



**MURA BADULGAL (TORRES STRAIT ISLANDERS)
CORPORATION RNTBC
ICN 3720**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2016**

**Mura Badulgal (Torres Strait Islanders) Corporation RNTBC
ICN 3720**

**Directors' Report
30 June 2016**

Your directors present their report on the corporation for the financial year ended 30 June 2016.

1. General Information

a. Directors

The names of the directors in office at any time during, or since the end of, the year are:

Manual Nomoa	(reappointed: 26 th November 2014)
James Yorkston	(reappointed: 26 th November 2014)
Charlotte Tamwoy	(reappointed: 26 th November 2014)
Alick Tipoti	(reappointed: 26 th November 2014)
Laurie Nona	(reappointed: 26 th November 2014)
Frank Loban	(appointed: 26 th November 2014)
Eva Bowie	(appointed: 26 th November 2014)
Patricia Yusia	(appointed: 25 th May 2016)

b. Principal Activities

The principal activities of the corporation is to hold the Native Title land for the benefit of the Badulgal as a registered native title body corporate as provided for in the *Native Title Act 1993*.

The Corporation is also the registered owner of the Badu land trust, managing the equitable interests of the land within the Badu Island deed of grant in trust area.

2. Business Review

a. Distribution of Profits

No distributions were paid or declared during the financial year.

b. Operating Results

The Corporation recorded a net loss of \$71,896 for the year under review after allowing for depreciation of \$87,213.

c. Review of Operations

A review of the operations during the financial year and the results of those operations show the Corporation continued its commercial leasehold activities along with growth in its numerous activities on managing Native Title issues, the results of which are disclosed in the attached financial statements.

Mura Badulgal (Torres Strait Islanders) Corporation RNTBC
ICN 3720

Directors' Report
30 June 2016

3. Other Items

a. Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 339-50 of the *Corporations (Aboriginal & Torres Strait Islander) Act 2006* is set out at page 3.

b. Significant Changes in State of Affairs

There were no significant change in the nature of the Corporations activities.

c. Significant Event

No significant event effected the Corporation operations.

d. Environmental Issues

The Corporation is not directly regulated by any significant environmental regulation under a law of the Commonwealth of a State or Territory apart from its roles under Native Title legislation and its responsibilities to its traditional landowners.

4. Indemnifying Officers

During or since the end of the financial year the Corporation has not entered into an agreement to Indemnify Directors and Officers.

5. Membership

No benefits or other financial interest in the Corporation were granted during or since the end of the financial year and there were no benefits outstanding to members at the date of this report other than those disclosed in the notes to the financial statements.

Signed in accordance with a resolution of the Board of Directors:

Director: 

Director: 

Dated: 12th August 2016

Auditor's Independence Declaration

As Auditor of Mura Badulgal (TSI) Corporation RNTBC for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of the Mura Badulgal (TSI) Corporation RNTBC and during the period covering my appointment.

Dated 20th August 2016



STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	213,159	180,157
Other revenues	3	<u>135,366</u>	<u>33,212</u>
Total income		348,524	213,369
Administration expenses	4	(216,877)	(91,888)
Depreciation expense	5	(87,213)	(87,126)
Employee Costs	6	(104,386)	(84,120)
Other Expenses	7	<u>(11,945)</u>	<u>(8,541)</u>
Profit (Loss) before income tax expense		<u>(71,896)</u>	<u>(58,305)</u>
Income tax expense		-	-
Profit (Loss) from operations		<u>(71,896)</u>	<u>(58,305)</u>

The accompanying notes form a part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash assets	8	225,116	153,189
Receivables	9	114,261	112,847
TOTAL CURRENT ASSETS		339,377	266,035
NON-CURRENT ASSETS			
Property Plant & Equipment	15	2,745,363	2,958,188
TOTAL NON-CURRENT ASSETS		2,745,363	2,958,188
TOTAL ASSETS		3,084,742	3,224,224
CURRENT LIABILITIES			
Employee provisions	10	3,449	3,158
GST payable	11	10,231	(4,096)
Trade Creditors & Income Prepaid	11	229,088	132,197
TOTAL CURRENT LIABILITIES		242,767	131,259
TOTAL LIABILITIES		242,767	131,259
NET ASSETS		2,841,973	3,092,966
EQUITY			
Asset Revaluation Reserve	13	2,727,173	2,906,270
Retained Earnings	14	114,800	186,696
TOTAL EQUITY		2,841,973	3,092,966

The accompanying notes form a part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

