



GUMALA
Aboriginal
Corporation

ICN 2744

2011 Annual
Report

Disclaimer: When reading this publication and sharing it with family and friends, please be mindful that it may contain images and/or names of people who have since passed away.

Gumala Aboriginal Corporation's 1200-plus Members are the Innawonga, Banyjima and Nyiyaparli peoples, a cultural block of Traditional Owners who hold Native Title over their rich iron ore lands in the Pilbara region of Western Australia.

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Gumala Aboriginal Corporation – more than just

one of Australia's largest Indigenous corporations



Our respected Elders



Our Members' children...
the next generation



Our strong leadership team

Our growing business arm

Our diverse
range of
Member Services
programs
delivered by our
dedicated staff



Our visionary projects team



The Members. The heart and soul of Gumala.
Three language groups... one people... united

CHAIRMAN'S REPORT

Gumala Aboriginal Corporation (GAC) and its subsidiary companies have been outperforming their counterparts during one of the most intense periods in the corporation's history.

The past year has seen GAC lead the way in addressing good governance and proposing changes to the legal structure with our independent trustee; Gumala Investments Pty Ltd (GIPL).

GAC has also experienced phenomenal growth over the past

year with a doubling of grant funding for our members.

While the 'merger' between GAC and GIPL did not proceed, it was a herculean effort to undertake an extensive due diligence review that highlighted how much growth had been experienced since the arrival of our reform-minded and innovative Chief Executive, Steve Mav.

It is important we remember that as Traditional Owners we have a duty to follow the lore of our

ancestors and to respect our Elders. I encourage everyone to listen and learn from our teachers and to live a traditional life while accessing the benefits provided by GAC to improve our quality and standard of living.

The Board has not shied away from difficult issues and under the leadership of my predecessor, Elder Stuart Ingie Snr, key changes were instigated by the Board to adopt world's best practice in good governance.

Of course implementation remains a constant challenge as elected representatives must always put the interests of the corporation ahead of their own personal or family interests.

Major projects are underway including planning for construction of 150 houses over the next five years and significant investment in education and training.

GAC has had many accomplishments. The Board and Management are building an Indigenous corporation able to handle large amounts of mine royalty payments for the decades to come.

Together we can continue to achieve positive outcomes and I am confident 2012 will see more opportunities arise for our fast growing and dynamic organisation.

Best wishes,



Keith Hall



Gumala Aboriginal Corporation's Chairman Keith Hall



CHIEF EXECUTIVE'S REPORT

INTRODUCTION

It is a privilege to continue to serve as your Chief Executive Officer as we enter the fifth year of significant changes for one of Australia's largest Indigenous organisations.

The work we're doing together is making solid progress and creating a real difference to people's lives.

The 2011 Financial Year has seen Gumala Aboriginal Corporation (GAC) become stronger, more resilient and better able to meet the aspirations of the Traditional Owners from three of Australia's tribes and language groups – the Banyjima, Innawonga and Nyiyaparli people.

GAC, together with its business subsidiaries has become one of Australia's most successful Indigenous corporations with over 300 committed employees.

FINANCIAL MANAGEMENT

For the first time in its history, GAC has received an unqualified audit report for all aspects of its complex financial operations – this has been a critical milestone reached after four years of careful and meticulous work.

Significant improvements have been made to address GAC's historical problems. For this financial period GAC spent just under \$11 million on grants for its 1200+ members.

OVERCOMING POVERTY

Our poverty alleviation strategy has had some stunning results in terms of increasing direct benefits to our members in areas such as community development, education, health & well-being.

For example over the past year there have been program funding increases of 228% in education, 211% in health & well-being, 256% in community development and 206% in lore and culture.

This has not been easy. The Board and management have worked closely together to have more funding released to the Traditional Owners. Careful planning and execution have been critical to the growth of our operations.

The selection of key staff to implement the changes has also been central to our success. To this end recognition must be given to Francois Langlois, Jenny Viviers and Tracey Blokland – three members of the management team who have been exceptional and excelled in their respective roles.

GAC would also like to recognise Dr. Sally Raine, GAC's legal counsel who remains a trusted expert to the organisation in protecting its interests.

PROPOSED 'MERGER'

Since significant changes began to be implemented at GAC four years ago, GAC has been working closely with key stakeholders like Rio Tinto (Iron Ore) and the Trustee of our charitable foundation to improve the operating systems within an organisation that has seen the membership more than double over four years of rapid growth.

After three major reviews and more than \$2 million spent on improving the governance and operations of a leading Indigenous corporation – a special meeting involving the members/beneficiaries was held to choose whether a 'merger' should take place between GAC and its wholly owned but independent trustee company; Gumala Investments Pty Ltd (GIPL).

Using a political analogy; the merger proposal was to change the legal structure of our operations from a bicameral to unicameral system of 'governing' whereby GAC as the 'House of Representatives' and GIPL as the 'Senate' would form one governing body; resulting in greater synergies, cost efficiencies and strategic alignment.

However, by a vote of 49% to 51%, the merger vote failed notwithstanding that approval for the changes had been endorsed by the key stakeholders including Rio Tinto (Iron Ore), the Government Regulator, the Trustee company and independent reports commissioned on GAC.

While the decision was a personal disappointment for those closely involved in the merger proposal, the decision not to merge was immediately accepted and respected by all concerned and management has continued to focus on service delivery and new programs as part of GAC's ambitious growth strategy.

Furthermore, the important recommendations stemming from the proposed 'merger' due diligence review undertaken by PriceWaterhouseCoopers (PwC) are being implemented in full and are resulting in the further strengthening of the organisation's governance regime and operating systems.

MEMBERS' "POLITICS"

It may be unusual for this sensitive subject to be raised in the CEO's report, however it is important that we address members' concerns in an open and transparent way.

Everyone is aware that tens of millions of dollars continue to be poured into our charitable foundation; the General Gumala Foundation (GGF) and many members' opinions have been expressed on how the money should be invested and spent.

During the year the organisation was subject to public criticism from a section of the membership.

While GAC has always been a robust and politically active organisation, the behaviour of its critics within the membership has raised challenges for maintaining the rapid expansion of member services'. A not-for-profit like ours is only as strong as the people

behind it. Importantly this includes the corporation's Directors, Elders and other Traditional Owners.

Throughout my time, management has always maintained a neutral and professional role when disagreements have arisen between our ever expanding and diverse membership base.

However, it would be derelict for any CEO to condone activities by any member that attempts to bring the organisation – proud and reputable as it has become – into disrepute.

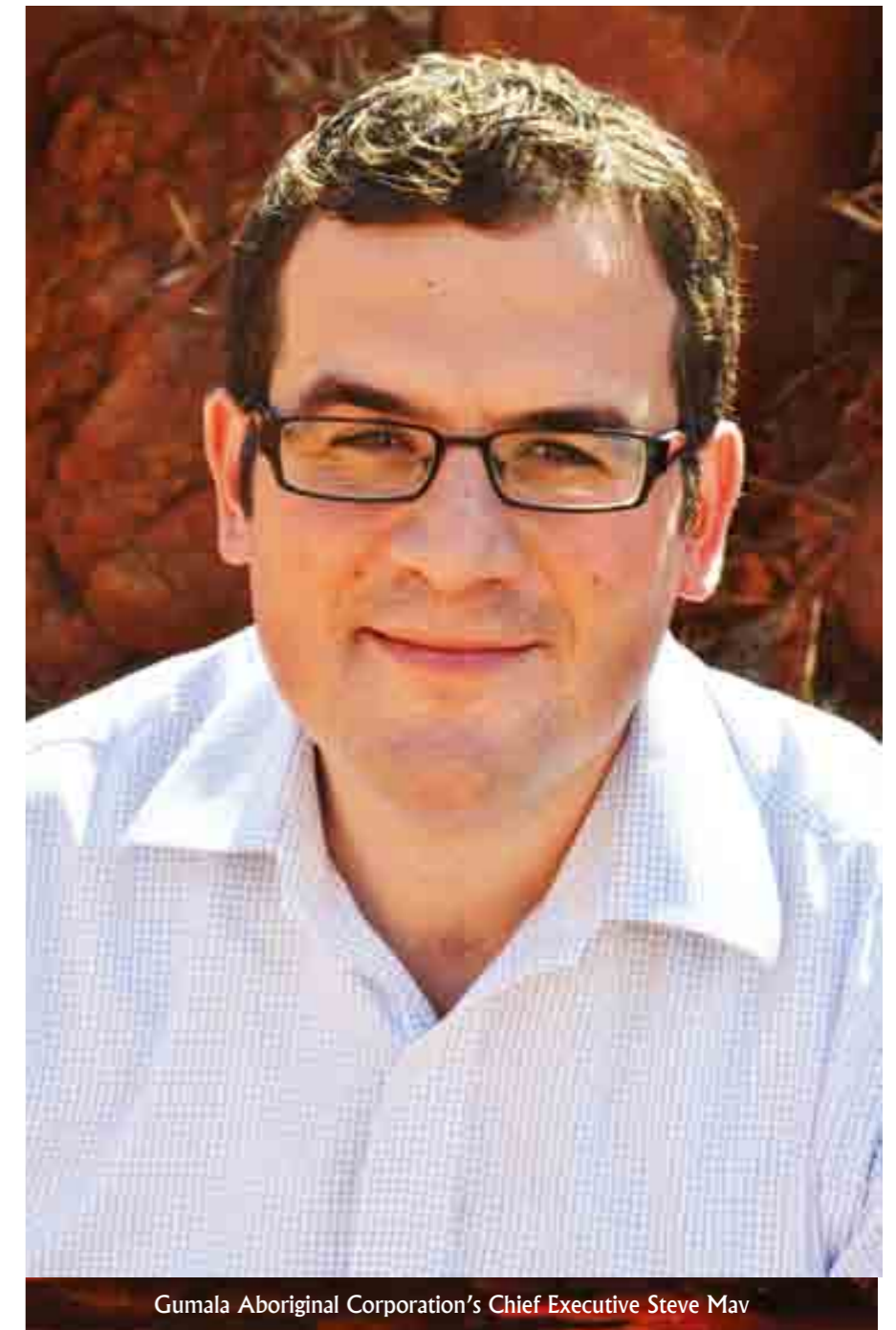
For the record, GAC is recognised throughout Australia as a strong, large and successful Aboriginal corporation providing significant benefits to the Traditional Owners it represents.

It is pleasing to note that the regulator of our sector – the Office of the Registrar of Indigenous Corporations (ORIC) – has continued to maintain confidence in our operations and GAC is fortunate to have had personal interest shown by the Registrar himself, Mr Anthony Beven, notwithstanding that there are in excess of 2300 Aboriginal corporations under Mr Beven's watch.

We all need to be mindful that the external issues be kept to a minimum from impacting on GAC. In particular the ongoing court hearings into determining who are the Traditional Owners as mandated under the General Gumala Foundation Trust Deed and consequential ongoing membership eligibility at GAC.

WAKUTHUNI EARLY CHILDHOOD CENTRE

GAC's focus on building long term educational opportunities for the children of our members continued throughout the year when our first educational building was completed in one of the Aboriginal communities; Wakuthuni community.



Gumala Aboriginal Corporation's Chief Executive Steve Mav

GAC partnered with the University of Melbourne, one of Australia's most prestigious tertiary institutions and ranked in the world's top 50, to construct a building that would provide a variety of teaching and learning

outcomes over the long term including the American devised Abecedarian Approach which is an early childhood intervention strategy for at-risk children or children from disadvantaged communities.

KARIJINI ECO RETREAT (KER)

GAC's tourism business, KER, is on track to becoming commercially sustainable having encountered difficulties since established in 2006.

Our pledge to "fix the problems" has resulted in a new business model being agreed to by GAC as the parent company and its subsidiaries and a new entity called Gumala Tourism Pty Ltd becoming the holding company for the KER business.

Local tourism expert Manny Papadoulis and his team have been working diligently to re-structure the business within the strategic framework determined which has included a stronger partnership with the State Government.

GAC remains committed to this business given it is within the national park of the traditional lands and serves to articulate the cultural and spiritual connection for the Traditional Owners.

LESSONS FROM HISTORY

In my last annual report I referred to the American author Scott Alexander when discussing "problems" being encountered at GAC as part of rapid expansion of our services.

I refer to another American and former US President; Thomas Jefferson to remind us that ultimately the legitimacy of any of our actions rests with the people themselves; the 1200 members who belong to our corporation and why GAC actually exists.

