

Section Seven: Compliance Indexes

Compliance Indexes

TSRA - Commonwealth Authority

This TSRA Annual Report 2011 - 2012 is prepared in accordance with Section 144ZB of the Aboriginal and Torres Strait Islander Act 2005 (Cth), and all other Sections.

As the Torres Strait Regional Authority is a Commonwealth Authority it is also required to prepare an Annual Report in accordance with the Commonwealth and Companies Act 1997 (Cth). The reporting requirements are set out in the Commonwealth Authorities (Annual Reporting) Orders 2011.

Table 7-1 below references the specific legislation reporting requirement and informs the location of the information within this TSRA Annual Report 2011 - 2012.

Any inquiries relating to this Compliance Index can be directed to the TSRA by telephoning (07) 4069 0700, toll free telephone 1800 079 093, or by email to info@tsra.gov.au.

Guiding legislation requirement	Page Reference
Aboriginal and Torres Strait Islander Act 2005- Section 144ZB	
(2) Certain matters must be included in the Annual Report. The TSRA must include in each Annual Report details of:	
Any directions given by the Minister under Section 142E.	Pages 97 - 98 Section 3, Report of Operations, Minister
Any consultants engaged under Section 144T.	Pages 184 - 187 Section 6, Appendix 5, Details of Consultants
(3) Report must include details of grants. If a grant was made by the TSRA during a financial year to an individual or body, then, in addition to the matters referred in subsections (1) and (2), the Annual Report for that year must set out:	
The name of the individual or body.	Pages 180 - 183 Section 6, Appendix 4, Details of Grants
The amount and purpose of grant.	Pages 180 - 183 Section 6, Appendix 4, Details of Grants
(4) Report must not disclose sacred matters:	
The TSRA must not disclose in any Annual Report any matters known by the TSRA to be held sacred by Torres Strait Islander or Aboriginal persons.	No disclosure of sacred matters has been reported
(5) Report must include certain details about consultants	
If an Annual Report gives details of a consultant engaged under Section 144T, the report must set out any significant differences between the terms and conditions on which that consultant was engaged and the standard terms and conditions for the engagement of consultants by the TSRA as set out in the instrument referred to in subsection 144T(3).	There have been no deviations from the standard terms and conditions.
Commonwealth Authorities and Companies Act 1997 (Cth) – Part 3, Division 2 Reporting Obligations - Subdivision A Annual Report and related obligations	
(9) Directors must prepare an Annual Report	
(1) The Directors of a Commonwealth Authority must: (a) Must prepare an Annual Report in accordance with Schedule 1 for each financial year; and	This requirement has been met

Guiding legislation requirement	Page Reference
(b) Give it to the responsible Minister by the deadline for the financial year presentation to the Parliament.	This requirement has been met
Commonwealth Authorities and Companies Act 1997 (Cth) - Schedule 1 Annual Report for Commonwealth Authority	
Part 1 - Contents of Annual Report	
(1) Summary of contents the Annual Report must include:	
(a) A Report of Operations , prepared by the directors in accordance with the Finance Ministers Orders;	Pages 86 - 99 Section 3, Report of Operations Page xi, Letter of Transmittal
(b) Financial Statements, prepared by the directors under clause 2 of this Schedule; and	Pages 128 - 172 Section 5, Financial Statements
(c) The Auditor-General's report on those financial statements, prepared under Part 2 of this Schedule and addressed to the responsible Minister.	Pages 128 - 172 Section 5, Financial Statements
(2) Financial Statements	
(1) The Financial Statements must be prepared in accordance with the Finance Minister's Orders and must give a true and fair view of the matters that those orders require to be included in the statements.	Pages 128 - 172 Section 5, Financial Statements
(2) If Financial Statements prepared in accordance with the Finance Minister's Orders would not otherwise give a true and fair view of the matters required by those Orders, the Directors must add such information and explanations as will give a true and fair view of those matters.	Not applicable
(3) In the Financial Statements the directors must state whether in their opinion the Financial Statements give a true and fair view of the matters required by the Finance Minister's Orders.	Pages 128 - 172 Section 5, Financial Statements
(4) If the Commonwealth Authority is a GBE or SMA, the directors must state whether or not, in their opinion, there are, when the statement is made, reasonable grounds to believe that the authority will be able to pay its debts as and when they fall due.	Not Applicable
Part 2 - Auditor's report on Financial Statements	
(3) Whether the statements comply with the Finance Minister's Orders	
(1) The Auditor-General must state whether in the Auditor-General's opinion, the financial statements: (a) Have been prepared in accordance with the Finance Minister's Orders; and	Pages 128 - 172 Section 5, Financial Statements, Independent Auditor's Report
(b) Give a true and fair view of the matters required by those Orders.	Pages 128 - 172 Section 5, Financial Statements, Independent Auditor's Report
(2) If the Auditor-General is not of that opinion, the Auditor-General must state the reasons.	Not applicable
(3) If the Auditor-General is of the opinion that failing to prepare	Not applicable

