unique form of regulatory assistance to support corporations with serious governance or financial problems. Six special administrations were in progress at the outset of the year, and nine started during 2019–20. Six were completed, five handed back to members' control and one placed into liquidation. The average duration of special administrations was eight months.

A decorative graphic in the top right corner of the page. It consists of a thick, dark blue curved band that sweeps from the top right towards the bottom left. Inside this band, there are several circles of varying sizes, some solid dark blue and some white with dark blue outlines, scattered throughout.

# **GLOSSARY AND INDEXES**

# COMPLIANCE INDEX

Below is the table set out in Schedule 2 of the *Public Governance, Performance and Accountability Rule 2014 (PGPA Rule)*. Section 17AJ(d) requires this table to be included in entities' annual reports as an aid to access.

PGPA Rule Reference	Page	Description	Requirement
17AD(g)	<b>Letter of transmittal</b>		
17AI	i	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	<b>Aids to access</b>		
17AJ(a)	iii	Table of contents.	Mandatory
17AJ(b)	195	Alphabetical index.	Mandatory
17AJ(c)	192–194	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	184–191	List of requirements.	Mandatory
17AJ(e)	inside front cover	Details of contact officer.	Mandatory
17AJ(f)	inside front cover	Entity's website address.	Mandatory
17AJ(g)	inside front cover	Electronic address of report.	Mandatory
17AD(a)	<b>Review by accountable authority</b>		
17AD(a)	1–7	A review by the accountable authority of the entity.	Mandatory
17AD(b)	<b>Overview of the entity</b>		
17AE(1)(a)(i)	11	A description of the role and functions of the entity.	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AE(1)(a)(ii)	16–19	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	13	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	12	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	21	Name of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(i)	21	Position title of the accountable authority or each member of the accountable authority.	Mandatory
17AE(1)(aa)(iii)	14	Period as the accountable authority within the reporting period.	Mandatory
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments - Mandatory
17AE(2)	N/A	Where the outcomes and programmes administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c)	Report on the Performance of the entity		
<b>Annual performance statements</b>			
17AD(c)(i); 16F	21–53	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii)	<b>Report on financial performance</b>		
17AF(1)(a)	80–92	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	87–92	A table summarising the total resources and total payments of the entity.	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
17AD(d)	Management and Accountability		
<b>Corporate governance</b>			
17AG(2)(a)	i	Information on compliance with section 10 (fraud systems).	Mandatory
17AG(2)(b)(i)	i	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	i	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	i	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	55–65	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory
17AG(2)(d) – (e)	95	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with Finance law and action taken to remedy non-compliance.	If applicable, Mandatory

PGPA Rule Reference	Page	Description	Requirement
<b>External scrutiny</b>			
17AG(3)	79–80	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	79	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	79	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
<b>Management of human resources</b>			
17AG(4)(a)	66–68	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(b)	69–72	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> <li>• Statistics on staffing classification level;</li> <li>• Statistics on full-time employees;</li> <li>• Statistics on part-time employees;</li> <li>• Statistics on gender;</li> <li>• Statistics on staff location;</li> <li>• Statistics on employees who identify as Indigenous.</li> </ul>	Mandatory
17AG(4)(c)	72	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(4)(c)(i)	72	Information on the number of SES and non-SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	73	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	77	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	74	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
<b>Assets management</b>			
17AG(5)	96–97	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	If applicable, Mandatory
<b>Purchasing</b>			
17AG(6)	93–95	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
<b>Consultants</b>			
17AG(7)(a)	94	A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	Mandatory

PGPA Rule Reference	Page	Description	Requirement
17AG(7)(b)	94	A statement that During 2019–20, [specified number] new consultancy contracts were entered into involving total actual expenditure of [specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of [specified million].	Mandatory
17AG(7)(c)	94	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	94	A statement that “ <i>Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website.</i> ”	Mandatory
<b>Australian National Audit Office access clauses</b>			
17AG(8)	N/A	If an entity entered into a contract with a value of more than \$100,000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor’s premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
<b>Exempt contracts</b>			
17AG(9)	N/A	If an entity entered into a contract or there is a standing offer with a value greater than \$10,000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory

PGPA Rule Reference	Page	Description	Requirement
<b>Small business</b>			
17AG(10)(a)	94–95	A statement that the NIAA supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website.	Mandatory
17AG(10)(b)	94–95	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory
17AG(10)(c)	94	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website.”	If applicable, Mandatory
<b>Financial statements</b>			
17AD(e)	101–149 (NIAA) 150–170 (ABA)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
<b>Executive remuneration</b>			
17AD(da)	74–76		
17AD(f)	<b>Other mandatory information</b>		
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website.”	If applicable, Mandatory

