

Victorian Traditional Owners Trust

ABN 93 731 388 312

REPORT CARD FOR THE YEAR ENDING 30 JUNE 2013

The Victorian Traditional Owners Trust was established on 13 September 2011 by Deed between Robert Clark the Attorney General of Victoria and the Trustee Victorian Traditional Owners Funds Ltd.

The directors of Victorian Traditional Owners Funds Limited as Trustee of the Victorian Traditional Owners Trust present this report on the Trust for the financial year ended 30 June 2013.

Directors

The names of each person who has been a director of the Trustee Company during the year and to the date of this report are:

Mark William Sibree

Elizabeth Helen Eldridge

Gary Andrew Lennon

Directors have been in office since the company was incorporated to the date of this report unless otherwise stated.

Principal Activities

The Trust was established for charitable purposes to benefit the Aboriginal people of Victoria. The Victorian government established a Native Title Settlement Framework to reach agreements with Traditional Owners through execution of Participation Agreements.

The State reached a settlement with the Gunaikurnai people in October 2010, and the Participation Agreement was executed in October 2011. In terms of this Participation Agreement the State of Victoria has paid the settlement amount to the Trust.

The principal activity of the Trust is to invest settlement funds received on behalf of the beneficiaries.

Report on Operations and Activities

During the year the Trust invested the settlement sum in term deposits pending clear investment objectives from the beneficiaries. Interest received amounted to \$522,561 (2012 \$440,792) against which audit fees and small bank charges were incurred. The net operating result represented a rate of return of more than 5% (2012 6.1%) pa. Directors regard this return as satisfactory in an environment of declining interest rates.

Report on Significant Changes and Likely developments

There were no significant changes in the activities of the Trust. There has been a fall in interest rates which has resulted in a slightly lower return from operations in 2013. Discussions are currently underway with the Gunaikurnai people represented by the Gunaikurnai Aboriginal Lands and Water Corporation ("GlaWAC") to develop a longer term investment strategy that best aligns with the business plan and strategic objectives of the Gunaikurnai people. It is expected that this strategy will be implemented before the second anniversary of the Trust. It is expected that the first payment will be made to the Gunaikurnai people before the second anniversary of the fund in accordance with the Participation Agreement.

A further settlement with the Dja Dja Wurrung people is expected to be finalised early in the 2014 year. Under that settlement an amount of \$5,000,000 will be transferred to the Trust on the satisfaction of certain conditions. Liaison with the Dja Dja Wurrung people will be undertaken to develop an investment strategy.

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Major Financial and Performance Statistics

The table below sets out a summary of the financial results for the year.

	2013 (\$)	2012 (\$)
Income	522,631	10,440,792¹
Expenses	(5,325)	(5,105)
Operating Result	517,306	10,435,687
Total Assets	10,958,148	10,440,697
Total Liabilities	5,145	5,000
Equity of the Gunaikurnai Settlement (at beginning of the year)	10,435,697	Nil
Equity of the Gunaikurnai Settlement (at year end)	10,953,003	10,435,697

Report on distributions made to Traditional Owner Group Entities

During the financial year no distributions were made to any Traditional Owner Group Entities. Dialogue has continued with the GlaWAC to determine future distributions and the projects to which these distributions relate and that any payment is for a charitable purpose..

Environmental Issues

The Trusts operations are not regulated by any significant environmental regulation under a Law of the Commonwealth or of a State or Territory.

Workforce Data

The Trust does not employ any staff.

Consultancies

There were no consultancies entered into during the year.

Proceedings on Behalf of the Trust

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

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

As Approved by the Board

Stephen Leslie Adrian
Secretary

Dated this 23rd

day of July

2013

¹ \$10,000,000 of this income includes the initial settlement amount for the Gunaikurnai people.