Guiding legislation requirement	Page Reference
<p>the financial statements in accordance with the Finance Minister's orders has a quantifiable effect, the Auditor-General must quantify that financial effect and state the amount.</p>	
<p>(4) Proper accounting records not kept</p>	
<p>If the Auditor-General is of the opinion that the Authority has contravened section 20, the Auditor-General must state particulars of the contravention.</p>	<p>Not applicable</p>
<p>(5) Inadequate information and explanations</p>	
<p>If the Auditor-General is of the opinion that the Auditor-General did not obtain all the necessary information and explanations, the Auditor-General must state particulars of the shortcomings.</p>	<p>Not applicable</p>
<p>(6) Subsidiaries' financial statements</p>	
<p>(1) This clause applies of the authority's financial statements are consolidated financial statements</p>	<p>Not applicable</p>
<p>(2) The Auditor-General must state the name of each entity (if any) that satisfies the following description: (a) The entity was a subsidiary of the authority at any time during the financial year; and (b) The Auditor-General has not: (i) Acted as auditor of the entity for the financial year; or (ii) Audited the entity's financial statements for the financial year.</p>	<p>Not applicable</p>
<p>(3) If the consolidated financial statements include information derived from financial statements of an entity of a kind referred to in subclause (2), then:</p>	<p>Not applicable</p>
<p>(a) if the Auditor-General has not examined those financial statements and the auditor's report (if any) on them, the Auditor-General must state that fact; and (b) if an auditor's report on any of those financial statements included any qualification, the Auditor-General must state the name of the subsidiary and the particulars of the qualification.</p>	
<p>(7) Deficiencies in consolidation</p>	
<p>If the Auditor-General is of the opinion that: (a) Any of the financial statements that were used in preparing consolidated financial statements were not appropriate and proper, in both form and content, to be used in that way; or (b) There was any deficiency in the procedures and methods used in arriving at the amounts taken in to consolidated financial statements; the Auditor-General must state the particulars of the deficiency</p>	<p>Not applicable</p>
<p>Commonwealth Authorities (Annual Reporting) Orders 2011</p>	
<p>Preliminary</p>	
<p>(6) Approval by directors</p>	