<b>PGPA Rule Reference</b>	<b>Page</b>	<b>Description</b>	<b>Requirement</b>
17AH(1)(a)(ii)	98	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	98	A statement that <i>“Information on grants awarded by the NIAA during 2019–20 is on the NIAA website.</i>	If applicable, Mandatory
17AH(1)(c)	78	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	99	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	N/A	Correction of material errors in previous annual report.	If applicable, Mandatory
17AH(2)	97–99	Information required by other legislation.	Mandatory

# LIST OF ABBREVIATIONS

ABA	Aboriginals Benefit Account
AMHFA	Aboriginal and Torres Strait Islander Mental Health First Aid
APS	Australian Public Service
ARC	Audit and Risk Committee
ATSILA	Aboriginal and Torres Strait Islander Land Account
CDP	Community Development Program
CEO	Chief Executive Officer
CPD	Continuous Professional Development
CPRs	Commonwealth Procurement Rules
EC	Empowered Communities
EL	Executive Level
FOI	Freedom of information
FSSC	Financial Statements Subcommittee
IEC	Indigenous Evaluation Committee
IAS	Indigenous Advancement Strategy
IEF	Indigenous Entrepreneurs Fund
IPP	Indigenous Procurement Policy
ISSP	Indigenous Student Success Program
IYEP	Indigenous Youth Education Package
KPI	Key performance indicator
LDM	Local decision making
LGBTIQ+	Lesbian, gay, bisexual, transgender/gender diverse, intersex and queer
MAP	Multi-agency partnerships
MHFA	Mental Health First Aid Training Workshops
MP	Member of Parliament
NAIDOC	National Aborigines and Islanders Day Observance Committee



NIAA	National Indigenous Australians Agency
ONDC	Office of the National Data Commissioner
ORIC	Office of the Registrar of Indigenous Corporations
PAES	Portfolio Additional Estimates Statements
PBS	Portfolio Budget Statements
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
RSAS	Remote School Attendance Strategy
SES	Senior Executive Service
SMEs	Small and medium enterprises
WHS	Work health and safety

# GLOSSARY OF TERMS

Administrative Arrangements Order	An order, issued by the Governor-General on advice from the Prime Minister, which indicates the principal matters dealt with by each Department of State and the legislation administered within each portfolio.
Agency	A Department of State, Department of Parliament or prescribed agency under the <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act).
Annual Evaluation Work Plan	A key output of the Indigenous Advancement Strategy evaluation framework and covers evaluation projects, reviews, and evaluation capability development, which are planned to be conducted by the Indigenous Affairs Group of the Department of the Prime Minister and Cabinet.
Budget	Sets out the fiscal and economic outlook for Australia for a financial year. It includes expenditure and revenue estimates for the current financial year, the Budget year and the three forward financial years.
Closing the Gap	A commitment by all Australian governments to improving the lives of Aboriginal and Torres Strait Islander peoples. A national integrated Closing the Gap strategy has been agreed through the National Federation Reform Council, previously known as the Council of Australian Governments (COAG).
Council of Australian Governments	The peak intergovernmental forum in Australia, comprising the Prime Minister, state premiers, territory chief ministers and the President of the Australian Local Government Association. COAG ceased on 29 May 2020 and a new National Federation Reform Council was formed.
Enterprise agreement	An agreement about the terms and conditions of employment, made under the <i>Fair Work Act 2009</i> .
Accountable Authority Instructions	Instructions and guidance provided for accountability requirements under the PGPA Act.

# ALPHABETICAL INDEX

## A

abbreviations, 192–193  
*Aboriginal Land Rights (Northern Territory) Act 1976*, 172, 173, 174, 176, 177, 178  
 Aboriginals Benefit Account, 51, 80, 86, 96, 179  
   Advisory Committee, 172  
   annual report 2019–20, 172–180  
   audit report, 150–151  
   financial statements, 152–170  
   Homelands Project, 178  
   investment portfolio, 180  
   mining withholding tax, 178  
   overview, 172–173  
 accountable authority, 21, *see also* Chief Executive Officer  
 Accountable Authority Instructions, 93  
 acknowledgement of country, *before letter of transmittal*  
 administrative tribunal decisions, 79  
 advertising and market research, 98  
 Angus, Jordana, NIAA vision (artwork), *before letter of transmittal*  
 Anindilyakwa Services Aboriginal Corporation, 177  
 Annual Evaluation Work Plan, 52–53  
 annual performance statements *see also* performance (NIAA)  
 Ardern, Right Hon Jacinda, 5  
 asset management, 96–97  
 Audit and Risk Committee, 58–64  
 Auditor-General *see also* Australian National Audit Office  
 AusTender, 49, 93  
 Australia – Aotearoa-New Zealand Collaboration Arrangement on Indigenous affairs, 5  
 Australian Information Commissioner, 79, 99  
 Australian Local Government Association, 5, 28, 29, 30, 38  
 Australian National Audit Office  
   access clauses in contracts, 93