<u>2014-2015 year</u>	Note	Retained Earnings	Asset Revaluation Reserve	Total
		\$	\$	\$
Balance at 1 July 2014		245,001	1,192,543	1,437,545
Profit attributable to members		(58,305)	-	(58,305)
Transfers to and from reserves			-	-
- Asset Revaluation Reserve	13	-	1,713,727	1,713,727
Sub-total		186,696	2,906,270	3,092,967
Distributions paid or provided for		-	-	-
Balance at 30 June 2015		186,696	2,906,270	3,092,967
 <u>2015-2016 year</u>				
Balance at 1 July 2015		186,696	2,906,270	3,092,967
Profit (Loss) attributable to members		(71,896)	-	(71,896)
Transfers to and from retained earnings			-	-
Transfers to and from reserves				
- Asset Revaluation Reserve	13	-	(179,097)	(179,097)
Sub-total		114,800	2,727,173	2,841,974
Dividends paid or provided for		-	-	-
Balance at 30 June 2016		114,800	2,727,173	2,841,973

The accompanying notes form a part of these financial statements.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash Flows from Operating Activities			
Receipts From Customers		345,412	232,302
Dividends Received		-	-
Interest Received		1,698	2,696
Payments to Suppliers and Employees		(220,739)	(157,883)
Interest Paid		-	-
Net Cash Provided by / (Used in) Operating Activities:	18	<u>126,371</u>	<u>77,115</u>
 Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant & Equipment		-	-
Acquisitions of Property, Plant & Equipment		(54,445)	(9,507)
Net Cash Provided by (Used In) Investing Activities:		<u>(54,445)</u>	<u>(9,507)</u>
 Cash Flows from Financing Activities			
Loan Proceeds		-	-
Loan Repaid		-	-
Net Cash Provided by Financing Activities		<u>-</u>	<u>-</u>
 Net Increase (decrease) in Cash:		71,926	67,608
Cash at Beginning of Year		153,190	85,582
Cash at End of Year	8	<u>225,116</u>	<u>153,190</u>

The accompanying notes form a part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 JUNE 2016**

Note 1 - Statement of Significant Accounting Policies

The significant policies that have been adopted in the preparation of this financial report are:

a) **Basis of Preparation**

The Corporation is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared by Mura Badulgal (TSI) Corporation RNTBC for the sole purpose of satisfying the requirements of the directors and members.

As such, the financial report may not comply with all International Financial Reporting Standards. The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031	Materiality
AASB 101	Presentation of Financial Statements
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the Balance Sheet Date
AASB 1048	Interpretation and Application of Standards

The accounting policies adopted are considered appropriate to meet the needs of the members.

The financial report has been prepared on an accruals basis and the basis of historical cost except for the revaluation of certain non-current assets.

The financial report is for the entity Mura Badulgal (TSI) Corporation RNTBC as an individual entity. The Mura Badulgal (TSI) Corporation RNTBC is a corporation, incorporated under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and domiciled in Australia.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

b) **Property Plant & Equipment**

The company has adopted AASB116 for Property Plant & Equipment in the preparation of the financial statements for the year ended 30 June 2016.

c) **Income Tax**

The company is, by virtue of Section 50-25 5.1 (*Income Tax Assessment Act 1997*) exempt from the liability to pay company income tax.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Note 1 - Statement of Significant Accounting Policies (continued)

d) Property, Plant and Equipment

Property, Plant and Equipment are brought to account at cost or Director's value, less where applicable, any accumulated depreciation or impairment losses. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from those assets. The expected net cash flows have not been discounted to present values in determining recoverable amount.

Acquisitions of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

From the 1 February 2014 and on the transfer of the Badu Island land trust from Torres Strait Island Regional Council, the Corporation assumed land ownership of the formerly known "DOGIT" (Deed of Grant in Trust). During the transfer process there were major State and Local government owned buildings on the land taken over. As these were subject to a 30 year term lease, the Corporation has not recognised its ownership to these buildings. It has not accepted any responsibility for the maintenance and upkeep of those buildings. Therefore, it has not included those buildings in its schedule of assets. Other buildings on land now owned by the Corporation have been recorded in these statements, initially at the written down value provided by Torres Strait Island Regional Council at disposal on 1 February 2014 but now subject to valuation in this reporting year.

Valuation

Buildings owned by the corporation and included in the property plant and equipment asset schedule in this report were valued as at 1 July 2014 by Asset Advance, Mr Neil Teves AAPI, Certified Practising Valuer Qld Registration No. 382.

Other plant and equipment is at the Directors' valuation or measured at cost.

Non-current physical assets measured at fair value are revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date.

Any revaluation increment or decrement arising on the revaluation of an asset has been credited to the asset revaluation reserve.

Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment is calculated so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the company.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

The depreciable amounts of all fixed assets including buildings but excluding freehold land, are depreciated on a diminishing value basis or prime cost basis over their estimated useful lives commencing from the time the asset is held ready for use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 1 - Statement of Significant Accounting Policies (Continued)

e) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

f) Revenue Recognition

Sales revenue is recognised when control has passed to the buyer.

g) Cash

For the statement of cash flows, cash includes cash on hand net of bank overdrafts.

h) Investments

Valuation of investments is determined by multiplying the number of shares held by the market price of each share at balance date. Increments or decrements are included in the revenue statement.

i) Goods and Services Tax

Goods and services tax is not included in revenue and expenses but is included in receivables, payables, and receipts and payments to customers.

j) Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

k) Employee Benefits

No provision is made for the corporations liability for employee benefits arising from administrative services being rendered by a consultant to the corporation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<u>Note 2 - Revenue</u>		
Rents	213,159	180,157
	<u>213,159</u>	<u>180,157</u>
<u>Note 3 - Other Revenues</u>		
Community Loans Instalments	8,750	-
Grant Funding - Tier 1	48,836	14,500
Interest	1,698	2,696
Reimbursements - Cultural Heritage	27,594	-
Royalties	34,165	7,645
Miscellaneous Income	14,322	8,371
	<u>135,366</u>	<u>33,212</u>
<u>Note 4 - Administration Expenses</u>		
Accounting Fees	18,000	-
Audit Fees	4,500	4,500
Advertising	3,974	1,424
Bad Debts	-	(70)
Bank Charges	161	145
Community Events	487	209
Computer Expenses	-	275
Conference Expenses	5,119	1,569
Consultancy	4,096	7,000
Consultation Meeting Expenses	9,792	17,339
Cultural Heritage Monitoring	26,699	-
Electricity and Gas	3,064	3,324
Freight & Cartage	3,662	1,087
Insurance	30,877	16,947
Information Technology	1,600	1,993
Land Maintenance	25,391	2,732
Legal Costs	23,440	12,551
Motor Vehicle Expenses	2,270	-
Printing and Office Supplies	8,703	2,569
Repairs and Maintenance - Buildings	18,657	9,795
Sponsorships/Donations	22,119	-
Telephone and Data	1,456	2,498
Travel Expenses & Allowances	2,808	5,269
Uniform Expenses	-	734
	<u>216,877</u>	<u>91,888</u>
<u>Note 5 - Depreciation Expense</u>		
Buildings	78,965	83,569
Motor Vehicles & Plant	3,045	-
Office Equipment & Furniture	5,203	3,557
	<u>87,213</u>	<u>87,126</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<u>Note 6 - Employee Expenses</u>		
Staff Travel	2,324	-
Superannuation	8,443	7,121
Wages and Salaries	91,058	75,333
Workcover Insurance	764	-
Accrued Annual Leave	1,797	1,666
	<u>104,386</u>	<u>84,120</u>
<u>Note 7 - Other Expenses</u>		
Loss on Disposal of Assets	960	1,762
Community T/O Loan Advances	9,423	-
Other Expenses	1,561	6,779
	<u>11,945</u>	<u>8,541</u>
<u>Note 8 - Cash Assets</u>		
Cash at Bank - Cheque Account	81,288	67,060
Cash at Bank - Investment Account	143,828	86,129
	<u>225,116</u>	<u>153,189</u>
<u>Note 9 - Receivables</u>		
Accrued Income	22,777	-
Community Loans	8,688	6,293
Receivables (Other)	86,841	113,553
Provision for Doubtful Debts	(4,045)	(7,000)
	<u>114,261</u>	<u>112,847</u>
<u>Note 10 - Current Liabilities: Employee provisions</u>		
Accrued Wages	1,652	532
Provision for Annual Leave	1,797	2,626
	<u>3,449</u>	<u>3,158</u>
<u>Note 11 - Current Liabilities: Trade and other payables</u>		
Trade Creditors	13,764	21,267
Accrued Payments	6,448	4,950
Goods and Services Tax	10,231	(4,096)
Grant Funding in Advance - Tier 1	55,727	-
PAYG/ABN Withholding	6,847	-
Rent Charged in Advance	146,301	105,980
	<u>239,318</u>	<u>128,101</u>
<u>Note 12 - Contingent Liabilities</u>		
There are no known contingent liabilities of a significant nature at balance date.		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 15 - Property, Plant and Equipment