Guiding legislation requirement	Page Reference
<p>The Annual Report of Operations must be approved by a resolution of directors of a Commonwealth authority. If the Commonwealth authority has only one director, the Report of Operations must be approved by that director.</p>	<p>Page xiii Letter of Transmittal</p>
<p>The Annual Report of Operations must be signed by a director and include details of how and when approval was given. The Annual Report of Operations must also state that directors are responsible for the preparation and contents of the Annual Report of Operations (as required in section 9 of the CAC Act and in accordance with the Finance Minister's Orders).</p>	<p>Page xiii Letter of Transmittal</p>
<p>(7) Exemptions</p>	
<p>The Finance Minister may grant a written exemption to the directors of a Commonwealth authority, or a class of Commonwealth authorities, from any requirement of these Orders. An exemption must be in writing and may be subject to conditions.</p>	<p>Not applicable</p>
<p>Details of an exemption relied upon by the Commonwealth authority must be provided in the Annual Report of Operations.</p>	<p>Not applicable</p>
<p>Requirements</p>	
<p>(8) Parliamentary standards of presentation</p>	
<p>The annual report of a Commonwealth authority is tabled in Parliament by the responsible Minister under paragraph 9(1)(b) of the CAC Act. Once tabled in Parliament, the annual report becomes part of the Parliamentary Papers series and as such, the report must comply with the presentation and printing standards for documents presented to the Parliament.</p>	<p>The Annual Report is compliant with the presentation and printing standards for documents presented to the Parliament.</p>
<p>(9) Plain English and clear design</p>	
<p>The Annual Report of Operations must be constructed having regard to the interests of the Parliament and other users. Information included in the report must be relevant, reliable, concise, understandable and balanced. For example, to the extent practicable:</p> <ol style="list-style-type: none"> use clear design, including through headings and adequate spacing; define acronyms and technical terms (such as through a glossary); use tables, graphs, diagrams and charts; and include any additional matters that may be appropriate. 	<p>Information included in the report is relevant, reliable, concise, understandable and balanced.</p>
<p>(10) Enabling legislation</p>	
<p>The Annual Report of Operations must also specify the Commonwealth authority's enabling legislation, including a summary of its objectives and functions, as specified in its legislation.</p>	<p>Page 95 Section 3, How the TSRA Operates, Legislative Framework</p>
<p>(11) Responsible Minister</p>	
<p>The Annual Report of Operations must specify the name of the current responsible Minister and the names of any other responsible Ministers during the relevant financial year being reported on.</p>	<p>Page 97 Section 3, How the TSRA Operates, Responsible Minister</p>

(12) Ministerial directions and other statutory requirements**Directions and Government policies**

The Annual Report of Operations must provide details of:

- a. directions issued by the responsible Minister, or other Minister, under the enabling legislation of the Commonwealth authority or other legislation; and
- b. general policies of the Australian Government that were notified to the Commonwealth authority before 1 July 2008 under section 28 of the CAC Act (as in force before 1 July 2008) and which continue to apply to the Commonwealth authority; and

Page 98
Section 3, How the TSRA Operates

Pages 98 - 99
Section 3, How the TSRA operates
Pages 97 - 99 and Appendix 6
Compliance with Australian Government Statutes and Policies

- c. General Policy Orders that apply to the Commonwealth authority under section 48A of the CAC Act.

Page 124
Section 4, Corporate Governance and Accountability
Appendix 6, Compliance with Australian Government Statutes and Policies

Where a direction or applicable policy has not been fully complied with, the report must include an explanation of the non-compliance.

Not Applicable

Subsection 516A(3) of the Environmental Protection and Biodiversity Conservation Act 1999 requires a Commonwealth authority to report on certain environmental matters.

Pages 120 - 122
Section 4, Corporate Governance and Accountability, Enabling Functions, Environmental Impact Management

Schedule 2, Part 4 of the Work Health and Safety Act 2011 (Cth)

Page 125
Section 4, Corporate Governance and Accountability, Human Resources

(13) Information about directors

The Annual Report of Operations must include information on the directors of the Commonwealth authority. This information includes directors' names, qualifications, experience, attendance of board meetings and whether the director is an executive or non-executive director.

Pages 100 - 119
Section 4, Corporate Governance and Accountability

(14) Outline of organisational structure and statement on governance**Organisational structure**

The Annual Report of Operations must provide an outline of:

- a. the organisational structure of the Commonwealth authority (including subsidiaries); and
- b. the location, in Australia or elsewhere, of major activities and facilities.

Page 102
Section 4, Corporate Governance and Accountability, Overview of Governance Structure

Pages 88 - 89
Section 3, Where we Operate and Page 126
Section 4, Corporate Governance and Accountability, Property Management

Statement on governance

The Annual Report of Operations can assist a Commonwealth authority to demonstrate that its governance is sound.