  audit report (Aboriginals Benefit Account), 150–151

  audit report (NIAA), 101–104  
   performance audits, 79

Australian Privacy Commissioner, 79

Australian Taxation Office, 178

## B

Barang Regional Alliance, 41  
 Barkly Regional Deal, 41  
 behaviours *see also* values and behaviours  
 beneficial payments under the Land Rights Act, 177–178  
 bushfires, 3, 42, 44–45, 50, 77

## C

case studies  
   Aboriginal and Torres Strait Islander Mental Health First Aid, 35–36  
   Developing the new National Agreement on Closing the Gap, 30  
   Empowered Communities responding to COVID-19, 43–44  
   Response to bushfires and COVID-19, 44–45  
   Supporting funded organisations affected by COVID-19 pandemic through adjusting deliverables, 51  
 case study methodology, 52  
 Chief Executive Officer, 14  
   CEO's review, 1–7  
 children  
   early childhood development and wellbeing, 46  
   education, 47  
   National Children's Strategy, 46  
   school attendance, 48  
   *see also* young Indigenous people  
 Closing the Gap *see also* National Agreement on Closing the Gap  
 Coalition of Aboriginal and Torres Strait Islander Peak Bodies, 5, 23, 28, 29, 30

code of conduct *see also* ethical standards

co-design of a voice for Indigenous Australians  
*see also* voice for Indigenous Australians

Comcare, 78

committees, 56–64

Commonwealth Ombudsman, 79

Commonwealth Procurement Rules, 93

Commonwealth Property Management Framework, 96

communities  
 support after bushfires *see also* bushfires  
 support during COVID *see also* COVID-19 pandemic  
*see also* remote communities

community engagement, 7, 33, 35, 38, 48

complaints management, 80

constitutional recognition of Indigenous Australians, performance results, 25, 39

consultancies, 94

contact details, *inside front cover*

contracts  
 Auditor-General access clauses, 93  
 awarded to Indigenous businesses, 27, 49, 93  
 exempt contracts, 93  
*see also* procurement

corporate governance, 2, 55–65  
 committees, 56–64  
 fraud and risk management, 65  
 governance structure, 55

Corporate Group, 17, 65

corporate plan, 1, 12, 21–22  
 performance against activities *see also* *under* performance (NIAA)

corporate services, 17

Council of Australian Governments, 23, 28, 78

COVID-19 pandemic  
 funding for targeted measures to support Indigenous businesses and communities, 4  
 impact on activities, 4, 22, 29, 31, 32, 33, 35, 36, 38, 39, 40, 42, 46, 48, 172  
 response to, 3–4, 37, 43–45, 50, 51, 77, 94  
 support payments for Land Councils, 173, 178

**D**

Department of Health, 3, 4

Department of the Prime Minister and Cabinet, 17, 22, 49, 93  
 machinery of government changes, 13

Deputy Chief Executive Officers, 2, 15

disability reporting, 78

**E**

early childhood development and wellbeing, performance results, 26, 46

education for Aboriginal and Torres Strait Islander students, performance results, 47

employees *see also* human resources

Empowered Communities, 40, 42, 43–44

enterprise agreements, 72

environmental performance, 97–99

ethical standards, 2, 66–67

evaluations of NIAA programs, performance results, 27, 52–53

Executive Board, 17, 52, 56

executives *see also* senior executives

Exell, Blair, 15

exempt contracts, 93

expenses for outcome, 89–93

external scrutiny, 79–80

**F**

feedback system, 80

finance law compliance, 95

financial performance, 80–92  
 expenses for outcome, 89–92  
 resourcing statement, 87–88

financial statements  
 Aboriginals Benefit Account, 150–170  
 NIAA, 101–149

Financial Statements Subcommittee, 58

Food Security Working Group, 4

Footprints Continuous Professional Development Program, 2, 66, 67–68

fraud prevention and control, i, 65

freedom of information, 99

functions *see also* roles and functions

future *see also* outlook for 2020–21

**G**

glossary, 194  
 governance *see also* corporate governance  
 grants, 98  
 Griggs, Ray, 14  
 Groote Archipelago LDM Agreement, 41