Considered a founding father in the formation of the United States of America; Thomas Jefferson co-authored the 'Declaration of Independence' – a powerful statement outlining why the American people sought self-determination and nationhood from their British masters.

He said *inter alia* "...that to secure these Rights, Governments are instituted among Men, deriving their just Powers from the Consent of the Governed."

Applying this to GAC, the services being provided to the members have been managed within a framework of self-determination and the wishes of the collective membership (men and women).

Nonetheless management takes full responsibility for any part of the operations of GAC (or its business subsidiaries) that are not meeting the expectations of any member and management re-commits to working harder, with greater humility and with more resolve to winning your trust and support.

After all everyone is driven to meet the objects: "to provide direct relief from poverty, sickness, suffering, destitution, misfortune and homelessness" for the Traditional Owners.

In the words of Mr Jefferson, GAC's management shall continue to seek the "consent of the governed" to do good works for the Traditional Owners while fulfilling our legal obligations to ensure that GAC maintains strong internal financial systems and controls and governance standards.

CONCLUSION

Any accomplishments that have been achieved by management would not have materialised had it not been for a team of hardworking and professional employees working in different parts of the great State of Western Australia and forming close partnerships with our key stakeholders. Our sincere thanks to each and every

employee at GAC and GAC's subsidiary companies.

Finally, may I thank the Chairman Keith Hall and the former Chairman Stuart Ingie (Snr) for their leadership of the Board and for working closely with management.

Without a supportive Board of Directors and wisdom and guidance from the Traditional

Elders, GAC would not be able to face all the challenges as it seeks to become Australia's leading Indigenous corporation.

Best wishes,



Steve Mav



GIPL STATEMENT

The 2011 Financial Year was an extremely busy, sometimes stressful, but in the end extremely productive year for the General Gumala Foundation.

The proposal to restructure the Foundation by merging the roles of Trustee and Manager was defeated at the Extraordinary General Meeting on 25 June in Tom Price.

But extremely important steps were taken in preparing that proposal for presentation to the Foundation Beneficiaries.

Consultation with Beneficiaries around the State made very clear that there was little understanding of the relationships governing the Foundation.

Beneficiaries were curious and interested to learn more. A Financial Due Diligence Report was prepared by PwC which made numerous suggestions for improvement in the Foundation's systems and processes.

The GIPL (Trustee) and the GAC (Manager) Boards both considered those findings and have joined in the effort to improve cooperation between the two organisations and put in place a large range of improved arrangements for the running of the Foundation.

Never before has such cooperation been achieved between the Trustee and Manager under the Foundation's Trust Deed. But Beneficiaries still need to better understand the relationship between the Trustee and the Manager.

The Trustee (Gumala Investments) and the

Manager (Gumala Aboriginal Corporation) each has a very important role to play in the Foundation.

The Beneficiaries have voted in June to keep those roles separate. GIPL as Trustee is responsible for the investing of funds for current and future generations and the supervision of financial arrangements within the Foundation.

This includes receiving and advising on proposals for projects and programmes raised by GAC as Manager to meet the needs of Beneficiaries.

The law requires GIPL to be very careful and diligent in doing its job. Both GIPL and GAC have external regulators which scrutinise their performance.

Very importantly, the Trust Deed requires that nothing can be done which risks the taxation benefits of the current Trust arrangements.

GIPL relies on a strong and effective Manager. The Beneficiaries rely on a cooperative and supportive relationship between the two to get the job done.

GIPL is determined to ensure that a mature relationship between the two is achieved. This requires respect and a clear understanding of the roles of the two organisations.

But it is important that Beneficiaries gain a greater understanding of the roles. For this reason GIPL has decided to increase the consultation opportunities for Beneficiaries in the next year. For the first time GIPL has produced an Annual Report.

In the past some Beneficiaries seem to have decided that the Trustee is the policeman.

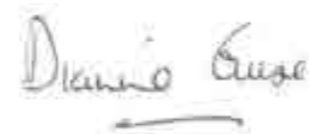
In some ways it is, but the roles between Trustee and Manager and the rules by which they operate are set by the Trust Deed from 1997; the GIPL Articles and the GAC Rule Book; the demands of external regulators; and, the policies set in place by their Boards.

The expectations of Beneficiaries are always important. But the rules of good governance and responsible behaviour must come first.

GIPL is determined to meet the expectations. Where expectations are based on misunderstanding of the rules, they can never be met.

GIPL has a responsibility to give Beneficiaries the opportunity for better understanding. Beneficiaries have an obligation to be well informed.

The GIPL Board looks forward to working with Beneficiaries to achieve improved understanding and better performance by the Foundation.



Dianne Guise
Chair
Gumala Investments Pty Ltd

GUMALA ABORIGINAL CORPORATION (GAC) WISHES TO THANK THOSE MEMBERS WHO HAVE SERVED ON THE GAC BOARD OF DIRECTORS DURING THE 2010/11 FINANCIAL YEAR

Banyjima

Archie Tucker

Karen Tommy

Keith (Joog) Lethbridge

May Byrne

Innawonga

Cecil Parker

Churchill Jones

Julie Walker

Melanie Condon

Stuart Ingie Snr

Warren Ingie

Nyiyaparli

Gordon Yuline

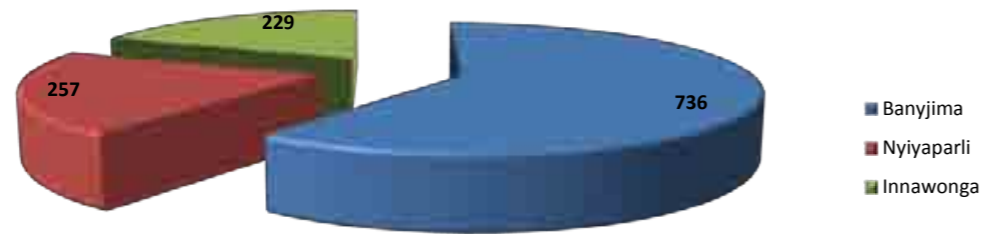
Keith Hall

Lisa Coffin

Natalie Parker

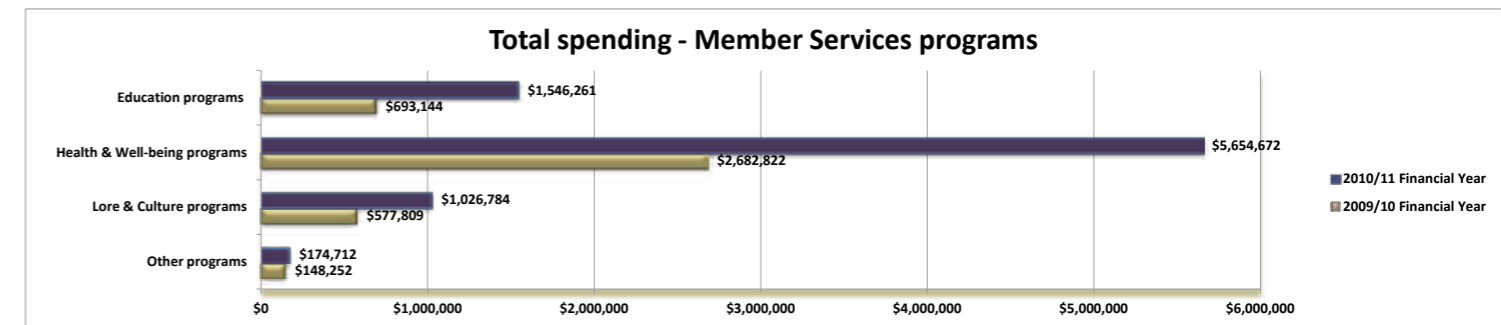
Stephen Peterson

GAC Membership (per Language Group)

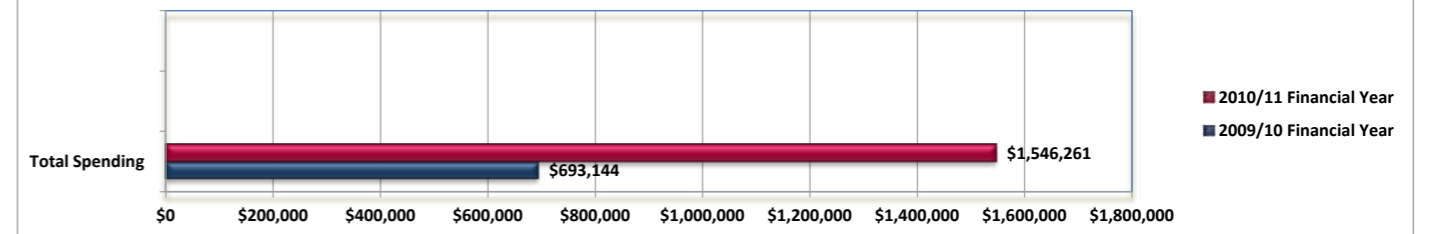


Membership Demographic Break-down across regional Western Australia, States & Countries

COUNTRY	STATE	REGION	BANYJIMA	NIYIPARLI	INNAWONGA	TOTAL	%
Australia		Australia	735	252	229	1216	99.51%
	WA	WA	712	237	227	1176	96.24%
		Gascoyne	25	3	10	38	3.11%
		Goldfields	5	0	2	7	0.57%
		Great Southern	1	0	0	1	0.08%
		Kimberley	17	21	5	43	3.52%
		Mid West	53	17	1	71	5.81%
		Peel	9	1	0	10	0.82%
		Perth	127	41	19	187	15.30%
		Pilbara	461	146	188	795	65.06%
		South West	9	5	2	16	1.31%
		Wheatbelt	5	3	0	8	0.65%
	ACT		0	0	0	0	0.00%
	NSW		0	0	0	0	0.00%
	NT		10	5	2	17	1.39%
	QLD		2	6	0	8	0.65%
	SA		3	1	0	4	0.33%
	TAS		1	1	0	2	0.16%
	VIC		7	2	0	9	0.74%
New Zealand			1	0	0	1	0.08%
United States			0	5	0	5	0.41%
TOTAL			736	257	229	1222	



Gumala's Education Revolution - direct spending by Gumala on Members via Education programs: Education Assistance, Scholarship Assistance & Computer Support



Projected spending on Member Services programs for the 2011/12 Financial Year

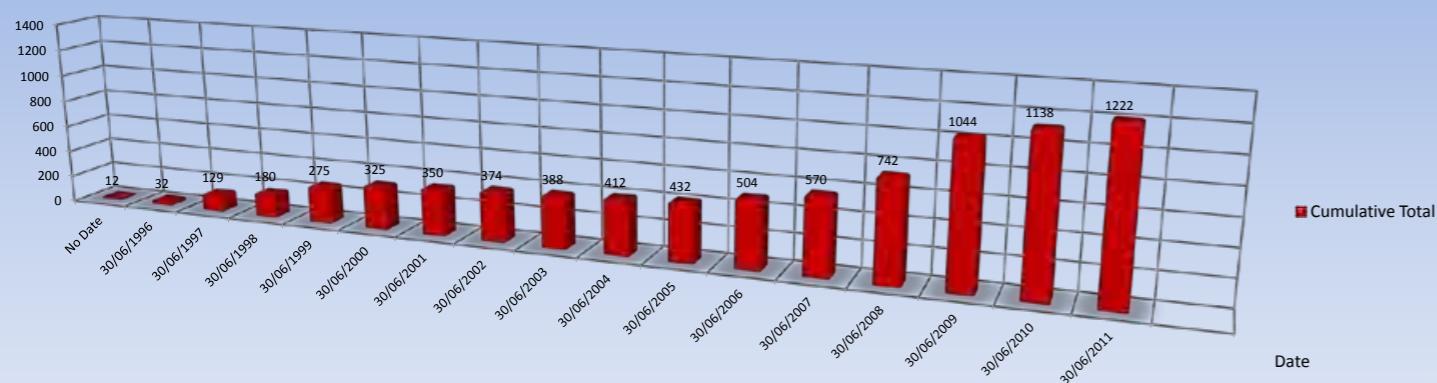
In the 2011/12 Financial Year, Gumala Aboriginal Corporation (GAC) is projected to further increase total spending (direct spending on GAC Members and their children) on Member Services programs.