Consequently, the Annual Report of Operations must include information on the main corporate governance practices that the Commonwealth authority used during the financial year. For example, details should be provided on:

- a. board committees of the authority and their main responsibilities; and
- b. education and performance review processes for directors; and
- c. ethics and risk management policies.

Pages 103 - 104 and 116
Section 4, Corporate Governance and Accountability
Page 115
Section 4, Corporate Governance and Accountability
Pages 122 - 124
Section 4, Corporate Governance and Accountability, Risk Management

(15) Related Entity Transactions

The Annual Report of Operations must disclose the decision-making process undertaken by the board of the authority when:

- a. it approves for the authority to pay for a good or service from another entity, or provide a grant to another entity; and
- b. a director of the authority is also a director of the other entity that provides the good or service or receives the grant; and
- c. the value of the transaction, or if there is more than one transaction, the aggregate value of those transactions, exceeds \$10,000 (GST inclusive).

If decision-making processes relate to multiple transactions to a single entity, with an aggregate value of more than \$10,000 (GST inclusive), then a single report can be provided that explains the number of transactions and the aggregate of expenditure.

The aim is to improve transparency around potential conflicts of interests in the operations of Commonwealth authorities.

Not applicable for the 2011 - 2012 Annual Report of Operations

(16) Key activities and changes affecting the authority

Highlighting key activities and changes that have affected the Commonwealth authority can assist the reader to understand the authority's performance over the past financial year. Consequently, the annual report must detail any key activities and changes that affected the operations or structure of the authority during the financial year. This may include:

- a. significant events under section 15 of the CAC Act such as forming or participating in the formation of a company, significant partnership or trust; and
- b. operational and financial results of the authority; and
- c. key changes to the authority's state of affairs or principal activities; and
- d. amendments to the authority's enabling legislation and to any other legislation directly relevant to its operation.

Not Applicable

Pages 128 - 172
Section 5, Financial Statements
Pages 2 - 7
Section 1, Strategic Overview, Chairperson and Chief Executive Officer Messages
Page 99
Section 3, Report of Operations

(17) Judicial decisions and reviews by outside bodies

As entities of the Australian Government, Commonwealth authorities are expected to have levels of accountability suitable for the public sector. Part of demonstrating these qualities involves reporting on judicial decisions and reports by third parties. As such, the Annual

Pages 98 - 99
Section 3, Report of Operations, Legislative Framework, Judicial Decisions and Review

Guiding legislation requirement	Page Reference
<p>Report of Operations must include particulars of:</p> <ul style="list-style-type: none"> a. judicial decisions and decisions of administrative tribunals that have had, or may have, a significant effect on the operations of the Commonwealth authority; and b. reports about the authority made by the Auditor-General, a Parliamentary committee, the Commonwealth Ombudsman or the Office of the Australian Information Commissioner. 	<p>Pages 98 - 99 Section 3, Report of Operations, Legislative Framework, Judicial Decisions and Review</p>
(18) Obtaining information from subsidiaries	
<p>Where directors of a Commonwealth authority are unable to obtain information from a subsidiary that is required to be included in the Annual Report of Operations before the annual report is submitted under section 9 of the CAC Act, the directors must include an explanation on the missing information and how this affects the annual report.</p>	<p>Not applicable</p>
(19) Indemnities and insurance premiums for officers	
<p>The Annual Report of Operations must include details of any indemnity given to an officer against a liability, including premiums paid, or agreed to be paid, for insurance against the officer's liability for legal costs.</p>	<p>Page 124 Section 4, Corporate Governance and Accountability</p>
(20) Disclosure requirements for GBEs	
<p>Changes in financial conditions and community service obligations</p> <p>The Annual Report of Operations for a GBE must include:</p> <ul style="list-style-type: none"> a. an assessment of: <ul style="list-style-type: none"> i. significant changes in its overall financial structure and condition over the financial year; and ii. any events or risks that could cause reported financial information not to be indicative of future operations or financial condition; and b. dividends paid or recommended in relation to the financial year; and 	<p>Not applicable</p>
<ul style="list-style-type: none"> c. details of any community service obligations the GBE has, including: <ul style="list-style-type: none"> i. an outline of actions the GBE has taken to achieve those obligations; and ii. an assessment of the cost of fulfilling those obligations. <p>Information that is commercially prejudicial</p> <p>However, information required by this clause 20 can be excluded if the directors believe, on reasonable grounds, that the information is commercially sensitive and would likely result in unreasonable commercial prejudice to the GBE. The annual report must state whether such information has been excluded.</p>	
(21) Index of annual report requirements	
<p>To assist readers to locate the information required by the CAC Act (including these Orders) or other applicable legislation, the Annual Report of Operations must provide an index of annual report requirements, identifying where relevant information can be found in the annual report.</p>	<p>Pages 192 - 200 Section 7, Compliance Indexes and Section 8, Glossary and Indexes</p>