**H**

health and safety *see also* work health and safety  
 high risk communities  
   mental health and suicide prevention, 24, 31–37  
 Hope, Letitia, 15  
 human resources, 66–78  
   consultative arrangements, 57  
   diversity, 69  
   employment arrangements, 72  
   ethical standards, 2, 66–67  
   learning and professional development, 2, 66, 67–68  
   locations of staff, 69  
   remuneration, 73–76  
   secondments, 4  
   senior executive, 14–15  
   work health and safety, 77–78  
   workforce composition, 69–72  
 Human Rights Council, Geneva, 5

**I**

ICT Governance Committee, 56  
 Indigenous Advancement Strategy, 1, 12  
   Evaluation Framework, 6, 57  
   Evaluation Framework performance measures, 52  
   IAS activities, core service delivery requirements, 50  
   IAS providers' revised activities to meet performance requirements, 4, 22, 50, 51  
   performance audits, 79  
   performance results, 27, 50–51  
 Indigenous Business Australia, 4  
 Indigenous businesses, 4, 27, 49, 93, 95  
 Indigenous employment (NIAA), 71–72  
 Indigenous Evaluation Committee, 52, 57

Indigenous Policy and Investment Framework, 7  
 Indigenous Procurement Policy, 27, 49, 95  
 Indigenous voice *see also* voice for Indigenous Australians  
 Indigenous Youth Education Package, 47  
 individual flexibility agreements, 72  
 Information and communications (ICT) technology, 56  
 Information Publication Scheme, 99  
 intergovernmental agreements *see also* Aotearoa-New Zealand – Australia Collaboration Arrangement; Northern Australia Indigenous Development Accord  
 international engagement, 5  
 investment *see also* Indigenous Policy and Investment Framework

**J**

Jilamara Arts and Crafts Association, 177  
 Joint Council on Closing the Gap, 23, 28, 29, 30  
 Joint Select Committee on Constitutional Recognition relating to Aboriginal and Torres Strait Islander peoples, 39  
 judicial decisions, 79

**K**

key management personnel, 74–75

**L**

Land Councils *see also* Northern Territory Land Councils  
 learning and professional development, 2, 66, 67–68  
 letter of transmittal, i  
 local decision making, performance results, 25, 40–45

**M**

machinery of government changes, 13, 83  
 Mahuta, Nanaia, 5  
 market research, 98  
 mental health and wellbeing for young Indigenous people, performance results, 24, 31–37  
 Mental Health First Aid training workshops, 31–32, 34–37



mining royalties *see also* Aboriginals Benefit Account  
 Minister for Indigenous Australians, 4, 11, 33, 38, 46  
     FOI requests to Minister's Office, 99  
     minister responsible for NIAA, 10  
     role in respect of ABA, 172  
 Morrison, Hon Scott, 5, *see also* Prime Minister  
 Multi Agency Partnership (MAP) Agreements, 41

## N

National Aboriginal and Torres Strait Islander Children's Strategy, 46  
 National Agreement on Closing the Gap, 1, 5, 7, 11  
     case study, 30  
     implementation plans, 7, 29  
     performance results, 23, 26, 28–30, 46  
 National Bushfire Recovery Agency, 3  
 National Health and Safety Committee, 56, 77  
 National Indigenous Australians Agency  
     establishment, 1–2, 11, 13  
     organisational structure, 2, 16–19  
     overview, 9–19  
     performance report *see also* performance (NIAA)  
     program evaluation performance results, 27, 52–53  
     role and functions, 9, 11  
     senior executives, 14–15  
     statutory office holders, 18  
     vision and purpose, 12  
 New South Wales LDM processes, 41  
 New Zealand *see also* Aotearoa-New Zealand  
 Northern Australia Indigenous Development Accord, 6  
 Northern Territory Land Councils, 172–173  
     ABA Homelands project, 178  
     administrative expenses, 176  
     COVID-19 support, 173, 178  
     payments for Royalty Associations, 177, 179  
     *see also* Aboriginals Benefit Account  
 Northern Territory LDM processes, 41  
 notifiable incidents, 78

## O

occupational health and safety *see also* work health and safety  
 Office of the Minister for Indigenous Australians  
     FOI requests, 99  
     *see also* Minister for Indigenous Australians  
 Office of the Registrar of Indigenous Corporations, 4  
 office spaces, 96  
 Ombudsman, 79  
 Operations and Delivery, 15, 16  
 Organisational Performance and Change, 17  
 organisational structure, 2, 16–19  
 outcome and programs, 13  
     administered expenditure by program, 83, 85  
     expenses for outcome, 89–92  
     *see also* performance (NIAA)  
 outlook for 2020–21, 7  
 overviews  
     Aboriginals Benefit Account, 172–173  
     NIAA, 9–19