This projected increase is supported by statistics related to total spending on Member Service programs of over \$3 million reported during the first quarter of the 2011/12 Financial Year:

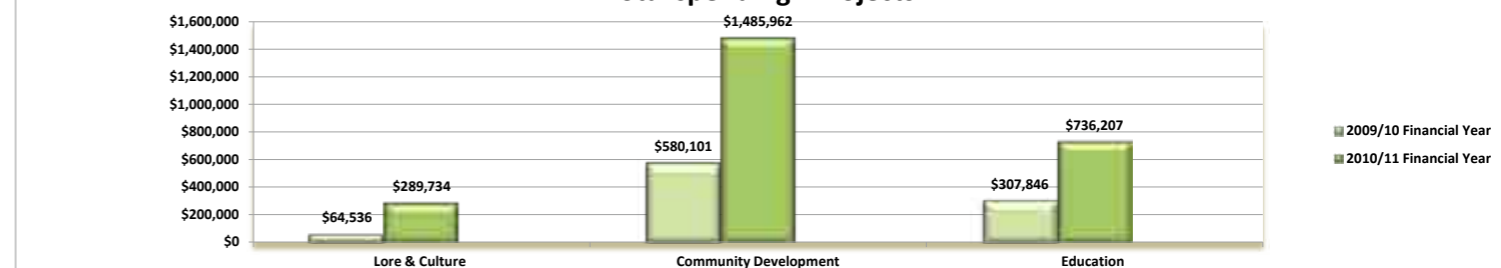
- July 1 to Sept 30, 2011 – total number of applications: 5762
- total spending: \$3,049,221

Spending on Member Services programs (including a range of Health, Development and Lore & Culture programs) directly benefit the standard of living and quality of life of GAC's Members and their families.

GAC Membership Growth at 30 June 2011



Total spending - Projects



Gumala Aboriginal Corporation (GAC) is delivering increased levels of funding under the Development Programs Stream to our Members and their children.

EDUCATION SUPPORT & SCHOLARSHIP PROGRAMS

GAC's spending on education funding (monies paid by GAC directly to the educational institutions, as well as funding for other education expenses) for our Members and their

children has increased sharply over the last two years.

GAC is proud of its Members and our Members' children who are receiving quality educations thanks to their dedication, their highly supportive families and Gumala's education funding assistance.

Over 700 of our Members and their children had their education fees and other education expenses paid for by GAC during the 2010/11 Financial Year.

Examples abound of the Gumala youth striving to get the best possible educations. Sometimes this means the sacrifice of living away from home to attend boarding schools.

This is exemplified by (below, left to right) Marika Parker (Year 8) and her sister Ivette (Louise) Parker (Year 10), Heidi Parker (Year 10) and Peta Drummond (Year 8).

Gumala Aboriginal Corporation has provided funding – and has assisted and coordinated boarding arrangements – for the girls' schooling at St Hilda's Anglican School for Girls in Mosman Park, Perth.



COMPUTER SUPPORT

As part of GAC's aim to meet our Members' educational and information technology needs, the Computer Support Program assists Members who require a computer and associated software.

GAC distributed over \$1.5 million in direct funding on its Members and their children on Development Programs during the 2010/11 Financial Year. This trumps the \$693,000 that GAC spent on Development Programs during the 2009/10 Financial Year.

SPORT & RECREATION

The aim of the Sport & Recreation funding program is to help improve the participation of Gumala Members and their children in Sport by providing a funding subsidy for activities and events.

In some circumstances, this has led to Members going on to pursue a professional career in their chosen sport.

Gumala's Development Programs include a Sport & Recreation funding program to support our Members and their children in their sporting pursuits. Gumala Member Jayden Hansen (below right) receives vital funding via a Boxing Sponsorship Agreement. Jayden, pictured with his brother Julian Jeakings and World Champion boxer Danny Green, is in the mix for 2012 Olympic Games selection. Both Jayden and Julian are champion amateur boxers.



Gumala currently has over 700 registered students who are receiving education funding assistance from GAC.



Nick Wortham is one of many university success stories amongst Gumala Members. Nick is a qualified Anthropologist who received Gumala education funding assistance. He is now employed at FMG's Heritage Approvals Office. Nick is a typical Gumala Member that is both proud of his Pilbara roots and is passionate about ensuring that sites of cultural significance are protected.

Gumala Aboriginal Corporation expended over \$5.6 million on Members and their children via the Health Programs Stream during the 2010/11 Financial Year, compared to approximately \$2.6 million during the 2010/11 Financial Year.

HEALTH & WELL-BEING

The Health and Well-being program aims to assist Members in improving their health and well-being. Funding opportunities include assistance in:

- The purchase of food and fuel
- The payment of rent and telephone expenses
- The purchase and repair of white goods
- The purchase of household goods

- The repair and maintenance of a motor vehicle

PENSIONER SUPPORT

The aim of the Pensioner Support program is to improve the health and well being of Gumala Members who are aged 50 and over, or are Disability Support Pensioners. This funding assistance is provided during the financially difficult Christmas period.

MEDICAL PROGRAM

The aim of the Medical Program is to ensure that the medical needs of Gumala Members and their children are met. These needs include:

- General medical costs
- Dental care; spectacles; payment for prescribed medication expenses over and above any government subsidy,

including PATS (Patient Assisted Travel Scheme) and private health insurance

- Reasonable over the counter medical needs

- Other health needs e.g. podiatry services, physiotherapy services and counselling services

- The modification of vehicles for medical purposes.

CRITICALLY ILL PATIENT SUPPORT

This program provides travel and accommodation subsidies to Gumala Members, Gumala Beneficiaries or Kinship family visiting or supporting relatives who are both critically ill and are undergoing relevant specialised medical treatment that is not available in their home community.

GAC distribution of funds to Members on Health Programs:

2010/11 Financial Year – \$5.6 million

2009/10 Financial Year – \$2.6 million



During the 2011 financial year, Gumala assisted many families through the organisation's Medical Program and Critically Ill Patient Support Program. One such example is Tanya Hubert and her family. Tanya's son, Tyree Hayes (pictured below in the West Coast Eagles jumper) was admitted to Royal Perth Hospital with serious injuries following a car accident.

Gumala's assistance via the Medical Program and Critically Ill Patient Support Program lifted some of the financial strain from the family during this difficult period of the family's lives.

Pictured with Tyree are his brothers and sisters, his mother Tanya (blue top) and West Coast Eagles players Pat McGinnity and Tim Houlihan. The Eagles duo paid Tyree a special visit on his 18th birthday.

Direct Funding to GAC Members on Lore & Culture Programs totalled just over \$1 million during the 2010/11 Financial Year, compared to about \$577,000 during the 2009/10 Financial Year

Gumala Aboriginal Corporation provides programs which support and reflect the importance of Lore and Culture. These programs include the Lore and Culture Assistance Program; the Lore and Culture Family Funding Program; The Headstone Program; The Funeral Program and The Funeral Travel Assistance Program.

FUNERAL PROGRAM

The Funeral Program provides financial support to the immediate family of the deceased Gumala Member, alleviating the burden and associated costs of funerals. Costs covered include: casket, flowers, funeral clothes and food.

This assistance will ensure that the family is supported while the deceased member is buried with dignity and respect, in a culturally sensitive ceremony and in accordance with the wishes of their family.

FUNERAL TRAVEL ASSISTANCE PROGRAM

The Funeral Travel Assistance Program is designed to support Gumala Members with travel assistance to attend funerals by alleviating the cost of food,

fuel, accommodation and airfares (if required).

Gumala recognises and ensures that the cultural significance of funeral attendance is respected.

THE HEADSTONE PROGRAM

Grants are available to Members for the provision of headstones for persons who have been deceased for some time. This program offers financial assistance and support for families to provide a headstone to identify the grave site. Marking is important for cultural reasons.

LORE AND CULTURE FAMILY FUNDING PROGRAM AND THE LORE AND CULTURE ASSISTANCE PROGRAM

Both programs were developed to support Members and Beneficiaries in attending and participating in these annual cultural ceremonies.

The Lore and Culture Family Funding Program assists Gumala Members and Kinship family, providing them with financial support for their boys to go through Lore.

The Lore and Culture Travel

Assistance Program provides travel assistance for Members to attend and participate in the ceremonies. Attendance of these ceremonies is considered to be one of the most significant events in our Traditional Owners' lives.

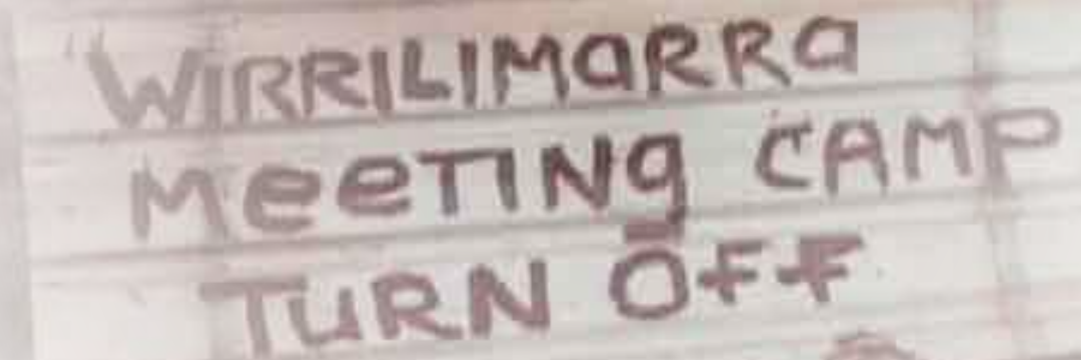
LORE CAMP UPGRADES

Five Lore Camps have been established for this important cultural ceremony. These Lore Camps are located at Wirrilimarra, Cane River, Wakuthuni, Youngaleena and Bellary Springs.

The maintenance of the designated camps ensures that facilities are functioning, providing Members with the necessary amenities while attending the ceremony.

Upgrades are necessary to maintain the health and safety of members when they are spending weeks or months supporting their families at the Lore Camps.

The upgrades ensure that: clean running water is available; sewerage outlet maintenance has been carried out; and that there is appropriate and secure fencing at the Lore Camps.





Gumala Member and MSU Trainee Manager Paula White with Gumala Member Steven Coffin

The introduction of new programs demonstrates that GAC is consistently pushing to meet the needs of its Members by providing current and effective assistance in a timely manner.

Three such programs are Emergency Housing, Utilities and Natural Disaster Relief.

These innovative programs aim to address the basic needs of our Members in situations where their financial security and general Health and Well-being are at risk.

Gumala is consistently striving to meet the needs of its Members

EMERGENCY HOUSING

Housing shortages in some parts of Western Australia, including the Pilbara region (which is where many of Gumala's Members and their families live), coupled with high rental expenses, make it difficult for some Members to find stable, affordable and suitable accommodation in crisis situations.

The Emergency Housing Program aims to provide accommodation for Members who are in hardship or crisis. Members can receive assistance

with overdue rental costs, mortgage repayments and bonds.

UTILITIES

The Utilities Program has been introduced in response to the increased cost of utilities for Gumala's Members.

This new program is especially important for Members living in isolated communities in the Pilbara region, where Members can find it difficult to afford on-going and basic utilities expenses (which in turn leads to a high number of disconnections). The program assists Members in paying their electricity, water and gas bills.

NATURAL DISASTER RELIEF

The Natural Disaster Relief Program provides temporary emergency relief to Members and their families when faced with an impending natural disaster such as floods, bushfires and cyclones.

Natural Disasters may disrupt or have an immediate adverse effect on Members. This program aims to alleviate and assist during events of this nature. Allocated funding for disaster relief is at the discretion of Management and on a case by case basis, taking into account the severity of the pending disaster, number of family members and children.

Gumala's position as one of the biggest and fastest growing Aboriginal corporations was bolstered during the 2011 Financial Year by the major growth in personnel in both our Tom Price and Perth offices.

The Perth office appointed several new staff, including an Education Manager, a Finance Manager, a Trainee Manager, Finance personnel and two new Projects specialists.

Several new staff were also appointed at GAC's Tom Price office, including a Human Resources (HR) Manager and additional personnel in GAC's Member Services Unit (MSU).

As at 30 June 2011 Gumala Aboriginal Corporation had approximately 60 staff employed across its Tom Price and Perth offices. Together with its associated enterprises, Gumala employs over 300 staff. The organisation is well known in Tom Price as one of the largest employers in the local community.

GAC is committed to actively seeking to employ our Members and other Indigenous Australians. During the 2010/11 Financial Year, GAC appointed its first Indigenous Managers: Member Services Manager Tracey Blokland and Trainee Manager Paula White. In addition, long term employee for over 10 years, Ronywn James, was promoted to the position of Acting Member Services Team Leader.

