

KARRKAD
KANJDJI
TRUST

**Country,
people
and
culture.**

2017
Annual Report



Karrkad and Kanjdji refers to the stone country highlands and the savanna lowlands of Warddeken and Djelk, 20,000 square kilometres of iconic land and sea country stretching from the eastern boundary of Kakadu National Park to the Arafura Sea.

Kakadu National Park

Warddeken Indigenous Protected Area
13,950 km²

Djelk Indigenous Protected Area
6,732 km²



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The Karrkad Kanjdji Trust was established in 2010 to protect, restore and enhance the natural environment of West and Central Arnhem Land and its contiguous marine areas. We support Indigenous-owned land and sea management organisations as they implement environmental and cultural projects that reflect the priorities and values of the Traditional Owners. Through incubating compelling projects and partnering with some of Australia's leading philanthropists, we are conserving endangered landscapes and species, improving education and technical skills transfer and safeguarding Indigenous knowledge systems and cultural heritage.

Rangers use industrial leaf blowers to create firebreaks and fight wildfires. Photo by David Hancock.



From the Chair

This was an important year for the Karrkad Kanjdji Trust, as we progress to becoming a sustainable and meaningful support organisation for Arnhem Land's Indigenous land managers.

We take a holistic view of our environmental mission. Bininj people have been an integral part of this landscape for 50,000 years or more, managing and shaping it over time. Moving forward, theirs is the essential role in its healthy management, with traditional knowledge and current science jointly informing the work. Notions of knowledge, culture and environment are intertwined.

Our role is to assist traditional owners by helping to develop compelling projects, providing philanthropic funding for those projects, and by acting as a custodian of financial resources already held. The Karrkad Kanjdji Trust is the bridge between Indigenous land managers and those in the broader Australian community with the capacity and desire to contribute to this work.

The Karrkad Kanjdji Trust in 2016–17

The Karrkad Kanjdji Trust made meaningful progress toward our objectives this year. Thanks to our supporters, we raised almost \$1.2 million, up 42 per cent from last year, for projects including the Nawarddeken Academy, Daluk (Women's) Rangers, Mayh (Animal) Species Recovery and the Simplot Food Plane. These projects have the potential to transform their landscapes and communities.

In addition, we are working with Warddeken to develop a pilot project for a major rock art rediscovery and management program. In the Djelk Indigenous Protected Area, we have facilitated a partnership between the Djelk Rangers and the CSIRO – together they are researching the population dynamics of feral buffalo and pigs in wetland environments, the first step in the development of landscape-scale solutions for these destructive species.

Operational expenses for the year were \$227,547, well under budget and representing less than 20 per cent of revenue. This percentage is extremely low for an organisation of this size, reflecting cost discipline and the lean nature of the current organisation. Our operating surplus for the year has been added to the contingency fund, providing greater security for future operations.



Looking forward

While the Karrkad Kanjdji Trust's initial focus has been Wardeken and Djelk, our trust deed specifies our relevant scope as West and Central Arnhem Land, an area of 40,000–60,000 square kilometres, containing numerous ranger groups, two existing Indigenous Protected Areas and at least one potential new Indigenous Protected Area.

The potential financial resource requirements across this area are enormous – ranger groups are chronically underfunded for the size and scope of their environmental task, the tenure of their funding remains uncertain and social and educational infrastructure to support ranger work in these areas is poor.

If the Karrkad Kanjdji Trust is to play a meaningful role in addressing these resourcing requirements, we will require strong partnerships, compelling projects, and an outstanding team engaging high quality, long term philanthropic partners. We are focused on building such an organisation.

The Karrkad Kanjdji Trust's team and partners

Our achievements this year are ultimately due to our dedicated philanthropic supporters. I thank them for their vision and for their multi-faceted generosity.

I also thank Guy Fitzhardinge, the Karrkad Kanjdji Trust's founding Chairman, who retired from the Board during the year – the organisation has been fortunate to have him as its custodian; founding Director Matthew Ryan, who stepped down this year to become Mayor of West Arnhem Regional Shire; newly appointed Director Fred Hunter; our CEO, Bjorn Everts and his team; and those working on our suite of projects – in particular Dean Yibarbuk, Shaun Ansell and Georgia Vallance of Warddeken Land Management Limited, Ricky Archer of the Djelk Rangers and the remarkable communities of Kabulwarnayo, Manmoyi and Mamadawerre for their partnership and support.

Finally, I wish to thank the Karrkad Kanjdji Trust's Board of Directors for their commitment, guidance and culture of service during the year.

Justin Punch, Chair
October 2017

“...one of the great joys of this role has been to facilitate the growth of rich and meaningful relationships between philanthropic supporters, their families and the Traditional Owners.”

– Bjorn Everts



Photo by Georgia Vallance

Chief Executive Officer's report

It is truly an exciting time to be involved in this sector and it has been such a privilege to serve for my second year in this role.

Indigenous-led land management has been one of the conservation success stories of the last decade. By combining Indigenous knowledge and land management priorities with Western science, the continuation of natural and cultural resource management is providing meaningful jobs and a highly effective way of conserving our extraordinary landscapes.

It is through work such as this that traditional knowledge can be valued in the context of modernity, allowing Indigenous rangers and their family members to build social cohesion, self-esteem, strong identities and a healthy lifestyle connected to their ancestral past.

Along with the many benefits of working as a ranger in West and Central Arnhem Land, there are also challenges. The vastness of the landscape requires rangers to be based in remote outstations where government service provision is either limited or nonexistent. To ensure their children receive a good education, rangers are often forced to send them to live with relatives in larger towns. Other rangers may leave meaningful employment to move to a town with a school. It was from these considerable challenges that the Nawarddeken Academy was born, with the Karrkad Kanjdji Trust working in partnership with Warddeken Land Management Limited.

As well as seeing children receive a quality education on the country they call home, one of the great joys of this role has been to facilitate the growth of rich and meaningful relationships between philanthropic supporters, their families and the Traditional Owners of the Warddeken and Djelk Indigenous Protected Areas. The Nawarddeken Academy Project has been, and continues to be, a family journey that has led to mutual respect and an appreciation of the unique culture and way of life in West Arnhem Land.



The clear local ownership of the project and the dedicated involvement of key supporters has set a benchmark to which other projects now aspire. The project has also taught us important lessons about partnership, trust and cross cultural collaboration. We are both proud and grateful for what this unique partnership has achieved.