Table 7-1
TSRA Compliance Index

TSRA - Native Title Representative Body (NTRB)

The TSRA is a Commonwealth Authority and as such is governed by Section 144ZB of the Aboriginal and Torres Strait Islander Act 2005 (Cth), and the Commonwealth and Companies Act 1997 (Cth).

The TSRA is also a Native Title Representative Body (NTRB) and required to provide an Annual Report of its operations and performance of Representative Body functions together with financial statements prepared in accordance with Australian Accounting Standards, to the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

The following table is the checklist of reporting requirements for 2011 - 2012 for an NTRB as supplied by the Land Programs Branch of the Department of Families, Housing, Community Services and Indigenous Affairs on 7 August 2012.

All CAC Act 1997 (Cth) requirements have already been referenced in the Compliance Index titled - TSRA as a Commonwealth Authority in Table 7-1.

Any inquiries relating to this Compliance Index can be directed to the Principal Legal Officer, Native Title Office, Torres Strait Regional Authority by telephoning (07) 4069 2581 or by email to info@tsra.gov.au

Requirement	Page Reference
Letter of Transmittal	Page xiii Letter of Transmittal
Table of Contents	Page ix Table of Contents
Index	Section 8, Glossary and Indexes
Glossary	Section 8, Glossary and Indexes
Contact Officer, Internet Home Page Address and Internet Address for the Report	Page ii Cover Sheet
Report by Chairperson	Pages 2 - 4 Section 1, Strategic Overview, Chairperson's Message
Report by Chief Executive Officer including:	Pages 5 - 6 Section 1, Strategic Overview, General Manager's Message
(a) Summary of significant issues and developments;	
(b) Overview of performance and financial results;	Pages 128 - 172 Section 5, Financial Reports
(c) Outlook for the following year.	Page vii Opportunities and Challenges
NTRB Overview	
(a) Overview description of NTRB	Pages 61 - 62 Section 2, Program Reporting, Native Title Program, NTRB Reporting
(b) Role and functions	Pages 61 - 62 Section 2, Program Reporting, Native Title Program, NTRB Reporting
(i) Legislation	
(ii) Legislative functions	
(iii) Corporate Governance Policies	
(c) Organisational structure	Pages 102 and Section 6, Appendix 1, Organisational Structure