TRAINEESHIPS

GAC's support for its on-going Traineeship Program is of critical importance. New Gumala Traineeships provided by Gumala during the 2011 Financial Year included Ken Ingie Jr (Gumala Contracting), Kieran Smirke (Ashburton Aboriginal Corporation), Nathan Black (Ashburton Aboriginal Corporation), Garrum Parker (Roebuck Station), Simone James (Hope

Valley Station) and Miranda Parker (GAC).

Miranda (Mandy) Parker epitomises Gumala's many Trainees who are developing a range of skills, building up experience and furthering their careers across Gumala's range of associated enterprises and partners.

Having lived in the Tom Price area for most of her life, Mandy relocated to Perth in 2011 in order to carry out a Member Services Traineeship (consisting of full time employment and part time studies in Certificate III & IV in Business Administration) in Gumala's Perth office.

"Gumala provides a lot of support for Trainees like me. Everyone at Gumala has assisted me in a lot of different

ways, including funding my course and helping me settle into life in Perth."

Mandy has been a Gumala Member for six years, and knows first hand how Gumala has transformed itself.

"A few years ago we were a small organisation with few funding programs, but we've now become a big organisation with lots of different funding programs for our Members. We've been able to respond to Members needs by creating programs that reflect their needs."



Gumala Trainee and Member, Mandy Parker



Gumala Aboriginal Corporation (GAC) forged ahead across its stream of important projects that are all aimed at improving facilities, housing and infrastructure within the remote communities in the Pilbara where many of our Traditional Owners and their families reside.

GUMALA 0-5 STUDIO (WAKUTHUNI EARLY CHILDHOOD CENTRE)

In June 2011 GAC celebrated the official opening of the "Gumala 0-5 Studio", which is a unique early childhood learning centre located at Gumala's remote community of Wakuthuni. The Gumala 0-5 Studio project has come to fruition thanks to an innovative partnership between GAC and The University of Melbourne.

All phases of the project, from planning through to construction, involved Gumala employees, University of Melbourne staff and students, as well as Gumala Members.

The project involved the design and construction of an early education centre at Wakuthuni, as well as an early childhood education and care program. The education and care program is being finalised in the second half of the 2011 calendar year. Many of the permanent residents living at Wakuthuni, which is located between Tom Price and Paraburdoo, are GAC Members.

This initiative breaks new ground in the systematic development of evidence-based, sustainable education and housing strategies as part of a broad community building exercise. The project

included the involvement of the Wakuthuni community at all stages and aspects of the project.

HEALTH & EDUCATION NEEDS ANALYSIS

GAC and Murdoch University progressed a ground-breaking Health and Education Needs Analysis, which is a collaboration between GAC, Rio Tinto Iron Ore (RTIO) and Murdoch University.

The first stage of the project is due for completion in April 2012. Stage 1 aims to encapsulate the precise requirements of Gumala Members that will maximise positive health and education outcomes for Gumala Members and their families living in the Pilbara.

This involves surveying Gumala Members regarding health and education, analysing how their needs are currently being met and what gaps exist. The project team is working in partnership with communities and Gumala Members to develop practical strategies that will address those gaps.

The study, which covers health, support, education and training needs, examines the needs of all age groups, health conditions and education consumers. Particular focus is being placed on education in the early years and associated parenting, particularly that of young mothers. It also focuses on barriers and enablers of disease prevention and promotion of healthy activities. Promoting the health of children in the region is at the heart of the project.

PILBARA HOUSING STRATEGY - PHASE 1 (TOM PRICE & SOUTH HEDLAND)

GAC has undertaken to ensure that a fully developed Housing Strategy will meet Pilbara-based Members' overwhelming need for appropriate accommodation.

A large part of this strategy is the planned construction of high quality affordable housing in towns throughout the Pilbara where Members currently reside and wish to reside in the future.

During the 2011 Financial Year, Gumala progressed Phase 1, with the Project's procurement process underway by mid-year.

Expressions of Interest (EOI) submissions have been sought and received for the design and construction of up to 17 houses in South Hedland and Tom Price. These residential dwellings will be built on the land that Gumala purchased in Tom Price in 2011 and in South Hedland in 2010.

GAC believes that by initially directing its endeavours to building houses in South Hedland and Tom Price, GAC Members will have access to many of the health and social services and much of the infrastructure in the region.

The delivery of Phase 1 of the Pilbara Housing Strategy aims to incrementally address the chronic accommodation shortage that exists for GAC Members in Pilbara regional centres. The successful outcome of Phase 1 will be the delivery of 17 individual dwellings to be occupied by Members in accordance with a Tenancy Allocation Guidelines that will be drafted as part of this project.

Other key deliverables from this project include; a fully developed Housing Strategy, Allocation Policies and Procedures, Housing

Management Policies and Procedures and an Asset Management Strategy. These management documents will ensure the sustainability of the housing stock and considered and transparent management of tenancies.

The homes to be constructed will be exclusively for GAC Members. This will ensure that those most in need of the social housing will be placed in the newly constructed homes. It is hoped that the first 17 homes will be constructed in the latter half of 2012.

Gumala is committed to fulfilling its longer term plan to construct approximately 150 homes for Members and their families over the next 5-7 years.

ELDERLY ACCOMMODATION PROJECT

The Elderly Accommodation Project, consisting of self-contained residential units in Tom Price, is currently on track to be built and ready for its first residents in late 2012.

GAC commenced the design process, with Edgar Idle Wade Architects developing concept designs. Moving forward, GAC will seek opportunities to consult with Members over the design development.

The complex, which is designed specifically with the needs of elderly Gumala Members in mind, will include a day activity

centre and caretakers quarters. The 7,392m² of freehold land (generously donated to Gumala by Rio Tinto) is adjacent to the Tom Price hospital.

The complex will consist of between 8 and 12 units (depending on which concept design is chosen) in 1 and 2 bedroom configurations, to cater for single residents, couples and siblings.

COMMUNITY PROJECTS

Gumala's projects team provides community support for each of our remote communities, including: regular community visits, consultations with Elders and other community residents, assessments to ascertain works required and the implementation of those works.

Several community projects are at various stages of completion at Gumala's communities. Gumala is a long time supporter of the "homeland movement", and therefore supports its remote communities, including Wakuthuni, Bellary Springs and Youngaleena. These projects include:

- Regular maintenance and upgrade work in the communities, including equipment, communal buildings and grounds. This maintenance work is funded by GAC, coordinated by GAC's projects team and carried out by the projects team and/or Gumala Members who reside in those communities.

- Keep our Communities Clean & Safe initiatives. These initiatives include: Regular

Skip Bin services; and Busy-Bee community clean-up days, including fire break-safety hazard protection.

- Lore Camp Upgrades: the last lore camp upgrades were carried out in late 2010 at Wirrilimarra and Cane River, including the laying of water pipes, fencing and ablution block installations. Further regular upgrades at other lore camps are expected to follow into the foreseeable future.

- Renal (Dialysis) Health Project: a scope of works is planned for the project. The key aim of the project is to create a comprehensive plan for a possible renal mobile/satellite health clinic which will serve the Gumala membership living in the Pilbara region.

- New Community Bus. A 30-40 seater is planned to be purchased during the 2012 Financial Year.

The current 14-seater Gumala bus continues to provide a vital service for our communities, with regular services operating between Tom Price, Wakuthuni, Bellary Springs and Paraburdoo. The bus is also available to take Gumala's Members and their families to Youngaleena and Port Hedland as well as to funerals and sporting events.

- Several other longer-term initiatives are planned for some of our communities.

Total spending by GAC on Projects (Community Development, Education and Lore & Culture):

2010/11 Financial Year: \$2.5 million

2009/10 Financial Year: \$952,000



The 2011 Financial Year has been highly productive and successful for Gumala Contracting, with a number of multi-million dollar contracts being awarded and several significant projects being completed.

Several changes in the management structure occurred, in order to streamline the company. A new General Manager is due to be engaged before the end of the 2011 calendar year.

Gumala Contracting has recently raised its profile by completing four successive earthworks projects on time and within budget. The manner in which the company is progressing and developing

office in the industrial area of Kewdale, it acts as a good central point for meetings with clients in the CBD and Osborne Park.

Projects that have been completed over the 2011 Financial Year, with a total contract value at over \$22 million, include: The Tom Price Mine Outside Personnel Car Park Upgrade; Calibre rail sidings prep; Paraburdoo Explosives Compound Security Upgrade; Tom Price Substation Earthworks; Marandoo Substation Earthworks; and Brockman 4 Low Grade Ore Pilot Plant Pad.

By the end of the first quarter of the 2012 Financial Year, Gumala Contracting's contract

West Angelas Camp Expansion Earthworks.

In addition, Gumala Contracting continues to carry out less significant but nevertheless important projects in and around Tom Price for several companies, including Rio Tinto Iron Ore, Coffeys, Ngarda, Georgiou, Calibre, ABB and Cimeco.

Gumala Contracting employs a very high number of Indigenous workers under its Hope Downs contract and has been asked to extend its employment regime to bring more operators on board.

These employees are receiving invaluable ongoing training in operating major mining

"Gumala Contracting is playing a very significant role in the development of a highly skilled and experienced Indigenous workforce"

has been noticed by its clients, who encourage the changes and improvements.

Gumala Contracting's Perth office has enabled the company to attract some experienced professionals who can more easily liaise with the managers and CEOs of Gumala Contracting's client companies due to the locality of the office in Perth. Although still a small

book for the new Financial Year exceeded \$30 million dollars, indicating that the 2012 Financial Year will feature a strong revenue growth. Gumala Contracting's 2012 contract book includes the following contracts: The Gumala Georgiou JV Rail Sidings; Solomon basecourse delivery; Pannawonica Camp Expansion Earthworks; and

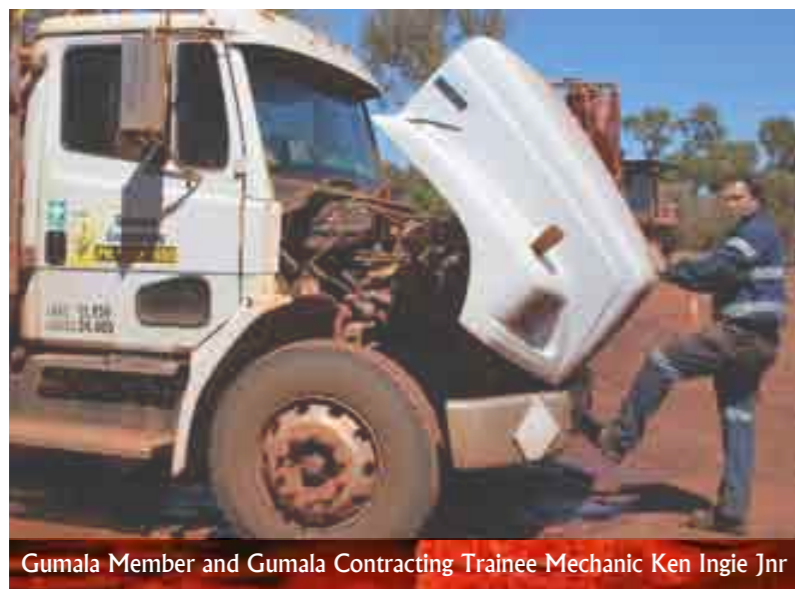
equipment, including large dump trucks, loaders and excavators, with a view using these skills on future major projects to be won by the company.

Gumala Contracting also employs two local trainees who are studying at TAFE and obtaining training with the other experienced employees in the yard at Tom Price.

Two of Gumala Contracting's Indigenous operators have recently been promoted recently to the positions of Trainee Supervisor in Tom Price and Leading Hand on the project at Pannawonica.

Gumala Contracting is playing a very significant role in the development of a highly skilled and experienced Indigenous workforce in the Pilbara mining industry.

As a successful division of Gumala Enterprises Pty Ltd (the business arm of Gumala Aboriginal Corporation), Gumala Contracting has a very bright future going forward.



Gumala Member and Gumala Contracting Trainee Mechanic Ken Ingie Jnr

Karijini National Park employee & Gumala Member Latonya Parker

Gumala Tourism Pty Ltd is a growing part of Gumala's overall business. Gumala Tourism's key tourism asset is the multi-award winning Karijini Eco Retreat, which is located within the majestic and iconic Karijini National Park.

The respective Board of Directors of Gumala Aboriginal Corporation (GAC), Gumala Investments Pty Ltd (GIPL) and Gumala Enterprises Pty Ltd (GEPL) are working together constructively with the aim of Gumala Tourism becoming a fully-owned subsidiary of GAC.