In addition to its ongoing support of the Nawarddeken Academy, the Karrkad Kanjdji Trust has helped to establish three other high impact projects in the Warddeken Indigenous Protected Area. The Daluk (Women's) Ranger Project has achieved its third year target in its first year with hours worked by women now making up 40 per cent of total hours worked by all rangers. The Mayh Species Recovery Project is set to become one of the most comprehensive small mammal monitoring projects conducted on Indigenous owned land and the Simplot Food Plane Project continues to deliver vital goods to remote ranger bases, supporting the land management activities across the Warddeken Indigenous Protected Area.

Bjorn Everts, CEO
October 2017

Directors

The Karrkad Kanjdji Trust operates independently from locally based Indigenous organisations. It is led by skilled Indigenous and non-Indigenous Directors. The Directors maintain a strong focus on succession planning.

Justin Punch (Chair) is a company director, investor and philanthropist, with a 25 year career in business and finance. He was a partner for eight years with Australian private equity investment firm Archer Capital, where he led investments and developed businesses across the food, health care and retail sectors, including serving as Chairman of John West Foods, Brownes Dairy and Paradise Foods and as a director of the Health Care hospital group and Australian Geographic. Prior to that he worked as a senior executive in the food industry with Simplot Australia and with global strategy consulting firm the Boston Consulting Group. He holds Bachelor of Commerce and Bachelor of Law degrees from UNSW and a Master of Business Administration from Harvard Business School.

Dean Yibarbuk (Co-Chair) is a Traditional Owner of country within the Warddeken Indigenous Protected Area, is the current Chair of Warddeken Land Management Limited and has served on the boards of other local community organisations. Mr Yibarbuk is a qualified researcher with a wealth of experience in complex and multifaceted community based projects.

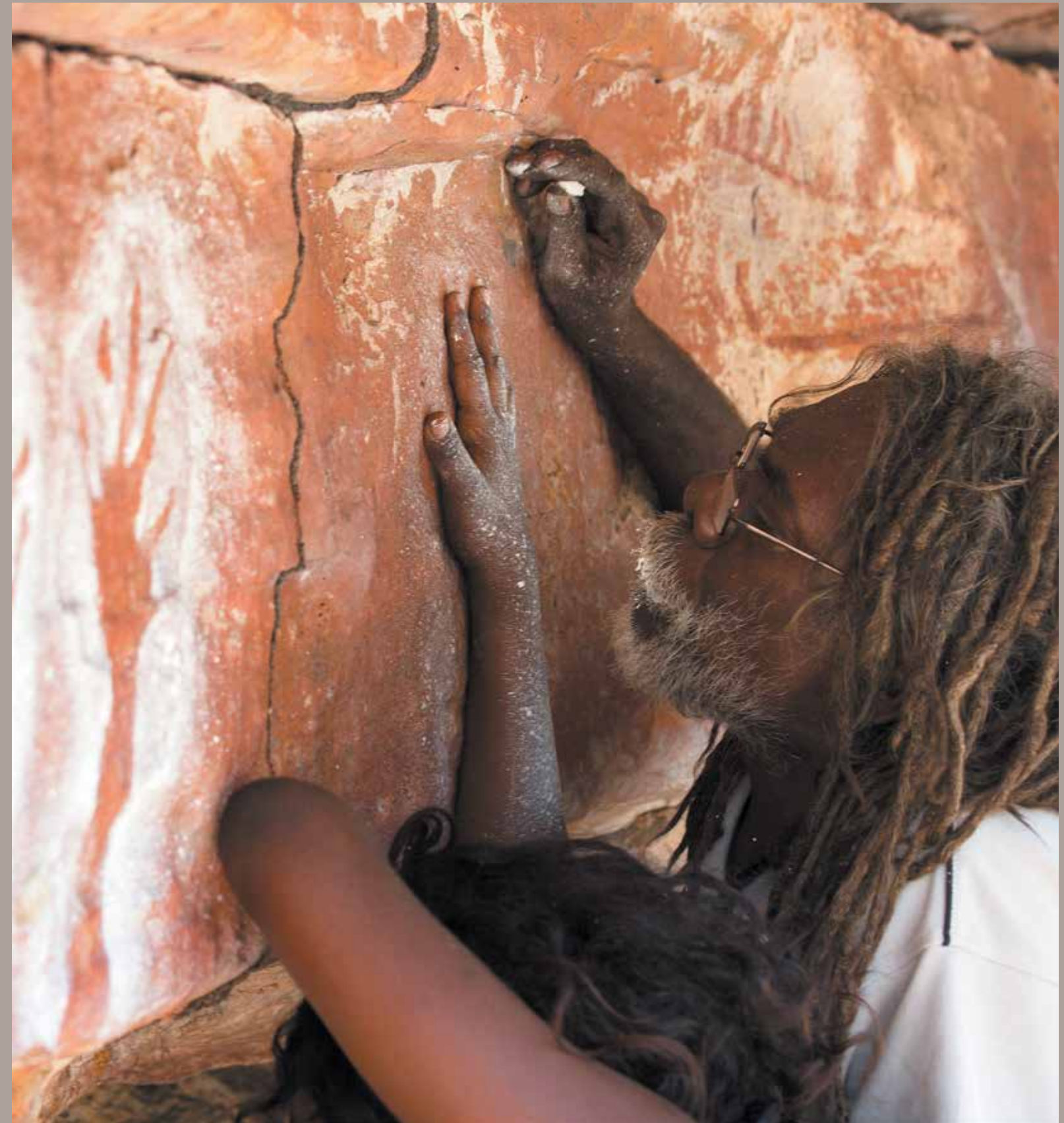
Fred Hunter (Director) is an award winning ranger at Kakadu National Park. He is also a Traditional Owner of the Warddeken Indigenous Protected Area and has served as the Chairman of Warddeken Land Management Limited.

Jon Altman is a global leader among scholars looking to explore alternate futures for Indigenous Australians linking conservation economies with poverty alleviation. He was foundation director (1990-2010) of the Centre for Aboriginal Economic Policy Research (CAEPR) at the Australian National University. He is now a research professor in economics/anthropology at the Alfred Deakin Institute for Citizenship and Globalisation, Deakin University, Melbourne and an emeritus professor at the Australian National University affiliated with the School of Regulation and Global Governance (RegNet).

Margie Moroney has worked as a finance industry professional for almost 30 years, in the first place with global banking organisations including Prudential-Bache securities, Baring Securities and Hambros Bank. Margie has been on the boards of Wool International, of a range of pooled development funds and investment vehicles, and was the inaugural Chair of the CSIRO Textile, Clothing and Footwear Sector Advisory Committee. She has also been the principal fundraiser for the Nawarddeken Academy.

Victor Rostron is a senior Djelk Ranger with an extraordinary range of Indigenous and scientific land management knowledge and experience.