(a) Year Ended 30 June 2016

	Buildings and Improvements	Motor Vehicles & Plant	Office Equipment & Furniture	Total
Basis of measurement	Revaluation & Cost	Revaluation & Cost	Revaluation & Cost	
	2016	2016	2016	2016
	\$	\$	\$	\$
Asset Values				
Balance at beginning of financial year	3,056,270	-	25,564	3,081,834
Additions at Divestment	350,000			350,000
Additions at Cost	17,245	20,972	16,228	54,445
Write off at Divestment	(529,097)			(529,097)
Loss on Disposal	-		(960)	(960)
Revaluation by Valuer	-		-	-
Balance at end of financial year	2,894,418	20,972	40,832	2,956,222

Accumulated Depreciation

Balance at beginning of financial year	114,893	-	8,753	123,646
Depreciation provided in period	78,965	3,045	5,203	87,213
Disposals	-		-	-
Balance at end of financial year	193,858	3,045	13,956	210,859
Total Written down value at period end	2,700,560	17,927	26,876	2,745,363

The Company has used the following rates of depreciation to measure the useful life of fixed assets

Buildings & Improvements	2% - 10%	Prime cost method
Office Equipment & Furniture	10% - 33.3%	Deminishing value method
Items under \$500 are fully expensed in the year of purchase.		

(b) Year Ended 30 June 2015

	Buildings and Improvements	Motor Vehicles & Plant	Office Equipment & Furniture	Total
Basis of measurement	Revaluation & Cost	Revaluation & Cost	Revaluation & Cost	
	2015	2015	2015	2015
	\$	\$	\$	\$
Asset Values				
Balance at beginning of financial year	1,342,543	-	17,819	1,360,362
Additions at Divestment	-		-	-
Additions at Cost	-		9,507	9,507
Disposals	-		(1,762)	(1,762)
Revaluation by Valuer	1,713,727		-	1,713,727
Balance at end of financial year	3,056,270	-	25,564	3,081,834

Accumulated Depreciation

Balance at beginning of financial year	31,324	-	5,196	36,520
Depreciation provided in period	83,569		3,557	87,126
Disposals	-		-	-
Balance at end of financial year	114,893		8,753	123,646
Total Written down value at period end	2,941,377	-	16,811	2,958,188

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<u>Note 13 - Asset Revaluation Reserve</u>		
Opening Asset Revaluation Reserve	2,906,270	1,192,543
Increments (Divestments)	350,000	1,713,727
Decrements	(529,097)	-
Closing Asset Revaluation Reserve	<u>2,727,173</u>	<u>2,906,270</u>

<u>Note 14 - Retained Earnings</u>		
Opening Retained Earnings	186,696	245,001
Increments (Decrements)		
Net profit (loss) from trading	(71,896)	(58,305)
Closing Retained Earnings	<u>114,800</u>	<u>186,696</u>

Note 16 - Commitments

Except tied grant funding, there are no known commitments of a significant nature at balance date.

Note 17 - Auditors' Remuneration

Amounts received or due and receivable by auditors for Auditing Services	4,500	4,500
Total	<u>4,500</u>	<u>4,500</u>

Note 18 - Reconciliation of Cash Flow from Operating Activities with Operating Profit after Income Tax

Operating Profit	(71,896)	(58,305)
<i>Non Cash Flows in Operating Profit :</i>		
Depreciation of Property, Plant and Equipment	87,213	87,126
Loss on Sale of Non-Current Assets	960	1,762
Change in market Value of Investments	-	-
<i>Changes in Assets and Liabilities</i>		
Decrease (Increase) in Receivables	21,362	19,172
Decrease (Increase) in Accrued Income	(22,777)	2,457
Increase (Decrease) in Unearned Revenue	96,048	3,383
Increase (Decrease) In Inputs Tax Liability	14,327	1,671
Increase (Decrease) in Payables	843	17,922
Increase (Decrease) in Provision - Other	291	1,927
Net Cash Provided by / (used in) Operating Activities	<u>126,371</u>	<u>77,115</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 19 - Directors' Remuneration and Benefits

Directors' Fees paid or payable or otherwise made available in respect of the financial year to each director of the Mura Badulgal (TSI) Corporation RNTBC directly or indirectly from the entity or any related entity.

Name	Loan		Travel Allowance & Other	
	2016	2015	2016	2015
	\$	\$	\$	\$
Peo Ahmat	-	3,000	-	2,174
Laurie Nona	-	-	314	-
Frank Loban	-	-	-	-
Manuel Nomoa	-	-	732	2,174
Charlotte Tamwoy	-	-	-	1,174
James Yorkston	-	-	-	300
Alick Tipoti	-	-	-	-
Maureen Newie	-	-	-	-
Patricia Yusia	-	-	-	-
Total	0	3,000	1,046	5,822

Note 20 - Directors' Meeting Attendances

Directorships are voluntary and the following table shows attendances at meeting for the 2015/2016 financial year during their respective term of office.