Gumala Tourism will initially have full control of Karijini Eco Retreat, and will work together with the management company to bring this tourism asset to its full potential.

It is envisaged that in the 2012 Financial Year and beyond, Gumala Tourism will begin to look at opportunities for Members to be able to operate and set-up micro tourism businesses that can leverage off the opportunities of clients staying at Karijini Eco Retreat.

NEW BUSINESS PLAN

A new three-year business plan has been implemented by the team of Icon Tourism. Led by its Principal, Manny Papadoulis, Icon Tourism has been working daily over multiple months with the

management company, staff and management at the retreat.

The new three-year business plan concentrates on bringing national and interstate self-drive tourists to the retreat to enjoy all that the Karijini National Park and surrounds has to offer. Early signs show that the plan is starting to show results. New management systems and operations have been implemented.

NEW INFRASTRUCTURE

The education vision and cultural amphitheatre is progressing and the final quote and design will soon be completed. It is anticipated that the building of this will take place subject to Department of Environment and Conservation (DEC) approval early in the new year (2012) with completion by the end of 2012.

In 2010 GAC was awarded \$1 million from the WA State Government to help fund a multi-million dollar infrastructure project at the Karijini National Park consisting of a state-of-the-art cultural amphitheatre and dorm-style accommodation units at Karijini Eco Retreat.

RENEWAL PHASE

Karijini Eco Retreat is currently well advanced in its comprehensive renewal phase.

There is a new management team at Karijini Eco Retreat. This young team of three managers have a strong passion and love for Karijini Eco Retreat and the country that is highly infectious.

LONG TERM GOAL

Gumala Tourism's long term goal is to build up a number of key tourism assets within the Pilbara and beyond for the overall benefit of the Gumala Group and its Members. Tourism however takes many years to develop and requires that all stakeholders work together.

The State Government and DEC have been very supportive of GAC's goal of setting up a hub of tourism businesses that can provide meaningful training and employment opportunities into the future for decades to come.

ACKNOWLEDGEMENTS

Gumala Tourism wishes to thank GAC, GIPL and GEPL along with DEC, the Pilbara Development Commission, The WA State Government, The Eco Company and the Shire of Ashburton for their valuable contributions and support to Gumala Tourism and the Karijini Eco Retreat.

Karijini Eco Retreat is owned by GAC and managed by The Eco Company (Ecomodation).



During the 2011 Financial Year Gumala Aboriginal Corporation (GAC) maintained strong, positive and transparent relationships with our stakeholders and partners, including the following organisations:

RIO TINTO IRON ORE

- The Yandi Land Use Agreement between Rio Tinto Iron Ore (RTIO) and Gumala Aboriginal Corporation (GAC) ensures that compensation, in the form of programs and projects delivered by GAC, are received by the Traditional Owners.

- Annual Yandicoogina (Yandi) mine visits and Quarterly Monitoring & Liaison Meetings between RTIO and GAC continue to take place successfully.

- GAC Members continue to assist RTIO with Heritage Surveys in their traditional lands. This ensures that sites of cultural significance remain protected.

COMPASS GROUP

Gumala is committed to its strong relationship with Compass Group (Australia) Pty Ltd. The joint venture between GAC's business arm, Gumala Enterprises Pty Ltd, and the ESS division of Compass Group, has resulted in ESS Gumala emerging as the largest provider of catering and support services in the Pilbara and the third largest catering company in Western Australia.

THE DEPARTMENT OF ENVIRONMENT & CONSERVATION (DEC)

Through Karijini National Park (see page 25).

HOSPITALITY GROUP

Hospitality Group's subsidiary, Ecomodation, manages the Karijini Eco Retreat (see Gumala Tourism on page 25).

ASHBURTON ABORIGINAL CORPORATION

Via Work Start and other training and traineeship initiatives.

THE UNIVERSITY OF MELBOURNE

GAC and The University of Melbourne are partners in the Gumala 0-5 Studio project (see page 22).

MURDOCH UNIVERSITY

GAC and Murdoch University are partners in the Health & Education Needs Analysis (see page 22).

OTHER EDUCATION/ TRAINING INSTITUTIONS

GAC has agreements and partnerships in place with more than 20 primary schools and high schools, as well as a range of other educational/training institutions around Western Australia and Australia.

This includes the National Institute of Dramatic Art, the Indigenous Land Corporation, Aspire Performance Training and various TAFE organisations. GAC is also at various stages of securing partnerships with other education and training organisations, Government departments & agencies and other organisations around Australia.

GAC is also a proud supporter of the Tom Price Enrichment Centre. Many Gumala children regularly attend the centre's After School Program.

SHIRE OF ASHBURTON

GAC maintains a strong relationship with the local shire. In addition, GAC's Chief Executive is a regular contributor to the shire's Inside Ashburton publication.

GUMALA RADIO

Gumala Radio went from strength to strength during the 2011 Financial Year as one of Western Australia's leading community FM Radio Stations.

Gumala Radio commenced broadcasting in 2002 as a fully-licensed community radio station transmitting to towns and communities throughout the north west of Western Australia.

Gumala Radio grew its programming diversity, bolstering its reputation of providing the community with access to a wide variety of Indigenous programming from the Pilbara and around WA and Australia.

Led by our experienced Broadcaster John (Tadam) Lockyer, Gumala Radio continues to be at the forefront of promoting local and Indigenous culture, music, news and information, through sophisticated programming strategies and access to Aboriginal radio networks such as the Pilbara and Kimberley Aboriginal Media (PAKAM) network.

Gumala Radio's technical support and maintenance remained a constant, including the regular monitoring and maintenance of transmitters and receivers.

Future plans for Gumala Radio include the installation of new transmitters and receivers, the employment of a Trainee Broadcaster, and a telephone system upgrade for Gumala Radio's Tom Price studio (which will pave the way for programming opportunities in talk-back radio and telephone interviews).

IT UPGRADES

During the Financial Year, Gumala Aboriginal Corporation (GAC) implemented major IT upgrades in our Tom Price and Perth offices, including server and information management system upgrades.

GAC's corporate website underwent a major overhaul, with the new-look website launched in the fourth quarter of the 2011 Financial Year.

www.gumala.com.au has become a cutting edge, interactive, content rich, visually exciting web presence that reflects the professional, forward-thinking organisation that Gumala has become.

ELDER'S AUSTRALIAN OF THE YEAR NOMINATION

Gumala Member and Elder Gordon Yuline was nominated for the Australian of the Year Awards 2012.

Over the decades Gordon has served as a Board and Lore & Culture Committee Member at GAC and other Indigenous organisations in the Pilbara.

He is equally well known in the Pilbara for his dedicated work as a native title advisor, archaeological and ethnographical consultant (relating to heritage protection work), language teacher and lore and culture expert.

Gordon is also a strong advocate for the homeland movement as well as the protection and promotion of local Indigenous culture.

NATIONAL MUSEUM HONOUR

GAC has had the great honour to be featured in a new

permanent exhibition at the National Museum in Canberra.

GAC was approached by the National Museum to take part in the "Landmarks and People and Places across Australia" exhibition. As such, GAC was happy to contribute both graphics and information.

One of the graphics used in the exhibition is a spectacular high resolution image of Stuart Ingie Snr taken at the Yandicoogina mine. Stuart is an Innawonga Elder, GAC Director and former Chairman. The image was captured by GAC Secretary Stephen Peterson.



Gumala Aboriginal Corporation

ABN 93 807 596 843

Financial Statements

For the Year Ended 30 June 2011

Gumala Aboriginal Corporation

ABN 93 807 596 843

For the Year Ended 30 June 2011

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Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Report

30 June 2011

Your directors present their report, together with the financial statements of the corporation, for the financial year ended 30 June 2011.

1. General information

Directors

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

Names	Position	Appointed/Resigned
Keith Hall	Chairman and Niyaparli Representative	Appointed June 2011
Stuart Ingie Snr	Deputy Chair and Innawonga Representative	
Stephen Peterson	Secretary and Niyaparli Representative	
Archie Tucker	Banyjima Representative	Resigned June 2011 / Appointed November 2011
Guy Parker	Banyjima Representative	Appointed September 2011 / Resigned November 2011
Karen Tommy	Banyjima Representative	Re-Appointed June 2011
Keith (Joog) Lethbridge	Banyjima Representative	Appointed June 2011
May Byrne	Banyjima Representative	
Cecil Parker	Innawonga Representative	Appointed February 2011 / Resigned June 2011
Churchill Jones	Innawonga Representative	Resigned June 2011
Darren Injie	Innawonga Representative	Resigned July 2010
Doreen James	Innawonga Representative	Appointed September 2011
Julie Walker	Innawonga Representative	Appointed June 2011
Melanie Condon	Innawonga Representative	Appointed July 2010 / Resigned February 2011
Warren Ingie	Innawonga Representative	Appointed June 2011
David Stock	Niyaparli Representative	Appointed September 2011
Gordon Yuline	Niyaparli Representative	Resigned June 2011
Lisa Coffin	Niyaparli Representative	Appointed June 2011
Natalie Parker	Niyaparli Representative	Resigned June 2011

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Report

30 June 2011

1. General information continued

Operating Results

Gumala Aboriginal Corporation (GAC) continued its considerable growth during the 2011 FY to attain unprecedented levels of expenditure, and achieve a number of key strategic objectives.

During the 2011 FY, GAC saw the appointment of the first Indigenous Manager, the first Member Trainee Manager, together with the appointment of a long serving staff and Gumala Member in a senior role within GAC.

While the Gumala Membership grew by another 7.38% to 1222 Members, the grant expenditure increased by 216% to over \$10m for the first time in GAC's history.

Some of the major expenditure included an increase in the Community Development expenditure by 256% to \$1.4m, a major increase in Education spending by 228% to over \$2.2m. Lore & Culture also saw a significant increase in expenditure by 205% to \$1.3m, while expenditure in the Health & Wellbeing category reached \$5.6m.

The operating surplus for the 2010/11 financial year is \$1,966,001. This has arisen due to the capitalisation of expenditure totalling \$1,651,767 (\$1,241,028 spent on Community Projects and \$ 410,739 spent on operational assets) in accordance with generally accepted accounting principles.

GAC facilitated the purchase of 10 residential lots of land in South Hedland in the early 2011 FY, and 7 lots of residential lots of land in Tom Price, as part of the Gumala Housing Strategy. An Early Childhood Centre was constructed, in collaboration with Melbourne University, for the benefit of the Wakuthuni Community in Tom Price.

Significant Changes in State of Affairs

No significant changes in the corporation's state of affairs occurred during the financial year.

Principal Activities

The principal activities of Gumala Aboriginal Corporation during the financial year included:

- Providing improved and increased services to the Gumala Members through grants received from the General Gumala Foundation; and
- The development and implementation of Community and Business Development projects for the benefits of the Gumala Members.

No significant change in the nature of these activities occurred during the year.

Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Report

30 June 2011

2. Other items

After balance date events

No matters or circumstances (other than those referred to in note 19), have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the corporation, the results of those operations or the state of affairs of the corporation in future financial years.

Future developments

Likely developments in the operations of the corporation and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the corporation.

Environmental Issues

The corporation acknowledges the importance of environmental regulations and is aware of its responsibilities in this area. The corporation is not required to report on any specific issues relating to this area, nor has it received any correspondence from any regulatory body to that effect.

Meetings of Directors

During the financial year, meetings of directors were held. Attendances by each director during the year were as follows:

Director's Name	Eligible to attend	Attended
Keith Hall	1	1
Stuart Ingie Snr	29	23
Stephen Peterson	29	24
Archie Tucker	29	23
Natalie Parker	27	19
Karen Tommy	28	23
May Byrne	28	19
Gordon Yuline	27	14
Churchill Jones	27	24
Melanie Condon	12	6
Darren Injie	1	-
Cecil Parker	14	13
Keith (Joog) Lethbridge	1	1
Lisa Coffin	1	1
Warren Ingie	1	1
Julie Walker	1	1

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Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Report

30 June 2011

Board Committee Meetings

A number of committees have been established to assist the Board in fulfilling its responsibilities in a number of key areas within the corporation. These committees are as follows:

Lore and Culture

The Lore and Culture Committee is responsible for reviewing and, if appropriate, making recommendations to the GAC board as a result of the committee's primary responsibilities, which are to:

- Make important decisions into all aspects of Lore and Culture activities that would not ordinarily be culturally appropriate to be undertaken by GAC management;
- Ensure GAC management, subject to the GAC board, remains responsible to ensuring any funding for Lore and Culture activities is on the basis of financial accountability and proper processes for integrity purposes; and
- Ensure funding is accessed by GAC management through the cultural income utilisation category from the Trust held under the General Gumala Foundation and as a result of royalties received from the Yandi Land Use Agreement.