Karrkad Kanjdji Trust Co-Chair Dean Yibarbuk creates a hand stencil of a Nawarddeken Academy student. They will become the next generation of leaders and land managers of the Warddeken Indigenous Protected Area. Photo by David Hancock.



Initiating projects that are practical, vital and valuable

We take a holistic approach to conservation. Each project that we support strengthens the ability of Indigenous people to manage their natural and cultural assets.



The personalised library of the Nawarddeken Academy. Photo by Bjorn Everts.

Nawarddeken Academy

The Nawarddeken Academy is a unique bi-cultural school in the remote Indigenous outstation of Kabulwarnamyo in the Warddeken Indigenous Protected Area. An average school day begins with literacy, numeracy, science and art in the mornings, consistent with the national curriculum. After lunch, the students focus on cultural learning activities guided by the community and 'bush trips' that take advantage of the unique natural environment and cultural context in which the school is situated.

The school is a critical piece of social infrastructure in the region and was established at the request of local Indigenous elders. In partnership with Warddeken Land Management Limited, the project was catalyzed and brought to fruition by Karrkad Kanjdji Trust and Nawarddeken Academy Board member, Margie Moroney. The Karrkad Kanjdji Trust helped to incubate the project, and has since delivered the external funding to make the Nawarddeken Academy a reality, in partnership with significant in-kind support from Warddeken Land Management Limited.

During 2017, the Academy recruited Olga Scholes as Executive Teacher. Olga has an outstanding record as an educator in the region and brings enormous capability to the school. Olga also led the effort to finalise the Academy's independent school registration application in August this year.

Planning is now underway for Narwarddeken Academy's next phase of growth and development. Educational needs in the region are significant and the school's board, Warddeken Land Management Limited and the Karrkad Kanjdji Trust are focused on how best to expand to meet these needs. Together we share the hope that the ongoing success of the school might provide a template for the improvement of remote Indigenous education Australia-wide.

Our profound thanks go to the supporters of the Nawarddeken Academy who have helped make this project a reality over a very short period of time.

"Together we share the hope that the ongoing success of the school might provide a template for the improvement of remote Indigenous education across the region and beyond."



Above: Ngarribolkborlbme Warddeken: we're learning about our country.

The Nawarddeken Academy has a 'country as classroom' approach that engages the whole community and makes the most of this unique environment.

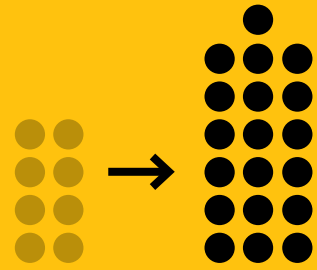
Right: Community elder and teaching assistant Serena Yibarbuk leading a class as part of the Indigenous language and cultural curriculum. Photo by David Hancock.



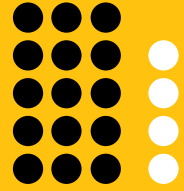
2015

Nawarddeken Academy opened in August 2015

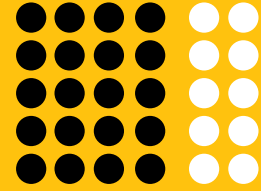
Enrolments have grown from 8 to 19 students



Of these, 15 are primary students and 4 are early childhood students



Teaching capacity for 20 primary and 10 early childhood students



Development of a comprehensive performance reporting framework is underway



Attendance rates of 85 per cent (exceptionally high for this context)

85%

19

Enabled 19 Warddeken Land Management Rangers jobs to be retained or created



Photos by Rowand Taylor.



Photo by David Hancock.



Ecologist Alys Stevens helps a student of the Nawarddeen Academy to complete a flora survey as part of the 'country as classroom' approach to education. Photo by David Hancock.

Warddeken Mayh (Animals) Species Recovery Project

The Warddeken Mayh Project is set to become one of the most important species recovery projects on Indigenous owned land in Australia.

From 1992 to 2012, there has been a 90 per cent reduction in small mammal species richness and abundance in parts of West Arnhem Land. This figure has led Warddeken to initiate a bold long-term species recovery project, the latest example of Warddeken Land Management Limited's initiatives to take control of the wellbeing of their country and to support the conservation of its threatened species.

The first phase of this project is a rigorous, in-house scientific monitoring program designed to monitor threatened animal species across the Indigenous Protected Area using camera traps. The program's objective is to evaluate the impact on identified priority mammal species of the on-ground implementation of fire and feral management strategies identified in the Warddeken Indigenous Protected Area Plan of Management. This information will then be used by Warddeken Land Management Limited to adaptively manage the fire and feral animal program delivery to extend the improvements in species recovery and to mitigate any continued species decline.

During 2016–17, Warddeken designed and undertook the first season of deployment of its remote camera monitoring network.

Sites for cameras were chosen in a way that allowed Indigenous knowledge and values to work side by side with a rigorous scientific site selection process. Cameras were then deployed during March, April and May. Sites were largely only accessible by helicopter and were reached in often difficult monsoonal conditions. Both male and female Warddeken Rangers worked with skill and determination to ensure that this stage of the project was completed. Processing of 474,000 images by daluk (women) rangers at Manmoyi into a purpose-built database commenced in June.

With deployment, retrieval and primary data processing by Indigenous rangers, this project marks a significant level of capacity building and skills transfer for the Indigenous people of this area.

The instigation of the Mayh Project shows impressive foresight by Warddeken in recognising the importance of informed and adaptive land management practices to the preservation of species of national significance. Karrkad Kanjdji Trust is proud to support Warddeken in this initiative.

Ngarrimbun mayh:
we photograph animals.
A ranger deploys one
of the 300 camera traps
for the Mayh Species
Recovery Project. Photo
by David Hancock.



"Sites for cameras were chosen in a way that allowed Indigenous knowledge and values to work side by side with a rigorous scientific site selection process."



A selection of images captured on camera traps across the Warddeken region. Top: Bakkadjdji (black footed tree rat) found at two sites in the Barradj clan estate, the first western scientific record in the Warddeken Indigenous Protected Area. Bottom: Kalawan (yellow-spotted monitor) found in the Madjawarr clan estate.

Top: Djorrkun (rock possum) husband and wife in the Wurrban clan estate. Bottom: Djabbo (northern quoll) in Manilarkarr clan estate in Mikinj Valley. Another population was found in the Barradj clan estate, west of Kabulwarnamyo.

Key Facts

One full-time ecologist employed.

1

Forty-seven rangers and land owners were trained in setting cameras, recording data using CyberTracker, and assisting with data collection about habitats.