## P

parliamentary committees, 79  
 partnerships, 2, 5, 11, 44–45, 46, *see also* stakeholder engagement  
 pay *see also* remuneration  
 People and Culture Committee, 56  
 performance (ABA), 172–180  
 performance (NIAA)  
     accountable authority statement, 21  
     environmental, 97–99  
     financial, 80–92  
     overview, 21–22  
     summary of results, 23–27  
     results for Activities:  
     Activity 1 (Delivery of a new Closing the Gap framework), 23, 28–30  
     Activity 2 (Improving mental health and wellbeing outcomes), 24, 31–37  
     Activity 3 (Co-design of a voice for Indigenous Australians), 24, 38  
     Activity 4 (Constitutional recognition of Indigenous Australians), 25, 39

Activity 5 (Regional governance and local decision making), 25, 40–45

Activity 6 (Supporting early childhood development and wellbeing, school attendance, attainment and improve post school pathways), 26, 46–48

Activity 7 (Enhancing Indigenous economic rights), 27, 49

Activity 8 (Delivering the IAS in partnership with Indigenous communities), 27, 50–51

Activity 9 (Evaluations of National Indigenous Australian Agency programs), 27, 52–53

performance (Registrar of Indigenous Corporations), 181–182

personnel *see also* human resources

place-based activities, 42, 44–45

Policy and Delivery Committee, 56

Policy and Programs Group, 15, 16

Portfolio Additional Estimates Statements 2019–20, 13

Prime Minister, 5, 11, 46

priorities, 1

procurement, 49, 93–95

Productivity Commission, 6

Program Performance Committee, 57

programs *see also* outcome and programs

property portfolio, 96–97

*Public Governance, Performance and Accountability Act 2013*, i, 56, 65, 95, 96, 172, 173

*Public Service Act 1999*, 56

    s 24 determinations, 72

publications, 52, 53

purchasing *see also* procurement

purpose statement, 1, 12

## R

Recognition Committee, 57

regional governance and local decision making, performance results, 25, 40–45

Registrar of Indigenous Corporations

    report 2019–20, 181–182

    statutory office holders, 18

rehabilitation management system, 77

remote communities

    mental health and suicide prevention, 24,

    31–37

    school attendance, 48

    support during COVID *see also* COVID-19 pandemic

    support during COVID-19, 3, 45

Remote School Attendance Strategy, 48

remote travel restrictions, 3

remuneration, 73–76

    Audit and Risk Committee, 59–64

    executives, 73, 74–76

resourcing statement, 87–88

risk management, 65

roles and functions

    NIAA (agency), 9, 11

    senior executives, 14–15

Royalty Associations, 177, 179

## S

safety *see also* work health and safety

Safety Board, 56, 77

salaries *see also* remuneration

Samuels, Dave, 5

school attendance, attainment and post school pathways, performance results, 26, 47–48

Secretariat of National Aboriginal and Islander Care, 46

senior executives, 14–15

    remuneration, 73, 74–76

    SES officers (statistics), 70–72

Services Australia, 4

shared services arrangements, 17, 49

small business participation in procurement, 94–95

staff *see also* human resources

Staff Consultative Committee, 57

stakeholder engagement, 2, 4, 9, 23, 26, 28–30, 35, 38, 41, 42, 44–45, 46, 48, *see also* partnerships

state and territory governments, 3, 4, 5

state and territory local decision making processes *see also* local decision making

statutory office holders, 18

strategic pillars, 1, 12

suicide prevention, performance results, 24, 33, *see also* mental health and wellbeing

Supply Nation Indigenous Business Directory, 49



**T**

Tangentyere Council Aboriginal Corporation, 41  
Te Puni Kōkiri, 5  
tendering *see also* purchasing  
Tiwi Islands MAP Statement of Commitment, 41  
tribunal decisions, 79

**V**

values and behaviours, 2, 66–67  
vision  
    artwork, *before letter of transmittal*, 12  
voice for Indigenous Australians, 5, 7  
    performance results, 24, 38, 39, 40

**W**

work health and safety, 77–78  
workers' compensation claims, 77  
Wyatt, Hon Ken, 4, 5, 10, 33, 46

**Y**

Yolngu Region LDM Partnership Commitment,  
41  
young Indigenous people  
    education, 47  
    mental health and wellbeing, 24, 31–37  
    *see also* children