Monitoring and Liaison

The Monitoring and Liaison Committee is responsible for reviewing and, if appropriate, making recommendations to the GAC board as a result of the committee's primary responsibilities, which are to:

- Review the working of the Yandi Land Use Agreement (YLUA) from the point of view of each of the parties;
- Undertake or promote the discussions necessary to attempt to put in place acceptable arrangements for the purposes of clauses 5.1(b), 5.1(c), 5.2, 5.2, 5.4, 5.6 and 5.8 of the YLUA;
- Receive, hear and attempt to resolve any questions or differences arising between the parties (including those referred to the Committee under clause 7.4 of the YLUA) and, if the parties unanimously agree, to make determinations which are binding on the parties;
- Make recommendations or give advice concerning the working of the YLUA;
- Make recommendations or give advice in relation to any amendment of the YLUA;
- Maintain liaison between Hamersley Iron on the one part and Gumala peoples on the other;
- Such other functions as may be otherwise agreed upon by the parties.

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Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Report

30 June 2011

Board Committee Meetings continued

The committees and number of Board Sub-Committee meetings held during the financial year and the attendance of Directors at each, including Directors/Members who attended as invitees at specific meetings, were as follows:

	Lore and Culture		Monitoring and Liaison	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Archie Tucker	3	2	2	2
Karen Tommy	-	-	2	2
May Byrne	-	-	2	2
Natalie Parker	-	-	2	2
Stephen Peterson	-	-	2	2
Gordon Yuline	3	-	2	2
Churchill Jones	-	-	2	2
Stuart Ingie	3	2	2	2
Darren Injie	-	-	2	2

Key Management Personnel Compensation

The aggregate compensation made to directors and other members of key management personnel is set below:

	2011	2010
	\$	\$
Short-term employee benefits	<u>725,092</u>	<u>723,197</u>

Indemnifying Officers or Auditors

During the financial year the corporation has paid a premium in respect of insuring the Directors and officers of the corporation. The terms of the premium paid are commercial in confidence and therefore have not been disclosed.

Proceedings on Behalf of Corporation

No person has applied for leave of Court to bring proceedings on behalf of the corporation or intervene in any proceedings to which the corporation is a party for the purpose of taking responsibility on behalf of the corporation for all or any part of those proceedings.

The corporation was not a party to any such proceedings during the year.

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Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Report

30 June 2011

Options

The corporation does not have any options to declare at the date of this report.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out at page 7.

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

Director: K. Hall
Keith Hall

Dated this 21 day of November 2011

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Gumala Aboriginal Corporation
ABN 93 807 596 843

Auditors Independence Declaration - Gumala Aboriginal Corporation

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- i) no contraventions of the auditors independence requirements as set out in the Corporations (Aboriginal Torres Strait Islanders) Act 2006 in relation to the audit; and
- ii) no contravention of any applicable code of professional conduct in relation to the audit.

This declaration is in relation to Gumala Aboriginal Corporation



BYFIELDS
Accountant and Financial Advisers

DALE JAMES WOODRUFF
Partner

Dated at Perth, Western Australia this 21 day of November, 2011

PARTNERS: Andrew Woodruff B.Com CPA • Craig Lane B.Com CFA • Dale Woodruff B.Com CMA • Sue Park B.Com M.A.
Lizama Gilra B.Com CMA • Neil Cooper B.Com CPA • Simon Sturges B.Com CFA • Glenn Woodcock B.Com CMA
ASSOCIATES: Ian Lewis B.Com CPA • Jenni Bennett B.Com CPA • Roger Thomson B.Com CA • Richard Appath Chatterji BA(Hons) DipM.Com
Liability limited by a scheme approved under Professional Standards Legislation

Gumala Aboriginal Corporation

ABN 93 807 596 843

Statement of Comprehensive Income

For the Year Ended 30 June 2011

	2011	2010
	\$	\$
Profit (loss) for the year	1,966,001	(648,560)
Other comprehensive income:		
Total comprehensive income for the year	<u>1,966,001</u>	<u>(648,560)</u>

The accompanying notes form part of these financial statements.

Gumala Aboriginal Corporation

ABN 93 807 596 843

Income Statement

For the Year Ended 30 June 2011

	2011	2010
Note	\$	\$
Funding received from Gumala Foundation	14,753,349	8,249,364
Other income	3 2,621,756	931,432
Employee benefits expense	(3,319,893)	(2,925,266)
Cost of Annual General Meeting/s	(1,910,573)	(571,937)
Depreciation	(415,489)	(147,008)
Membership assistance program	(6,783,127)	(3,998,572)
Radio broadcasting	(94,269)	(101,847)
Traineeship	(243,721)	(279,619)
Lore and culture	(795,718)	(172,303)
Projects	(354,154)	(379,271)
Community assistance programs	(199,718)	(135,003)
Unexpended grants repaid	-	(330,000)
Other expenses	(1,292,364)	(767,863)
Finance costs	(78)	(20,667)
Profit (loss) before income taxes	1,966,001	(648,560)
Profit (loss) for the year	1,966,001	(648,560)

The accompanying notes form part of these financial statements.

Gumala Aboriginal Corporation

ABN 93 807 596 843

Statement of Financial Position

30 June 2011

	2011	2010
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	4 4,676,939	3,620,589
Trade and other receivables	5 5,207,986	222,976
Other assets	6 44,623	45,186
TOTAL CURRENT ASSETS	9,929,548	3,888,751
NON-CURRENT ASSETS		
Investments	7 2	52
Property, plant and equipment	8 573,768	500,785
Investment property	9 1,236,775	1,237,767
Projects	10 1,410,447	292,826
TOTAL NON-CURRENT ASSETS	3,220,992	2,031,430
TOTAL ASSETS	13,150,540	5,920,181
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	11 1,681,455	856,751
Short-term provisions	12 137,805	65,268
Other liabilities	13 8,096,317	3,734,212
TOTAL CURRENT LIABILITIES	9,915,577	4,656,231
NON-CURRENT LIABILITIES		
Long-term provisions	12 12,031	7,019
TOTAL NON-CURRENT LIABILITIES	12,031	7,019
TOTAL LIABILITIES	9,927,608	4,663,250
NET ASSETS	3,222,932	1,256,931
EQUITY		
Retained Earnings	3,222,932	1,256,931
TOTAL EQUITY	3,222,932	1,256,931

The accompanying notes form part of these financial statements.

Gumala Aboriginal Corporation

ABN 93 807 596 843

Statement of Changes in Equity

For the Year Ended 30 June 2011

2011	Retained	Total
	Earnings	
	\$	\$
Balance at 1 July 2010	1,256,931	1,256,931
Profit or loss attributable to members of the parent entity	1,966,001	1,966,001
Balance at 30 June 2011	3,222,932	3,222,932

2010	Retained	Total
	Earnings	
	\$	\$
Balance at 1 July 2009	1,905,491	1,905,491
Profit or loss attributable to members of the parent entity	(648,560)	(648,560)
Balance at 30 June 2010	1,256,931	1,256,931

Gumala Aboriginal Corporation

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Statement of Cash Flows

For the Year Ended 30 June 2011

Note	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
	15,958,273	12,593,746
	(13,470,936)	(10,240,912)
	161,734	72,376
	(78)	(20,667)
14	2,648,993	2,404,543
CASH FLOWS FROM INVESTING ACTIVITIES		
	59,124	17,000
	(410,739)	(66,862)
	(1,241,028)	(292,826)
	(1,592,643)	(342,688)
CASH FLOWS FROM FINANCING ACTIVITIES		
OTHER ACTIVITIES		
	1,056,350	2,061,855
	3,620,589	1,558,734
4	4,676,939	3,620,589

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements.

Gumala Aboriginal Corporation

ABN 93 807 596 843

Notes to the Financial Statements

For the Year Ended 30 June 2011

The financial report covers Gumala Aboriginal Corporation as an individual entity. Gumala Aboriginal Corporation is a corporation incorporated and domiciled in Australia.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Adoption of New and Revised Accounting Standards

During the current year the corporation adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Gumala Aboriginal Corporation.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the corporation's financial statements.

Disclosure impact

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income - The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(b) Adoption of New and Revised Accounting Standards continued

AASB 101: Presentation of Financial Statements continued

and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The corporation's financial statements now contain a statement of comprehensive income.

Other comprehensive income - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

(c) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The corporation has decided against early adoption of these standards.

(d) Interests in Joint Ventures

The interest in its joint venture operation held by Gumala Enterprises Pty Ltd is not consolidated in the financial statements on the basis that control is not exercised by Gumala Aboriginal Corporation. Refer to Note 7 for details.

(e) Revenue and Other Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the corporation and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services

Revenue is generated by provision of land surveys by Aboriginal Members, revenue is recognised following provision of the service to the customer.

Interest

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Related party grant income

Funding is provided by the Gumala Foundation based on budgeted expenditure for the delivery of benefits to members and other projects. Income from the Gumala Foundation is recognised in line with the related expenditure and budgeted period. Any funding which is not utilised in the budget period is recognised as unexpended grants under current liabilities. Refer to Note 13.

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(e) Revenue and Other Income continued

Government grants

Grants are recognised at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Where the grant relates to an asset, the fair value is credited to a deferred income amount and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

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

(f) Income Tax

No income tax has been charged as the corporation is exempt from paying income tax.

(g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Cash and Cash Equivalents

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

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(j) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the corporation commencing from the time the asset is held ready for use.

The estimated useful lives used for each class of depreciable assets are:

Class of Fixed Asset

Plant and Equipment	5 to 20 years
---------------------	---------------

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(k) Impairment of Assets

At each reporting date, the corporation assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(l) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the corporation during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(m) Provisions

Provisions are recognised when the corporation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Employee Benefits

Provision is made for the corporation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(o) Financial Instruments

Initial recognition and measurement

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

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(o) Financial Instruments continued

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- d. less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The corporation does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(o) Financial Instruments continued

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the corporation's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the corporation sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets)

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the corporation assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(o) Financial Instruments continued

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(p) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

2 Operating Segments

The corporation operates predominately in one business and geographical segment being Western Australia with the focus of service delivery and benefits to the three aboriginal language groups constructing the register of members.

3 Other Income

	2011	2010
	\$	\$
- interest received	161,734	72,376
- management fee - Gumala Enterprises Pty Ltd	-	300,000
- reimbursements	1,990,431	414,303
- government grants received	56,970	62,455
- other grants received	368,046	-
- other income	44,575	82,298
Total other income	2,621,756	931,432

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

4 Cash and Cash Equivalents

	2011	2010
	\$	\$
Cash on hand	2,020	1,200
Cash at bank	4,674,919	3,619,389
	<u>4,676,939</u>	<u>3,620,589</u>

Cash at bank earns interest at floating rates based on daily bank rates.

Reconciliation of cash

	2011	2010
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	4,676,939	3,620,589
	<u>4,676,939</u>	<u>3,620,589</u>

5 Trade and Other Receivables

	Note	2011	2010
		\$	\$
CURRENT			
Trade receivables		5,202,131	203,788
Other related parties	(a)	2,239,981	2,239,981
Provision for non-recovery of loan	(a)	(2,239,981)	(2,239,981)
Other receivables		5,855	19,188
Total current trade and other receivables		<u>5,207,986</u>	<u>222,976</u>

(a) Loans to other related parties

Loans to related parties are at call with six months notification for repayment. There is no interest accruing on the funding provided to these related parties. The directors have resolved not to recall the loan to Gumala Enterprises Pty Ltd within the next twelve months.

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

5 Trade and Other Receivables continued

(b) Provision for Impairment of receivables

Trade receivables are non-interest bearing and are generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment loss has been recognised for the financial year. Each operating unit has been in direct contact with the relevant debtor and is satisfied that payment will be received in full.

Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

(c) Credit risk

The corporation has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 5.