47

Three hundred camera traps were deployed across 60 sites in the territory of 12 clans during 38 days of field work.

300

\$140,000 worth of motion sensing cameras and other field equipment purchased to properly equip the program.



Three other programs directly participated:
 – Warddeken's Daluk (Women's) Ranger Project
 – Nawarddeken Academy
 – Njanjma Rangers.

3

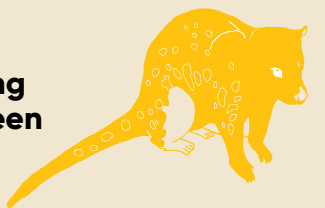
Thirty-six consultation meetings were held over 18 days with members of 17 clan groups in Kabulwarnamyo, Manmoyi, Mamadawerre, Gunbalanya and Jabiru to ensure the provision of informed consent and to obtain guidance from the holders of Indigenous knowledge of the area and the species that inhabit it.

36

Further consultations now underway.



Species found included the northern quoll, which had never been recorded in the Warddeken Indigenous Protected Area using Western scientific methods, and had not been sighted by landowners since the poisonous cane toad moved into the region in 2003.





A ranger enters data into software customised for the Mayh Species Recovery Project. Photo by David Hancock. Photo left by Warddeken Land Management Limited.

"...the Mayh Project shows impressive foresight by Warddeken in recognising the importance of informed and adaptive land management practices to the preservation of species of national significance."



A daluk ranger team deploying camera traps and conducting a fauna survey at one of the 60 sites across the Warddeken Indigenous Protected Area. Photo by David Hancock.



Ngarridjarrkurrkimirri kore anbinik: we work together to protect the Anbinik forest.

Rangers use rakehoes to clear firebreaks around remnant rainforests of endemic Anbinik trees (Allosyncarpia ternata). Photo by Peter Cook.

Daluk (Women's) Ranger Project

From 2014–2016, Warddeken staff undertook widespread Plan of Management consultations with hundreds of Traditional Owners of the Warddeken Indigenous Protected Area. A regular outcome from these consultations was that the Traditional Owners wanted to see more roles and opportunities for women within Warddeken.

As a result, Warddeken partnered with the Karrkad Kanjdji Trust to initiate the Warddeken Daluk (Women's) Ranger Project. The Karrkad Kanjdji Trust funds the project through generous support from the Jibb Foundation and the Klein Foundation. The project's primary aim is to steadily increase the proportion of total hours worked by female Indigenous rangers through the engagement of a dedicated women's ranger coordinator.

After employing Georgia Vallance as the women's ranger coordinator, the growth of the Daluk (Women's) Ranger Project has exceeded expectations, reaching its third year targets by the end of the first year. A dedicated team of women, ranging from teenagers to senior elders, are now regularly engaged in Warddeken's workforce at both Kabulwarnamyo and Manmoyi ranger bases. Women have steadily been engaged in a wider variety of important work activities, accumulating new skillsets and building confidence at a rapid pace.

Importantly, the women rangers now play an essential role in the implementation and data analysis of the Warddeken Mayh Species Recovery Project. Women rangers are also working closely with senior students at the Nawarddeken Academy on a regular basis. In this way, rangers are mentoring the next generation of daluk landowners and providing strong female leadership and role modeling within the community.

The success of the program in achieving its three year goal – of women accounting for 40 per cent of the total hours worked – inside of the first project year is cause for celebration and has highlighted the next steps for this project. The current success has been achieved by a redistribution of wages funding to be more equitable.

To achieve a higher rate of engagement by women and to drive the further professionalisation of the women rangers, two important next steps are required:

1. Increase the overall wage budget for Indigenous rangers by up to three FTE positions, which will create the capacity to engage up to 21 Indigenous women on a casual basis.
2. Recruit a second suitably qualified women's ranger coordinator to train and supervise the women rangers in Warddeken's Manmoyi ranger base, allowing Warddeken's existing coordinator, Georgia Vallance to focus on the overall management of the project and the training and supervision of the Kabulwarnamyo-based women rangers.

50%

Fifty per cent of all Warddeken Rangers are now Indigenous women

Sixty-six Indigenous women employed to date

66

Hours worked by women has increased from 18 per cent to 40 per cent of total ranger hours

40%

Women now play a vital role in ecological monitoring, fire management, cultural heritage management and education



Photos by David Hancock.



“Rangers are mentoring the next generation of daluk landowners and providing strong female leadership and role modeling within the community.”



Daluk ranger coordinator Georgia Vallance heads out with a team of rangers to create firebreaks and conduct early dry season burning. Photo by David Hancock.

Simplot Food Plane Project

Simplot Australia is a leading food manufacturer focused on 'Bringing Earth's Resources to Life' in a sustainable way. Simplot supports the Indigenous rangers of Warddeken Land Management Limited by funding a fortnightly air charter service to deliver food and supplies into the remote communities of Kabulwarnamyo and Manmoyi. This vital service is important as it assists Warddeken Rangers to remain permanently based in both communities throughout the seasonal cycle and so maintain their management activities year round.

During the year, Simplot Australia, through the Karrkad Kanjdji Trust, increased its support of the Warddeken Rangers to include the complimentary provision of food and supplies to rangers working away from home in the most remote parts of the Indigenous Protected Area. Our sincere thanks go to them for this vital partnership.



Warddeken Rangers unload the fortnightly Simplot food plane that provides vital food and supplies to the communities of Kabulwarnamyo and Manmoyi. Photo by Warddeken Land Management Limited.