Name	Board/General	Special Meetings
Laurie Nona (Chairman)	8 from 10	14 from 17
Frank Loban (Deputy Chair)	6 from 10	8 from 17
Manuel Nomoa (Hon. Treasurer)	8 from 10	16 from 17
James Yorkston	10 from 10	7 from 17
Charlotte Tamwoy (Inner Islands Director)	5 from 10	4 from 17
Alick Tipoti	7 from 10	14 from 17
Eva Bowie	8 from 10	11 from 17
Naizel Enosa (resigned 8/9/15)	1 from 2	
Maureen Newie (appointed 1/10/15 : resigned 31/3/16)	0 from 3	
Patricia Yusia (appointed 25/5/16)	0 from 1	

Directors also invest consider time in meeting visitors to Badu Island on issues concerning Native Title matters. Visits include Ministerial, State and Federal and Local government agencies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 21 - Community Loans

Directors have established a loan pool of \$10,000 with loan establishment fees growing the available loan pool. Loan funding is limited by the amount available in the loan pool at any one time, available to qualifying Traditional Owners within the guidelines of the lending policy.

Name	Approved	2016	2015
	\$	\$	\$
Peo Ahmat	3,000	3,000	3,000
Maluwap Nona	2,000	500	500
Lillian Laza	945	545	545
Noel Sagigi	740	740	740
Peter Waria	1,049	-	329
Jane Ahmat	1,151	-	201
Edna Solomon	643	-	295
Sarah Gaidan	1,033	-	683
Alfred Nona	750	550	-
Gerald Bowie	1,053	703	-
Jane Ahmat	1,049	629	-
Laseka Eseli	565	365	-
Mersela Elisala	1,365	260	-
Waikap Morsue	733	733	-
Ronald Nomoa	863	663	-
		8,688	6,293

Note 22 - Financial Instruments**(a) Terms, conditions and accounting policies.**

The corporations accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date, are as follows:

Trade Receivables and Payables - Carried at nominal amounts due less any provision for doubtful debts. Credit sales/purchases are on 14 day terms.

(b) Interest rate risk.

The corporation is not exposed to any material interest rate risks as at balance date.

(c) Net fair values.

No exposure to risk as at balance date.

Both assets and liabilities are stated at actual value.

(d) Credit risk exposures.

The corporation has no exposure to credit risk at balance date in relation to each class of recognised financial asset. The carrying amount of those assets is at historical cost.

Note 23 - Events after the Balance Sheet Date

There are no material adjusting events after the balance sheet date.

Note 24 - Corporation Details

The corporation is a registered body under the Office of the Registrar of Indigenous Corporations

Registration number 3720

Corporation office and principal place of business:-

195 Nona Street

Badu Island, Queensland

Directors' Declaration

The directors have determined that the corporation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the corporation declare that:

- (a) the financial statements and notes, as set out on pages 4 to 16 are in accordance with the *Corporations (Aboriginal & Torres Strait Islander) Act 2006*, including;
 - (i) giving a true and fair view of the corporations financial position as at 30 June 2016 and of its performance for the financial year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
 - (ii) complying with Australian Accounting Standards to the extent identified in Note 1 and the Corporations Regulations 2001; and
- (b) in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.


.....
Director


.....
Director

Badu Island on this 16TH day of AUGUST 2016

Independent Audit Report on the Financial Report to Members of Mura Badulgal (TSI) Corporation RNTBC

I have audited the accompanying financial report, being a general purpose financial report, of Mura Badulgal (TSI) Corporation RNTBC for the year ended 30 June 2016. The financial report comprises the statement of financial performance, statement of financial position as at 30 June 2016, statement of changes in equity, cash flow statement, summary of significant accounting policies and other explanatory notes and the directors' declaration for the year then ended.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006* and are appropriate to meet the needs of the members. The directors' responsibility also includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I have conducted my audit in accordance with Auditing standards in Australia. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

I am independent of the company, and have complied with the independence requirements of the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*. In addition to my audit of the financial report, I was engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired my independence.

Auditor's Opinion

In my opinion, the financial report of Mura Badulgal (TSI) Corporation RNTBC is in accordance with the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2016 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 Accounting Standards in Australia to the extent described in Note 1 and complying with the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*.

Dated 20th August 2016



Peter F. McGrath FNTAA
Company Auditor
Registration No 6112