(d) Financial assets classified as loans and receivables

	2011	2010
	\$	\$
Trade and other receivables		
- Total current	5,001,660	155,896
Financial assets	<u>5,001,660</u>	<u>155,896</u>

6 Other Assets

	2011	2010
	\$	\$
CURRENT		
Prepayments	39,043	39,606
Bonds and refundable deposits	5,580	5,580
	<u>44,623</u>	<u>45,186</u>

7 Investments Accounted for Using the Equity Method

	2011	2010
	\$	\$
Gumala Enterprises Pty Ltd	2	2
Gumala Project Management Pty Ltd	-	50
	<u>2</u>	<u>52</u>

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

8 Property, Plant and Equipment

	2011	2010
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	198,886	198,886
Accumulated depreciation	(181,534)	(138,061)
Total plant and equipment	<u>17,352</u>	<u>60,825</u>
Motor vehicles		
At cost	417,850	506,236
Accumulated depreciation	(296,347)	(251,204)
Total motor vehicles	<u>121,503</u>	<u>255,032</u>
Office equipment		
At cost	296,694	252,969
Accumulated depreciation	(202,254)	(179,821)
Total office equipment	<u>94,440</u>	<u>73,148</u>
Computer equipment		
At cost	112,783	16,588
Accumulated depreciation	(34,404)	(569)
Total computer equipment	<u>78,379</u>	<u>16,019</u>
Computer software		
At cost	215,343	-
Accumulated depreciation	(28,259)	-
Total computer software	<u>187,084</u>	<u>-</u>
Furniture and equipment		
At cost	144,165	138,987
Accumulated depreciation	(69,155)	(43,226)
Total furniture and equipment	<u>75,010</u>	<u>95,761</u>
Total plant and equipment	<u>573,768</u>	<u>500,785</u>
Total property, plant and equipment	<u>573,768</u>	<u>500,785</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2011

8 Property, Plant and Equipment continued

Movements in Carrying Amounts

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

	Plant and Equipment	Motor Vehicles	Office Equipment	Computer Equipment	Furniture and equipment	Computer Software	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	60,825	255,032	73,148	16,019	95,761	-	500,785
Additions	-	-	94,023	96,195	5,178	215,343	410,739
Disposals - written down value	-	(46,665)	-	-	-	-	(46,665)
Depreciation expense	(43,473)	(86,864)	(72,731)	(33,835)	(25,929)	(28,259)	(291,091)
Carrying amount as at 30 June 2011	<u>17,352</u>	<u>121,503</u>	<u>94,440</u>	<u>78,379</u>	<u>75,010</u>	<u>187,084</u>	<u>573,768</u>

9 Investment Property

	2011	2010
	\$	\$
Balance at beginning of year	1,237,767	1,237,767
Fair value adjustments	(992)	-
Balance at end of year	<u>1,236,775</u>	<u>1,237,767</u>

The fair value model is applied to all investment property. Investment properties are independently revalued. Values are based on an active liquid market and are performed by a registered independent valuer.

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Gumala Aboriginal Corporation

ABN 93 807 596 843

Notes to the Financial Statements

For the Year Ended 30 June 2011

10 Projects

	2011	2010
	\$	\$
Projects		
Cost	1,533,854	292,826
Accumulated depreciation	(123,407)	-
Total Projects	1,410,447	292,826

The amount capitalised in relation to projects, reflects the fixed assets that have been purchased for community development. These include, but are not limited to: Wirrillimarra Housing Project, facilities and equipment in relation to the Lore Camps, building of the Wakuthuni Early Childhood Centre and other community development and infrastructure work.

(a) Reconciliation Detailed Table

	2011	2010
	\$	\$
Year ended 30 June 2011		
Balance at the beginning of the year	292,826	-
Additions	1,241,028	292,826
Depreciation	(123,407)	-
Closing value at 30 June 2011	1,410,447	292,826

11 Trade and Other Payables

	2011	2010
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	1,045,692	523,414
Accrued expenses	107,962	81,113
Other payables	527,801	252,224
	1,681,455	856,751

Financial liabilities at amortised cost classified as trade and other payables

	2011	2010
	\$	\$
Trade and other payables		
- Total Current	1,681,455	540,071
Financial liabilities as trade and other payables	1,681,455	540,071

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

12 Provisions

	2011	2010
	\$	\$
CURRENT		
Employee benefits	137,805	65,268
	137,805	65,268
NON-CURRENT		
Employee benefits	12,031	7,019
	12,031	7,019

13 Other Liabilities

	2011	2010
	\$	\$
CURRENT		
Unexpended grant funding		
Gumala General Foundation	4,565,734	2,573,333
Hammersley Iron	133,190	133,190
Unexpended member benefits		
Unexpended health and wellbeing	661,738	461,948
Unexpended pensioner health and wellbeing	-	57,651
Unexpended projects funding	1,327,155	508,090
Unexpended housing funding	1,408,500	-
	8,096,317	3,734,212

Unexpended grant funding from Gumala General Foundation relates to funding received prior to year end which relates to the 2011/2012 financial year.

Grant from Hammersley Iron relates to funding provided for liaison officer costs. These funds are not required to be acquitted by Gumala.

Unexpended member balances have been removed from the Income Statement and allocated to other liabilities as they relate to benefits owing to members as at year end.

Unexpended projects funding relates to funding received during both current and prior financial years.

Unexpended housing funding relates to funding received from Gumala General Foundation to effect, on its behalf, the settlement of the land acquired in Tom Price.

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

14 Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2011	2010
	\$	\$
Profit for the year	1,966,001	(648,560)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	415,490	147,008
- Net (gain)/loss on disposal of property, plant and equipment	(12,409)	9,853
Changes in assets and liabilities		
- (Increase)/decrease in trade and term receivables	(4,985,010)	(180,111)
- (Increase)/decrease in prepayments	563	(39,606)
- Increase/(decrease) in trade payables and accruals	824,704	(494,739)
- Increase/(decrease) in provisions	77,549	9,676
- Increase/(decrease) in other liabilities	4,362,105	3,601,022
Cashflow from operations	<u>2,648,993</u>	<u>2,404,543</u>

15 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Outstanding balances at year end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables.

The corporation has fully provided for the non-recovery of amounts owed by related parties of \$2,239,981. Refer to note 5.

This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. When assessed as required the corporation raises such a provision.

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Gumala Aboriginal Corporation

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Notes to the Financial Statements

For the Year Ended 30 June 2011

16 Auditors' Remuneration

	2011	2010
	\$	\$
Remuneration of the auditor:		
- Byfields	52,350	-
- PKF	-	68,795
Total	<u>52,350</u>	<u>68,795</u>

Remuneration includes fees in relation to the auditing and reviewing of the financial statements.

17 Capital and Leasing Commitments

(a) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	2011	2010
	\$	\$
Payable - minimum lease payments:		
- not later than 12 months	237,566	228,429
	<u>237,566</u>	<u>228,429</u>

The corporation has entered into commercial leases for rental properties for Gumala Aboriginal Corporation staff. There are no restrictions placed upon the lessee by entering into these leases.

(b) Capital Expenditure Commitments

Wirrillimarra housing project	-	140,677
	<u>-</u>	<u>140,677</u>

18 Contingent Liabilities and Contingent Assets

There were no contingent assets or liabilities in existence at the end of the current financial year.

19 Events After the End of the Reporting Period

Gumala Aboriginal Corporation and Gumala Enterprises Pty Ltd are in the process of transferring the Karijini Eco Retreat, together with associated operating assets, into a new entity, Gumala Tourism Pty Ltd. This new entity will be a wholly owned subsidiary of Gumala Aboriginal Corporation.

20 Economic Dependency

The entity relies exclusively on the continued financial support via grant funding from the Gumala Foundation. The 2012 budget has been approved by the Gumala Foundation Board, and the Gumala Aboriginal Corporation have budgeted based on the proposed funding.

28

Gumala Aboriginal Corporation

ABN 93 807 596 843

Notes to the Financial Statements

For the Year Ended 30 June 2011

21 Corporation Details

The registered office and principal place of business of the corporation is:

Gumala Aboriginal Corporation
1 Stadium Road
Tom Price WA 6751

Gumala Aboriginal Corporation

ABN 93 807 596 843

Directors' Declaration

The directors of the corporation declare that:

1. The financial statements and notes, as set out on pages 8 to 29, are in accordance with the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006* and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the corporation.
2. In the directors' opinion, there are reasonable grounds to believe that the corporation 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 
Keith Hall

Dated this 21st day of November 2011

**Gumala Aboriginal Corporation
ABN 93 807 596 843**

Independent Audit Report to the members of Gumala Aboriginal Corporation

Report on the Financial Report

We have audited the accompanying financial report of Gumala Aboriginal Corporation (the corporation), which comprises the statement of financial position as at 30 June 2011, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Director's Responsibility for the Financial Report

The directors of the corporation are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*. This responsibility 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

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These standards require that we 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 corporation'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.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*.

BYFIELDS: Accountants & Financial Advisers (Perth) Pty Ltd (ABN 93 807 596 843) is a company registered in Western Australia. It is a member of the Byfields Group of Companies. The Byfields Group of Companies is a group of companies controlled by the Byfields family. The Byfields family is a family of accountants and financial advisers. The Byfields family is a family of accountants and financial advisers. The Byfields family is a family of accountants and financial advisers.

Auditor's Opinion

In our opinion, the financial report of Gumala Aboriginal Corporation is in accordance with the *Corporations (Aboriginal and Torres Strait Islanders) Act 2006* including:

- i) giving a true and fair view of the entity's financial position as at 30 June 2011 and of their performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations).



BYFIELDS
Accountant and Financial Advisers

DALE JAMES WOODRUFF
Partner

Dated at Perth, Western Australia this 21 day of November 2011



Gumala Aboriginal Corporation

Board Charter

1. Introduction

The role of the Board is to set aspirational goals and objectives for the Gumala Aboriginal Corporation (GAC) and to ensure appropriate management of the Corporation in achieving these aspirations. The Board is accountable to Members for the performance of the Corporation and is responsible for overall governance to ensure long-term sustainability and viability of the Corporation.

The Board has adopted this charter to outline the manner in which its constitutional powers and responsibilities will be exercised and discharged, having regard to applicable laws, principles of good corporate governance and generally acknowledged 'best practice'.

The corporate governance structure ensures the integrity and transparency of the way in which GAC is governed and holds the Board accountable for the setting of a clear vision for the future to facilitate achievement of GAC's aspirational goals and objectives.

This Charter includes an overview of:

- Board composition, structure and process;
- The relationship and interaction between the Board and management; and
- The authority delegated by the Board to management and Board Committees.

The Board Charter should be read in conjunction with the Trust Deed for the General Gumala Foundation (GGF), the GGF Good Governance Charter, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the GAC Constitution, known as 'The Rule Book of Gumala Aboriginal Corporation'.

2. Responsibilities

The major responsibilities of the Board are to:

- Set the aspirational goals and objectives for GAC and monitor the development and implementation of agreed strategies by the Chief Executive Officer and management team to achieve these aspirations;
- Oversee the development of, and approve, corporate strategy, performance objectives and the annual business plan and annual budget (operational and capital);
- Review and ratify risk management and internal controls and ethical and legal compliance, including ensuring appropriate policies, procedures and processes are in place to identify the main risks associated with GAC's operations and the implementation of appropriate controls to manage these risks;
- Adopt corporate governance principles and policies and encourage ethical behaviours and compliance with these principles and policies;
- Review and approval of policies, and ensuring management implement appropriate procedures to execute the intent of policies;
- Identify and recruit an appropriate Chief Executive Officer in conjunction with the Trustee;

- Review the performance, remuneration, and succession planning for the Chief Executive Officer's role;
- Note the Chief Executive Officer's decisions for appointments to key management positions;
- Review and approve major capital expenditure and expenditure outside approved budget and delegations;
- Approve and monitor financial and other reporting, including reporting to a range of stakeholders;
- Monitor processes aimed at ensuring the integrity of financial and other reporting;
- Establish a Code of Conduct for the Board Directors, and a Code of Behaviours for employees and Members; and
- Undertake annual performance evaluation of the Board and each Director to identify appropriate ongoing professional development and generate succession plans for Board membership.

Matters specifically reserved for the Board include:

- Appointment of the Chairperson;
- Appointment of Directors to fill a vacancy
- Establishment of Board committees, their membership, delegated authorities, and Board approved committee Charters
- Approval of statutory accounts, Directors Reports and Directors Statements;
- Calling of meetings of Members;
- Review of the Board Charter annually and approval of amendments as the Board sees fit;
- Any other specific matters nominated by the Board from time to time; and
- Appointment of Directors to subsidiary companies in consultation with GIPL (where applicable).

3. Membership

Size: As per Section 8 of The Rule Book of Gumala Aboriginal Corporation, the maximum number of Directors is 12 and where possible, will comprise an equal number of Banyjima, Innawonga and Nyiyaparli representatives. When appointed by the Members the term of appointment is two years, however if a Director is appointed by the Board, the term is up to one year.