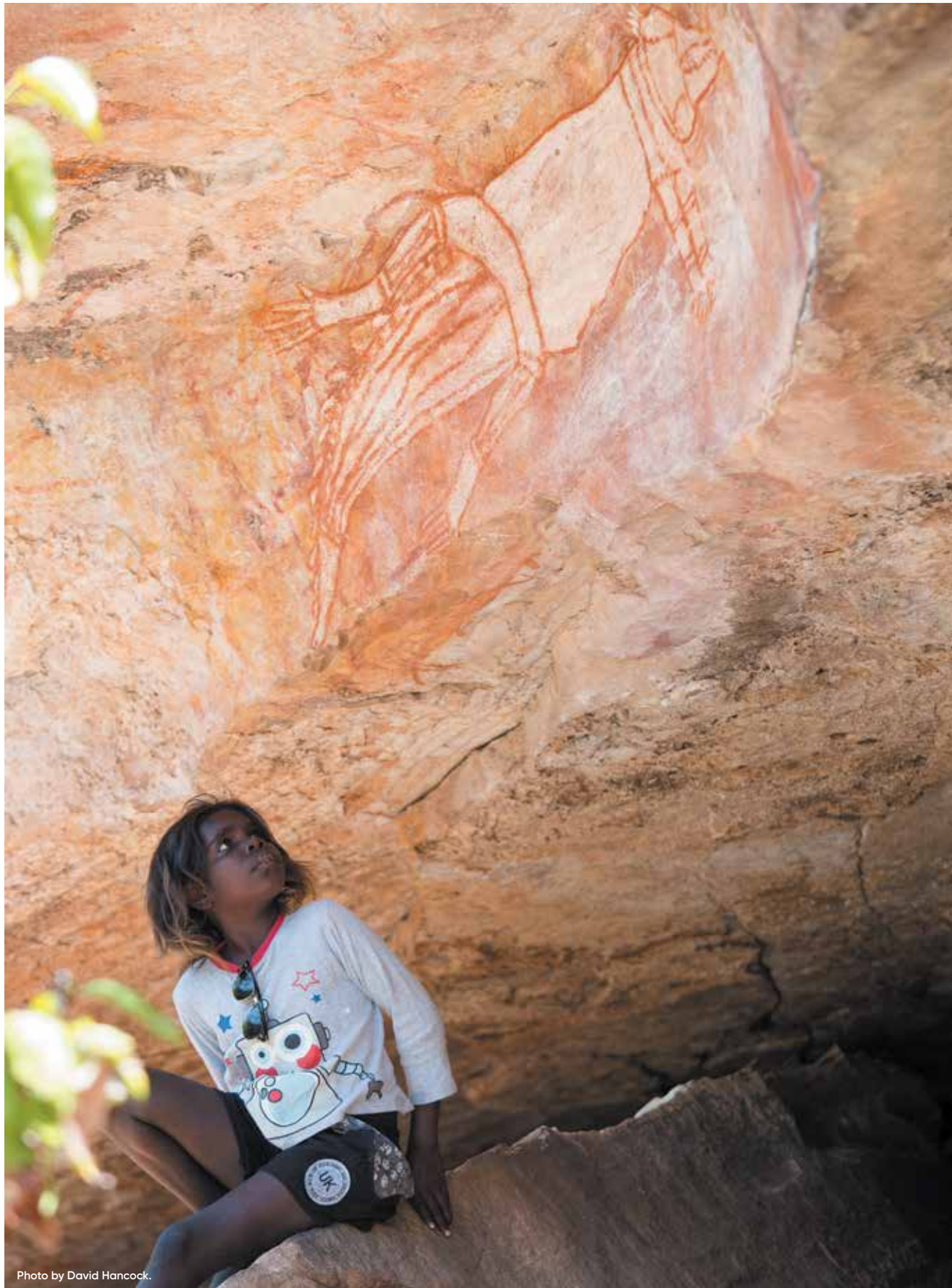


Photo by David Hancock.

Future Project: The Warddeken Bim (Rock Art) Project

The Warddeken Indigenous Protected Area encompasses what may be the largest body of undocumented rock art in the world. The art is of world heritage standard and, to the traditional custodians of the stone country, is integral to cultural identity and an essential part of this living landscape.

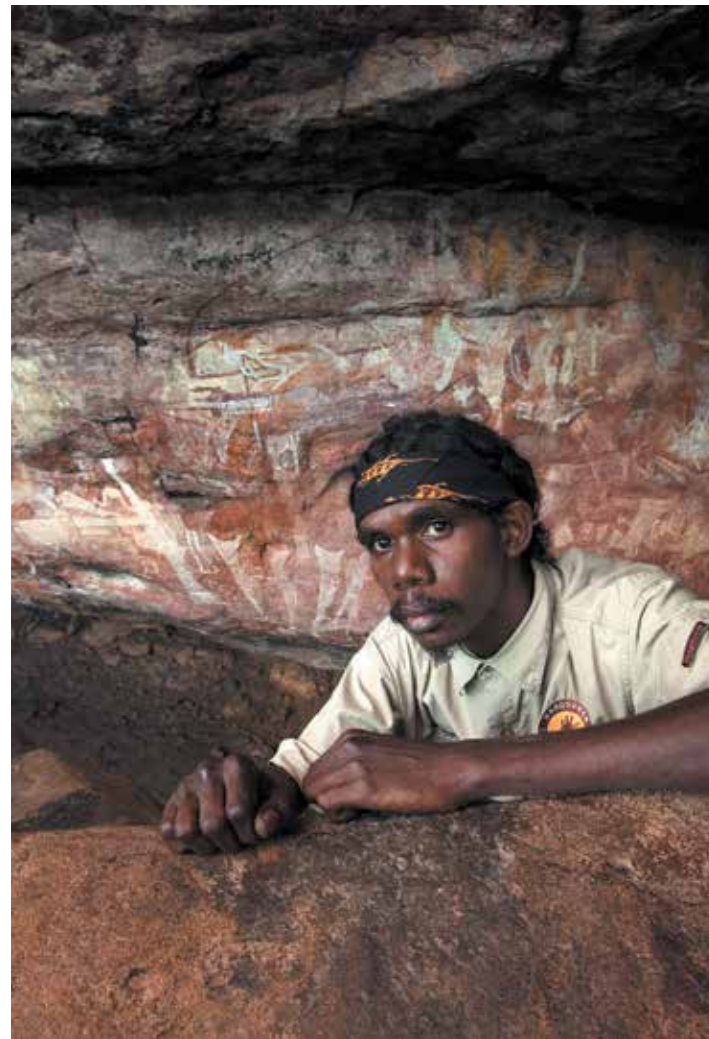
Initiating this project represents a unique opportunity to build a rock art conservation initiative that will empower Indigenous people to manage and preserve a part of the world's heritage for many generations to come.

What makes this project unique is that it will be owned and led by Indigenous people. Until now, rock art research has mainly been driven by non-Indigenous priorities. While Traditional Owners recognise the value of the contributions academics have clearly made to this field, Warddeken Traditional Owners wish to initiate a project that will challenge the orthodox research paradigm and put Indigenous priorities first, to ensure that rock art research is undertaken by Indigenous rangers in collaboration with academics who will be asked to respond to Indigenous-defined research questions.

The work of Warddeken Land Management Limited has assisted the descendants of those who painted this rock art to repopulate the Arnhem plateau. In conjunction with the Warddeken Rangers, the project aims to build on this movement of people back to their ancestral homelands to assist them to reconnect with their historical rock art legacy. The project will also provide opportunities for Indigenous staff to increase their technical skills related to archaeology and cultural heritage management, delivering employment and education outcomes in both these areas where few Indigenous people are recognised as leaders or experts.