Requirement	Page Reference
(d) Outcome and output structure	Page 53 Section 2, Program Reporting and Performance Summaries, Native Title Program Map
(e) Key features - strategic plan, operational plan	Pages 52 - 61 Section 2, Program Reporting and Performance Summaries, Native Title Program, NTRB Functions
Report on Performance (a) (i) Review of performance during the year in relation to strategic and operational plan and by function (a) (ii) Summary data on outputs. Discussion of outputs achieved.	Pages 54 - 60 Section 2, Program Reporting and Performance Summaries, Native Title Program, NTRB Functions Page 56 Section 2, Program Reporting and Performance Summaries, Native Title Program, NTRB Functions
(b) Narrative discussion and analysis of performance	Page 63 Section 2, Program Reporting and Performance Summaries, Native Title Program, NTRB Summary Resources Table
(i) Trend information	
(ii) Factors, events or trends influencing performance	
(iii) Significant changes in nature of principal functions/services	
(iv) Performance against service charter/standards, complaints data and the NTRB's response to complaints	
(c) Summary resources tables by outputs, budget / actual by main heads of expenditure and revenue (i) Discussion of analysis of NTRB's financial performance against budget (ii) Discussion of any significant changes from the prior year or from budget	Page 63 Section 2, Program Reporting and Performance Summaries, Native Title Program, NTRB Functions
(d) Developments since the end of financial year that have affected or may significantly affect the NTRB's operations in future.	Not applicable
Corporate Governance - statement of the main practices in place (a) Name of the senior executive and their responsibilities	Pages 103 - 111 Section 4, Corporate Governance and Accountability, Board Members
(b) Senior Management committees and their roles - Separation of Powers (i) Number of Board and Committee Meetings, attendance by Members (ii) Training arrangements for Board Members	Pages 116 - 119 Section 4, Corporate Governance and Accountability, Board Members Page 115 Section 4, Corporate Governance and Accountability, Board Members
(c) Corporate and operational planning and associated performance reporting and review	Pages 61 - 66 Section 2, Program Reporting and Performance and Page 95, Section 4, Corporate Governance and

Requirement	Page Reference
	Accountability
(d) Approach adopted to identifying areas of significant financial or operational risk and arrangements in place to manage risks	Page 122 Section 4, Corporate Governance and Accountability, Risk Management
(e) Policy and practices on the establishment and maintenance of appropriate ethical standards	Page 123 Section 4, Corporate Governance and Accountability
(f) Nature and amount or remuneration for senior management and how it is determined	Pages 128 - 172 Section 5, Financial Statements
External Scrutiny - Significant developments in external scrutiny (a) Judicial decisions and decisions of administrative tribunals	Page 98 Section 3, Report of Operations, Judicial Decisions and Review
(b) Evaluation and / or audit reports - findings and responses	Pages 128 - 172 Section 5, Financial Statements
(c) Other external reviews	Not applicable
Management of Human resources - Assessment in effectiveness in managing and developing human resources to perform NTRB functions and achieve NTRB objectives (a) Workforce planning, staff turnover and retention	Page 125 Section 4, Corporate Governance and Accountability, Human Resources
(b) Training and development undertaken and its impact	Page 115 Section 4, Corporate Governance and Accountability, Board Induction Page 125 Section 4, Corporate Governance and Accountability, Staff Development and Training
(c) Impact and features of Certified Agreements and AWA's	Page 125 Section 4, Corporate Governance and Accountability, Workplace Agreement
(d) Occupational health and safety performance	Page 125 Section 4, Corporate Governance and Accountability, Health and Safety Management Arrangements
(e) Statistics on staffing	Page 64 Section 2, Program Reporting and Performance, Native Title Office, NTRB
(f) Indemnities and insurance premiums for officers	Page 124 Section 4, Corporate Governance and Accountability
Consultants and Competitive tendering and Contracting (a) Competitive tendering and Contracting practices	Pages 184 - 187 Section 6, Appendix 5, Details of Consultants
(b) Number of consultancy services contracts let and total expenditure on consultancy services	Pages 184 - 187 Section 6, Appendix 5, Details of Consultants

Requirement	Page Reference
Financial Statements (a) Auditor's Report	Pages 128 - 172 Section 5, Financial Statements
(b) Statement by Governing Committee and CEO	Pages 128 - 172 Section 5, Financial Statements
(c) Financial Statements	Pages 128 - 172 Section 5, Financial Statements
(d) Notes to Financial Statements	Pages 128 - 172 Section 5, Financial Statements
Other information (a) Index	Pages 201 - 204 Section 7, Compliance Index

Table 7-2
 NTRB Compliance Index