Chairperson: The Directors elect one of themselves as Chairperson and may determine the period for which that Director is to be the Chairperson. The Chairperson is responsible for leadership of the Board and overseeing the Board's effective discharge of its supervisory role. The Board Chair facilitates the contributions of Directors, promotes constructive and respectful relations between Board Directors and between the Board and Management and mentors the Chief Executive Officer. The Board Chair and Chief Executive Officer are the spokespersons for GAC. The Board Chair is responsible for communicating the Board's position both internally and externally and all Board communications must come from, or be approved by the Board Chair. Notwithstanding, the Chief Executive Officer will be authorised to represent GAC in communications with external parties and / or the Board.

Deputy Chairperson: The Board shall appoint a Deputy Chairperson whose roles and responsibilities will be determined by the Chairperson. However, such roles and responsibilities will not be beyond duties performed by the Chairperson and Secretary and shall be approved by the Chief Executive Officer.

Board Committees: The Board of Directors may delegate any of their powers to a Board committee consisting of such Director or Directors as the Board thinks fit and may from time to time revoke such delegation. The Board Chair is an *ex officio* member or observer for all committees. The Board may establish Committee Charters if it deems it necessary.

Secretary: The Board will appoint a Board Secretary who is accountable to the Board and is responsible for coordination of Board business in consultation with the Chairperson and Chief Executive Officer, including preparation of agendas, board papers, minutes, communication with regulatory bodies and all statutory and other filings. The Chief Executive Officer and/or his delegate will provide all necessary support to the Secretary including providing administrative and other support services. Notwithstanding, the Chief Executive Officer will be authorised to represent GAC in communications with external parties and/or with the Board.

4. Delegation of Duties and Powers

Relationship with Management: As per Section 10 of The Rule Book, Directors may delegate their powers by resolution; however, ultimate responsibility for strategy and oversight will always rest with the Directors. Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information through the Chairperson at any time they consider appropriate.

Role of the Chief Executive Officer: The management function of the Corporation is conducted by, or under the leadership of, the Chief Executive Officer, as per the Chief Executive Officer's employment contract and as directed by the Board. The Board approves corporate objectives for the Chief Executive Officer. The Chief Executive Officer is responsible for implementing strategic objectives, plans and budgets approved by the Board.

The Chief Executive Officer is mandated to act at all times in the best interests of the Corporation, including protecting the Corporation from activities or events that seek to tarnish or bring GAC into disrepute.

Delegation to Board Committees: From time to time the Board may establish Board Committees to streamline the discharge of its responsibilities. Each standing Committee may adopt a formal charter approved by the Board setting out matters relevant to the composition, responsibilities and administration of the Committee. The Board may also delegate specific functions to ad hoc Committees on an 'as needs' basis. The powers delegated to these Committees will be set out in Board resolutions and will be guided by the Rule Book.

Relationship with Elders: The Board will act with the highest level of integrity and at all times in a culturally appropriate manner. This may include inviting Elders to Board meetings to be Observers and to provide cultural leadership in dealing with important issues that may arise.

5. Administration

Sections 7 and 11 of The Rule Book of Gumala Aboriginal Corporation govern the detailed regulation of Board meetings and proceedings. The Directors will meet as often as the Directors consider necessary for the good functioning of the Corporation, but must meet at least once every two months.

Directors are required to make all reasonable endeavors to attend Board meetings in person.

The Committee Chair will ensure that a meeting agenda and papers will be distributed a minimum of five business days prior to any meeting.





Gumala Aboriginal Corporation

Directors' Code of Conduct

The Board of Directors is accountable for directing and monitoring the affairs of Gumala Aboriginal Corporation (GAC). The primary role of the Board is to represent the interests of Traditional Owners, employees and stakeholders. As a Board Director you share this overall accountability, both individually and collectively, with your fellow Board members.

Being appointed as a Director brings significant obligations and expectations about your behaviour. Some of these obligations are prescribed by law; others are concerned with the way in which you personally conduct yourself as a Board member. The purpose of this code of conduct is to give you clear guidance as to what is expected of you in your role as a GAC Board Director.

Every Board member is expected to comply with this code. You have the right to expect that your fellow Directors will follow this code of conduct and they have the right to expect the same of you.

All Directors should be aware that breaching these obligations is a serious governance issue for which there are penalties at law. You should also be aware that your entitlement to receive fees in your role as a Director of GAC is contingent upon you reading and agreeing to abide by this code, and that disciplinary action may be taken against you should you breach the code of conduct.

Requirements Prescribed by Law

The Corporations (Aboriginal and Torres Strait Islander) Act (2006) (*CATSI Act*) prescribes three basic obligations of a Director:

- **Act with care and diligence and in good faith.** It is expected that you will take your responsibilities as a Director seriously and always act with care and diligence and in good faith and with proper and lawful purpose in GAC's best interests. Similarly, you will always act with care and honesty in exercising your duties and in your dealings with other GAC Directors, staff, Members and stakeholders.
- **Confidentiality and Improper Use of Position.** Board and committee agendas, papers, minutes and discussions are confidential and you are obliged not to disclose this information. To avoid breaching this duty, you should not discuss Board or GAC issues, or give any person information outside Board meetings, unless authorised by the Board Chair. You should note that the Board Chair is the spokesperson for GAC and all Board communications must come from the Board Chair or his delegate. You must also not use your position as a Director, or information obtained in your role as a Director, for your own personal advantage or to the detriment of GAC or its reputation, or to the detriment of any other person or their reputation.
- **Material Personal Interest/Conflicts of Interest.** From time to time conflicts of interest may arise in which your personal interests, or those of your family or friends, may be affected by a Board decision. In such cases you must declare your conflict of interest to your fellow Directors and not participate in any discussion or subsequent decision making, unless otherwise approved in accordance with relevant provisions of the *CATSI Act* and the Rule Book of GAC.

- If you are in doubt about whether there is an actual or potential conflict of interest, you should raise the issue with the Board Chair to ensure that you are not in a position where a personal advantage might conflict with your ability to make an impartial decision.

Requirements to Ensure Effective Board Processes

Active participation in Board meetings and related processes enhances the effectiveness of the Board's role of directing and monitoring the affairs of the company.

Your active participation includes:

- Adequately preparing for board meetings, including reviewing Board papers prior to Board or Committee meetings;
- Regular and punctual attendance at Board and Committee meetings and informing the Chair of the Board or Committee as soon as possible if non-attendance is unavoidable;
- Seeking further clarification or information on issues of which you are uncertain or which you do not understand;
- Contributing in meetings by asking questions, discussing issues, presenting a point of view and giving credit to the contributions of others;
- Following through on commitments made by you to the Board or specific tasks and activities delegated to you;
- Undertaking any Board induction and training programs and taking opportunities to improve personal capability where available; and
- Being familiar with the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (the *CATSI Act*) and the Rule Book of GAC to be clear about the role of your Board and your duties as a Director.

Professional Behaviour and Conduct

- **Respect for Others.** It is expected that you will treat your Board colleagues, company Management and staff, Members and Stakeholders with respect, courtesy, honesty and fairness, without letting personal relationships or personal views affect your professional conduct.
- **Constructive Participation.** Participating in a constructive and positive way to enhance Board productivity, good governance and the reputation of the Board and GAC
- **Collegiate Behaviour.** All Directors are required to support the final decisions of the Board, even if you do not personally agree with them. A divisive Board cannot represent the best interests of GAC or its Members and stakeholders. If your disagreement with a decision is so strong that you cannot support it, and is of such significance that you consider that your ability to fulfil your duties as a Director is impaired, you may wish to execute your right to resign from the Board.
- **Drug and Alcohol Use.** Board members are senior representatives of GAC. You should always be aware that abuse of alcohol or drugs reflects not only on you, but on your Board colleagues and ultimately on the reputation and standing of GAC and its companies in the broader community.



Gumala Aboriginal Corporation

Council of Elders

1. Introduction

The Council of Elders is an advisory Council established under the Gumala Aboriginal Corporation (GAC) Constitution (known as 'The Rule Book of Gumala Aboriginal Corporation').

2. Responsibilities

The role of the Council of Elders is to provide the Board with advice and guidance with regard to the protection, preservation and revitalization of the Traditional Owners' culture and languages and the GAC lore and culture program.

3. Membership

The Council consists of four Elders from each language group, three GAC Directors and the Chief Executive Officer and/or his delegate.

4. Administration

The Council meets as required but will meet a minimum of four times per year. A quorum is one representative from each language group, two GAC Directors and the Chief Executive Officer or his delegate.

5. Reporting

A GAC Director will be nominated prior to each meeting to set out an agenda and to take the Minutes of the Council meetings, with the support of the Chief Executive Officer or his representative. The Minutes will be tabled for discussion at the next Board meetings for the purposes of informing Board decisions.

6. Council Expenses

Reasonable travel, accommodation and sitting fees shall apply to Elders, with the exception of those who are GAC Directors.



Gumala Aboriginal Corporation

Remuneration and Human Resources Committee Charter

1. Introduction

The Remuneration and Human Resources (RHR) Committee is established under the Gumala Aboriginal Corporation (GAC) Constitution (known as 'The Rule Book of Gumala Aboriginal Corporation') and reports to the GAC Board.

This Charter should be read in conjunction with the Trust Deed for the General Gumala Foundation (GGF), the GGF Good Governance Charter, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the Rule Book of GAC.

2. Responsibilities

The major responsibilities of the Committee are to:

- Review and approve contract terms and remuneration arrangements for the Chief Executive Officer;
- Review and recommend to the Board the remuneration arrangements for the Chair and directors of the Board, including fees, travel and other entitlements;
- Ensure the Corporation's remuneration structures are fair, aligned with the long-term interests of the Corporation, and sufficient to attract and retain skilled managers and staff;
- Ensure that the Board and management have available to them sufficient information and independent advice to facilitate informed decision making regarding remuneration;
- Review and monitor executive succession planning; and
- Ensure the implementation of employment strategies and succession planning which support the Corporation's aspirations for Aboriginal capability development and eventual capacity for Members to self manage the Corporation.

3. Membership

The Committee consists of up to four directors, all of whom will be appointed by the Board Chair.

4. Attendance

Any Board member is free to attend Committee meetings as an observer provided the member has no conflicts of interest in respect of any matter being considered by the Committee at the meeting. Directors who are not Committee Members are not entitled to receive travel or accommodation allowances.

5. Administration

The Committee will meet as required.

In the absence of the Committee Chair, the Committee members must elect one of their number as Chair for that meeting. A quorum is a minimum of three members.

6. Reporting

Minutes of Committee meetings will be kept by the Board Secretary and the Chief Executive Officer or his delegate.


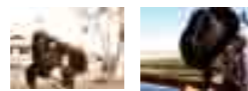


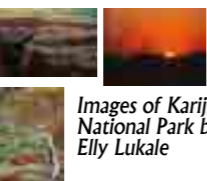





Gumala Aboriginal Corporation (GAC) is one of Australia's largest Indigenous corporations. GAC is a leader in successfully delivering a wide range of funding opportunities to our Traditional Owners that directly improve their standard of living and quality of life.

Created in 1996 to negotiate the ground-breaking Yandi Land Use Agreement, GAC is a reform-driven organisation that provides economic, social and community developmental solutions for the Traditional Owners of our iron ore-rich Pilbara lands.

GAC is committed to the continuous delivery of economic and community benefits to our Members and their children, the Nyiyaparli, Banyjima and Innawonga peoples of the Pilbara.

These benefits are delivered through GAC's range of Programs and Projects. In addition, Gumala Enterprises Pty Ltd (GEPL) is GAC's expanding business arm that is providing employment opportunities to the Traditional Owners.

FRONT COVER	PHOTOGRAPHER ACKNOWLEDGEMENTS	
 <p>Braiden Smith, photographed by Elly Lukale</p>	 <p>Traditional Owner images by Elly Lukale</p>	 <p>Parker girls image courtesy of Post Newspapers</p>
<p>BACK COVER</p>  <p>Tasma Cook, photographed by Elly Lukale</p>	 <p>Images of Karijini National Park by Elly Lukale</p>	 <p>Courtesy of Bjørn Christian Tørrissen, bjornfree.com</p>
	 <p>Yandi Mine image courtesy of Stephen Peterson</p>	 <p>Pilbara landscape image courtesy of Jenny Viviers</p>



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