There are still elders who are holders of intimate, first-hand knowledge of rock art and occupation sites, having lived and camped on the Arnhem plateau as young people. As such, this project also presents an urgent and unique opportunity to record their knowledge.

"This project represents a unique opportunity to build a rock art conservation initiative that will empower Indigenous people and preserve part of our world's heritage for many generations to come."



Photos by David Hancock.



A black wallaroo and a hunter painted by the late Bardayal 'Lofty' Nadjamerrek AO. It was a gift to his grandchildren and is now the logo for the Nawarddeken Academy primary school. Photo by Warddeken Land Management Limited.

Less than five per cent of Warddeken's 1.4 million hectares have been surveyed so far

30,000+

Estimated number of individual rock art sites

Key elders have first-hand knowledge of rock art and occupation sites

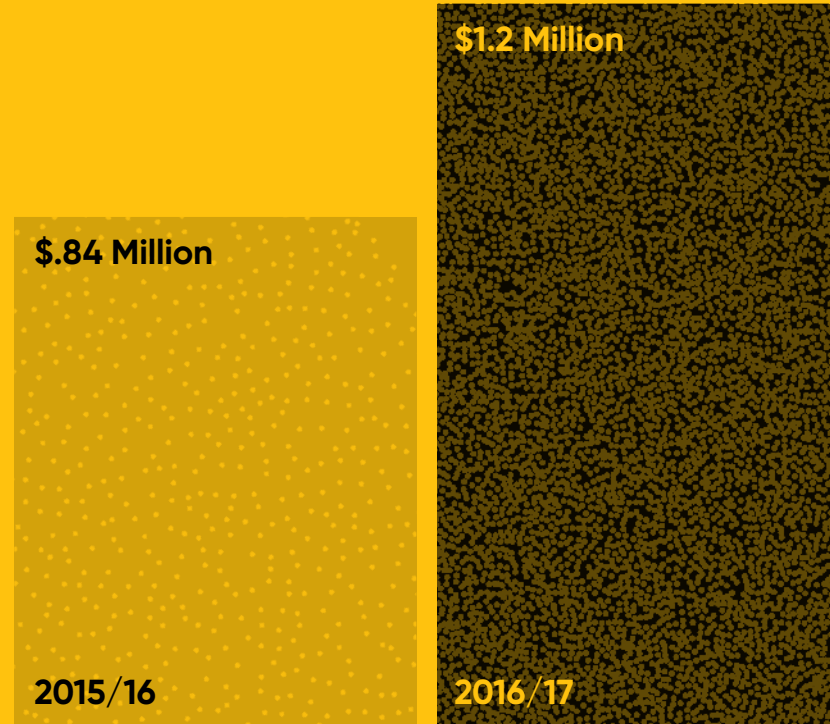


Photo by Rowand Taylor.

A year
with many
positives

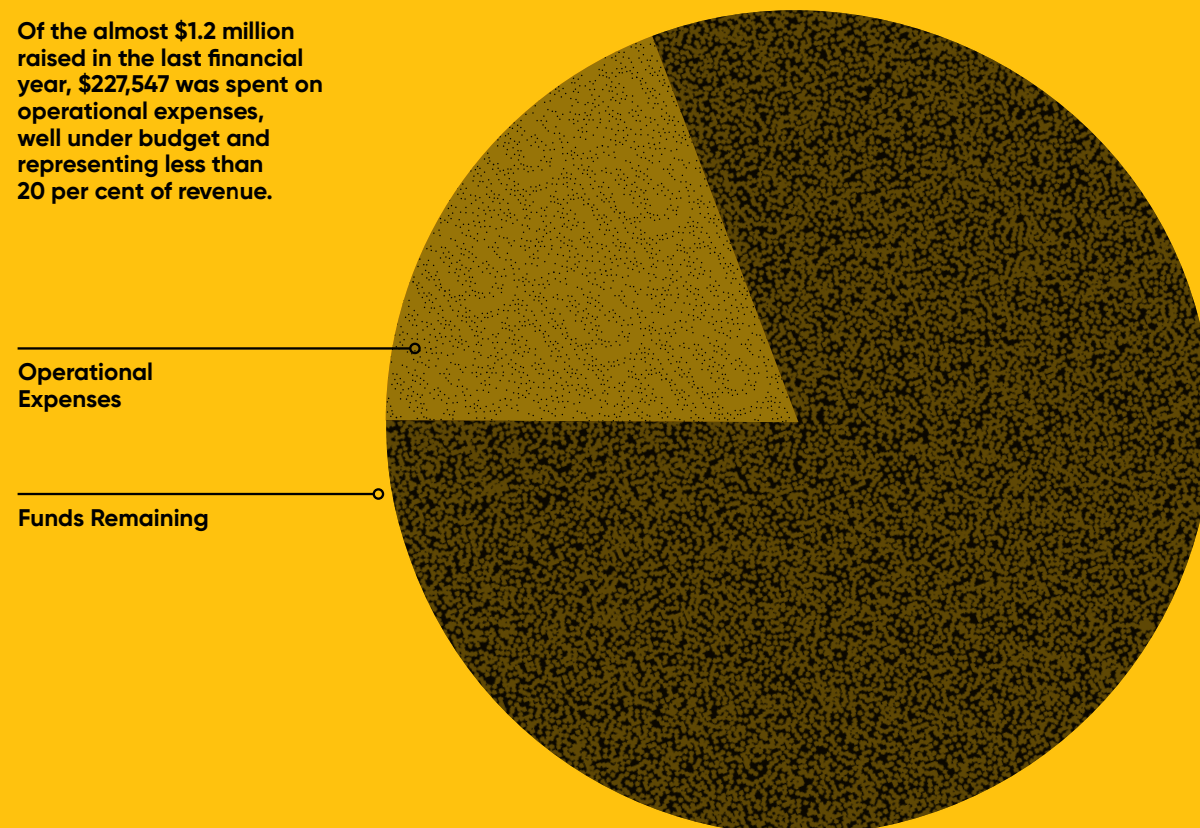
Funds Raised

Thanks to our supporters, we raised almost \$1.2 million, up 42 per cent from last year.



Operating Expenses

Of the almost \$1.2 million raised in the last financial year, \$227,547 was spent on operational expenses, well under budget and representing less than 20 per cent of revenue.



Directors' Report

For the year ended 30 June 2017

In respect of the financial year ended 30 June 2017, the directors of the trustee company of the Karrkad Kanjdji Trust submit the following report, made out in accordance with a resolution of the directors:

Directors of the Trustee Company

The names of Directors of the company in office at the date of this report are: Professor Jon Altman, Justin Punch, Margie Moroney, Victor Rostrom, Dean Yibarbuk and Fred Hunter.

Principal Activities

Create a sustainable finance mechanism that will assist the funding of Indigenous ranger groups and land owners to protect and manage the natural and cultural environment of West Arnhem Land.

It is our vision that current and future generations of bininj and balanda will continue to find inspiration in the environment, people and culture of West Arnhem Land.

Trading Results

An operating surplus of \$304,160 was recorded for the year. (2016: \$456,794).

Significant Changes in the State of Affairs

There were no significant changes not otherwise noted in the state of affairs of the company during the year.

Events Subsequent to Balance Date

Since the end of the financial year the Directors are not aware of any matter or circumstances not otherwise dealt within the report that has significantly affected the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Likely Developments

At present, no developments are planned which would significantly affect the operations or results of the Trust.

Directors Benefits

No Director of the company has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the company as trustee of the trust, a controlling entity or a related body corporate with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial financial investment.

Independence

The Auditor (Luke Williams of Galpins Accountants, Auditors and Business Consultants) is independent of the company and the Directors have met the independence required of Australian Professional Ethical Pronouncements and the Corporations Act 2001 is included in the financial statements.

Signed at Sydney this 20th day of November 2017

Director

Director

Directors' Declaration

For the year ended
30 June 2017

In the opinion of the Directors:

- a. The Directors of Karrkad Kanjdji Ltd as trustee for the Karrkad Kanjdji Trust have determined that the Trust is not a reporting entity and that the special purpose financial statements are appropriate to meet the information needs of members and users of the financial statements. The special purpose financial statements have been prepared in accordance with note 1 to the financial statements.
- b. The accompanying Statement of Comprehensive Income has been prepared as to give a true and fair view of the results of the Trust for the year ended 30 June 2017.
- c. The accompanying Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Trust as at that date.
- d. At the date of this statement there are reasonable grounds to believe that the Trust will be able to pay its debts when they fall due.
- e. The accompanying accounts have been made out in accordance with the provisions of the Corporations Act 2001 and laws and give a true and fair view of the matters with which they deal.
- f. The special purpose financial report complies with all of the mandatory Australian Accounting Standards and reporting requirements under the Corporations Act 2001.

Signed in accordance with a resolution of the Directors

Signed at Sydney this 20th day of November 2017



Director



Director

Independent Auditor's Report

To the Trustees of
Karrkad Kanjdji Trust

Report on the Financial Report

Audit Opinion

We have audited the accompanying financial report, being a special purpose financial report, of *Karrkad Kanjdji Trust*, which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income for the year then ended, statement of changes in equity, statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of the Karrkad Kanjdji Trust, in all material respects, for the period 1 July 2016 to 30 June 2017 is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the Trust's financial position as at 30 June 2017 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.

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

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

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion expressed above, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

Responsibility of Directors for the Financial Report

The Directors are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the reporting requirements and needs of the Trust. The Directors responsibility also includes such internal control the Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

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

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

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

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

Galpins Accountants, Auditors & Business Consultants



Luke Williams CPA,
Registered Company Auditor, Partner
11/12/2017

Statement of Financial Performance

For the year ended 30 June 2017

Ordinary income	Note	2017 (\$)	2016 (\$)
Grant income	3 & 4	297,364	636,010
Interest received		15,545	23,159
Donations	3 & 4	843,142	630,832
Other income		4,700	–
Total income		1,160,751	1,290,001
Expenses			
Accountancy		6,334	3,527
Audit fees		3,400	5,900
Bank charges		855	754
Board expenses		–	2,612
Catering		821	1,525
Grants		629,044	603,150
Computer and internet		2,016	986
Consultants and contractors		24,944	82,527
Dues and subscriptions		1,698	2,759
Insurances		1,904	3,532
Meeting expenses – other		361	1,428
Office expenses		1,874	3,703
Professional development		6,748	–
Project expenses		–	25,379
Rent		3,920	2,672
Telephone		2,119	1,373
Travel and accommodation		39,312	62,948
Salaries and wages		118,963	27,742
Superannuation		10,056	–
Sundry		2,222	690
Total expenses		856,591	833,207
Net surplus/deficit		304,160	456,794

Statement of Financial Position

As at 30 June 2017

Assets	Note	2017(\$)	2016(\$)
Current assets			
Cash at bank – operating	2A	862,606	108,815
Cash at bank – public fund	2B	131,714	676,961
Cash at bank – TNC endowment fund	2C	624,917	613,879
GST receivable		2,127	–
Donation receivable		50,000	–
Total current assets		1,671,364	1,399,655
Total assets		1,671,364	1,399,655
Liabilities			
Current liabilities			
Superannuation payable		3,581	2,177
PAYG withholding tax payable	16	–	–
GST payable		–	46,982
Provision for annual leave		8,842	1,515
Provision for sick leave		3,528	758
Total current liabilities		15,967	51,432
Non-current liabilities			
Provision for long service leave		3,424	410
Total non-current liabilities		3,424	410
Total Liabilities		19,391	51,842
Net Assets		1,651,973	1,347,813
Equity			
TNC endowment reserve		570,000	570,000
Retained earnings		1,081,973	777,813
Total equity		1,651,973	1,347,813

Statement of Changes in Equity

	Total (\$)
Balance of equity as at 1 July 2015	891,019
Profit for the period 1 July 2015 to June 2016	456,794
Balance of equity as at 1 July 2016	1,347,813
Profit for the period 1 July 2016 to June 2017	304,160
Balance of equity as at 30 June 2017	1,651,973

Statement of Cash Flows

For the year ended
30 June 2017

Cash flows from operating activities		
Cash inflows	2017 (\$)	2016 (\$)
Operating receipts	1,093,079	1,281,842
Interest receipts	15,545	23,159
Cash generated from operations	1,108,624	1,305,001
Cash outflows		
Payments to suppliers and employees	(259,998)	(193,857)
Payments for grants	(629,044)	(603,150)
Cash used in operations	(889,042)	(797,007)
Net cash generated from operating activities	219,582	507,994
Net increase in cash and cash equivalents	219,582	507,994
Cash and cash equivalents at the beginning of the period	1,399,655	891,661
Cash and cash equivalents at the end of the period	1,619,237	1,399,655

Notes to the Financial Statements

Note 1 Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the requirements of the Corporations Act 2001. The trustee company has determined that the trust is not a reporting entity. The special purpose financial report complies with the mandatory Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

a. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdraft facilities.

b. Trade Debtors and Other Receivables

Trade debtors are recognised and carried forward at invoice amount.

c. Investments

All investments are measured at market value. Movements are recognised as income.

d. Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services rendered.

e. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the association and the revenue can be reliably measured.

Grants and contributions are recognised in accordance with AASB1004: Contributions.

f. Employee Liabilities

These liabilities accrue for staff as a result of services provided up to the reporting date that remain unpaid.

g. Income Tax

The company is exempt from paying income tax due to its being an entity not for profit under s50-5 of the Income Tax Assessment Act 1997.

h. Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

i. Contingent Assets and Liabilities

There have been no events which meet the definition of an event as per AASB 110 Para 3. There are no contingent assets, contingent liabilities or any obligations as per AASB 137 Para 10.

j. Goods and Services Tax (GST)

The company is registered for GST. All amounts are stated as exclusive of GST.

k. Segment Reporting

Income and expenses belonging to the public fund have been separately identified and recorded in Note 5.

Note 2 Cash and Cash Equivalents

Note 2A Operating funds	2017 (\$)	2016 (\$)
Operating	72,988	88,316
Debit card	6,434	5,292
Online saver	12,322	12,099
Day to day	15,134	3,108
Nawarddeken Academy	663,911	275,912
ALFA	87,003	131,076
C/C donations	4,814	4,478
Total operating funds	862,606	520,281

Note 2B Public fund		
ANZ	131,714	265,495
Total public fund	131,714	265,495

Note 2C TNC endowment fund		
TNC endowment fund	624,917	613,879
Total TNC endowment fund	624,917	613,879

Total cash at bank	1,619,237	1,399,655
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Committed funds

The balance of cash and cash equivalents includes the following funds that have been received by the Karrkad Kanjdji Trust but not yet spent. The projects are still in progress or have yet to commence.

Committed funds	2017 (\$)	2016 (\$)
Arnhem Land Fire Abatement (ALFA)	87,003	131,076
TNC endowment fund	624,917	613,879
Warddeken Land Management – CEO contribution	–	25,000
Nawarddeken Academy	663,911	275,912
Total committed funds	1,375,831	1,045,867

Note 3 Grant/Donation Income

	2017 (\$)	2016 (\$)
Grants*	297,364	636,010
Donations	843,142	630,832
Total	1,140,506	1,266,842

* In 2015/16 ALFA funds of \$474,010 were received and held by Karrkad Kanjdji Trust as custodian purely on a short term basis, and so do not represent fundraising as such for use by the Trust.

Note 4 Operational Funds

Karrkad Kanjdji Trust operating summary 2016–17

Income (by project)	Grants	Donations	Other	Total	KKT*
Nawarddeken Academy	99,434	631,375	–	730,809	73,081
Warddeken Monitoring Project	–	4,400	–	4,400	–
Women's Ranger Program	65,000	68,450	–	133,450	13,345
Simplot Food Plane Project	72,930	–	–	72,930	–
Other	–	–	11,316	11,316	–
KKT Operations	60,000	138,917	8,929	207,846	207,846
Total	297,364	843,142	20,245	1,160,751	294,272

Karrkad Kanjdji Trust operating expenditure

Salaries and wages	129,019
Travel and accommodation	39,312
Consultants and contractors	24,944
Other administrative expenditure	34,272
Total operating expenditure	227,547

Karrkad Kanjdji Trust operating result	66,725
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Grants paid**	629,044
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Total expenditure	856,591
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* Karrkad Kanjdji Trust above shows funds received by Karrkad Kanjdji Trust and allocated to support the operation of the Trust. This includes untied donations or grants and a project management fee of 10% for larger projects.

** Grants paid are funded by donations and grant income.

Note 5 Segment Note Public Fund

Segment Statement of Financial Performance for the year ended 30 June 2017

Ordinary income	Public Fund	Other	Total
Grant income	297,364	–	297,364
Interest received	4,006	11,539	15,545
Donations	843,142	–	843,142
Other income	–	4,700	4,700
Total income	1,144,512	16,239	1,160,751

Expenses

Grants	629,044	–	629,044
Salaries and wages	118,963	–	118,963
Superannuation	10,056	–	10,056
Consultants and contractors	24,944	–	24,944
Travel and accommodation	39,312	–	39,312
Other administration overheads	34,272	–	34,272
Total expenses	856,591	–	856,591

Net surplus/deficit	287,921	16,239	304,160
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Thank you

Thank you to our partners in Arnhem Land whose tireless effort and determination inspires and drives what we do, and thank you to our generous supporters who make this happen through their commitment and understanding of the value of Indigenous land management.



Ari and Lisa Droga

Australian Communities Foundation

Axel Robert Arnott

Bill Traill

Bush Apple Foundation



Cathryn Vasseleu



Diane Lucas

Diversicon Environmental Foundation

Dr Guy Fitzhardinge AM



Ian and Min Darling

James N. Kirby Foundation

Jane Abercrombie

Jenour Foundation



Justin Punch and Patty Akopiantz



KLEIN FAMILY FOUNDATION

Macquarie Group Foundation

Margie Moroney and Neil Watson

Mary Elizabeth Hill

Michael and Jacqui Parshall

Rodeo



Sophie Davidson

Susan Lefroy



The Tracker Foundation

The Wiggs Family Foundation

Thyne Reid Foundation

Victoria Lane



Thank you to our founders: The Nature Conservancy, The PEW Environment Group and Peter and Jan Cooke.

In the future

Kururrk Kururrk: a waterfall and favourite swimming hole near the community of Kabulwarnamyo. Photo by Ted Wood.

Together Wardekken and Djelk Indigenous Protected Areas encompass a vast tract of spiritually and environmentally significant land. The geographic jurisdiction identified by our trust deed covers West and Central Arnhem Land, a total area of up to 60,000 square kilometres. This presents an enormous challenge to the financial resources available to the resident communities looking to manage this vast area.

The ranger groups working in this region are chronically underfunded for the scale of the environmental challenges they face, the security of their government funding remains far from clear and social and educational infrastructure to support communities in these areas is poor.

If we are to ensure that the Karrkad Kanjdji Trust continues to play a meaningful role in assisting to meet these financial resource shortfalls and uncertainties, we need more than just a clear vision articulated by our Indigenous land owners for the proper management of their land and natural and cultural assets. Proper stewardship will require strong partnerships, compelling projects and a committed fundraising team engaging high quality and equally committed philanthropic partners.

In the longer term, we hope to prove the value of the role of a philanthropic partner organisation to a range of Indigenous land management groups. Validating this model could have profoundly positive consequences, not just across Arnhem Land, but for how Indigenous ranger groups are supported and resourced nationally.





For the protection and management of the natural and cultural environment of West and Central Arnhem Land.

kkt.org.au

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