



ANNUAL REPORT

2015-16

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ABOUT US



Natural resource management

Natural Resource Management (NRM) is the sustainable management of natural resources (our land, water, marine and biological systems). NRM is vital to ensure our ongoing social, economic and environmental wellbeing.

Territory Natural Resource Management (TNRM) is an independent, not for profit organisation that works with landholders, community groups, industry and government to support the responsible management of water, land, soils, plants and animals throughout the Northern Territory.

Since our establishment in 2005, we have worked to build the capacity of Territorians to engage in natural resource management (NRM) activities. We do this by working in partnerships, enabling projects through planning, funding and support, providing training and skills development and recognising and sharing success stories.

We are one of 56 regional NRM organisations in Australia, and the only one in the Territory,

responsible for coordinating and administering Australian Government funding provided specifically for natural resource management.

We are also a member of the Rangeland NRM Alliance, a network of 14 regional NRM organisations that collaborate to improve natural resource management across Australia's rangelands, which make up 80% of the continent.

OUR MEMBERS

Community participation and input in our activities is important to us. TNRM welcomes and engages with groups interested in natural resource management in the Northern Territory. TNRM members include industry bodies, Landcare and community groups, local government, Indigenous organisations, pastoral companies and local businesses.

Aboriginal Carbon Fund Limited	Mabunji Aboriginal Resource Association Incorporation
ABS Scrofa (Australia) Pty Ltd trading as Wild Science	MB Consulting (NT) Pty Ltd
Arid Lands Environment Centre	Minerals Council of Australia - NT Division
Barkly Landcare & Conservation Association	MTP Contracting Pty Ltd
Bradshaw & Timber Creek Contracting & Resource Company	North Australia Rural Management Consultants (NARMCO)
Centralian Land Management Association	Northern Land Council
City Of Darwin	Northern Territory Cattleman's Association
City of Palmerston	NT Farmers Association
Conservation Volunteers Australia	NT Seafood Council
Creative Territory	Olive Pink Botanic Garden
Darwin Aquaculture Centre	Outback Helicopter Airwork NT
Demed Association Inc	Outbush Contracting
Dhimurru Aboriginal Corporation	Regional Development Australia NT (RDANT)
Eco Logical Australia	Roper Gulf Regional Council
Ecoservices NT	Roper River Landcare Group
EcOz Environmental Services	Savannah Guides Limited
Environment Centre	Savannah Way Limited
Environmental Defenders Office NT Inc	School of Environment – CDU
Fire Stick & Associates	Shilo Station
Friends of Fogg Dam Inc	Thamarrurr Development - Thamarrurr Rangers
Friends of Mitchell Creek Catchment Landcare Group Inc	The Milingimbi and Outstations Progress Resource Assoc Inc
Greening Australia (NT) Ltd	The Nature Conservancy Limited
Heytesbury Cattle Company	Triple P Contracting
Indigenous Land Corporation	Twin Hill Aboriginal Corporation
Jawoyn Association	Victoria River District Conservation Association (VRDCA)
Land for Wildlife	Wangamaty (Lower Daly) Land Management Group
Landcare NT Incorporated	Yagbani Aboriginal Corporation
Larrakia Nation Aboriginal Corporation	
Live & Learn Environmental Education	

EXECUTIVE SUMMARY

In 2015/16 Territory Natural Resource Management looked to the future as we worked with the community to complete and launch the 2016-2020 Natural Resource Management Plan for the Northern Territory. The plan sets the direction for maintaining the health of our land, water, and biodiversity resources over the next five years. We look forward to working with the many people and organisations who will be involved in delivering its strategies in the coming years.

We also continued to build on successful NRM programs including collaborative catchment scale weed and pest management in the Finnis Reynolds Catchment and the Territory Conservation Agreement program supporting land managers improve production and conservation outcomes on their land. Our Indigenous NRM Traineeship Program saw a second trainee successfully complete a traineeship and move to employment as a ranger. We continued our commitment to Indigenous employment and capacity development by welcoming our third Indigenous NRM Trainee.

We worked with over 60 community groups and organisations to support natural resource management activities and events across the NT. Through our programs we delivered \$2 million of funding to the community through grants, subsidies and support for engagement, training and capacity building activities. \$1.3 million of this funding supported 40 community groups and organisations to undertake 54 NRM projects. Partner groups and organisation contributed over \$1 million in cash and in-kind contributions towards these projects.

As the regional NRM organisation for the NT, we have the privilege of working in partnership with a diverse and dedicated range of groups, organisations and individuals across the Territory. None of the achievements captured in this annual report would be possible without the efforts and commitment of our project partners or the hard work and dedication of the Territory Natural Resource Management staff team. Thank you all for your contribution to managing the natural resources of the Northern Territory.

Thank you also to the staff of the Australian Government's Department of Environment and Department of Agriculture who have assisted us throughout the year.



Controlled burns carried out over **7,000km²** in the Western Top End

1,130kg of invasive cacti removed in and around Alice Springs

19,388HA treated for *Mimosa pigra* at Finnis Reynolds Catchment area

70% REDUCTION in feral pig numbers in past four years at Finnis Reynolds Catchment target areas

11.5km of fencing completed, closing off a 100,000ha feral herbivore free area in Central Arnhem Land

17 FACTSHEETS created about the sustainability of the seafood industry

1.6 MILLION TONNES of rubbish collected from Darwin Harbour and surrounds

150 PEOPLE trained in best practice Kakadu plum wild harvest protocols

9 PROGRAMS to guide NRM activities developed in 2016-2020 NT NRM Plan

16,439HA established within voluntary conservation sites

Territory Conservation Agreements

\$467,000 awarded in community grants

350 ATTENDEES at the 7th annual TNRM Conference

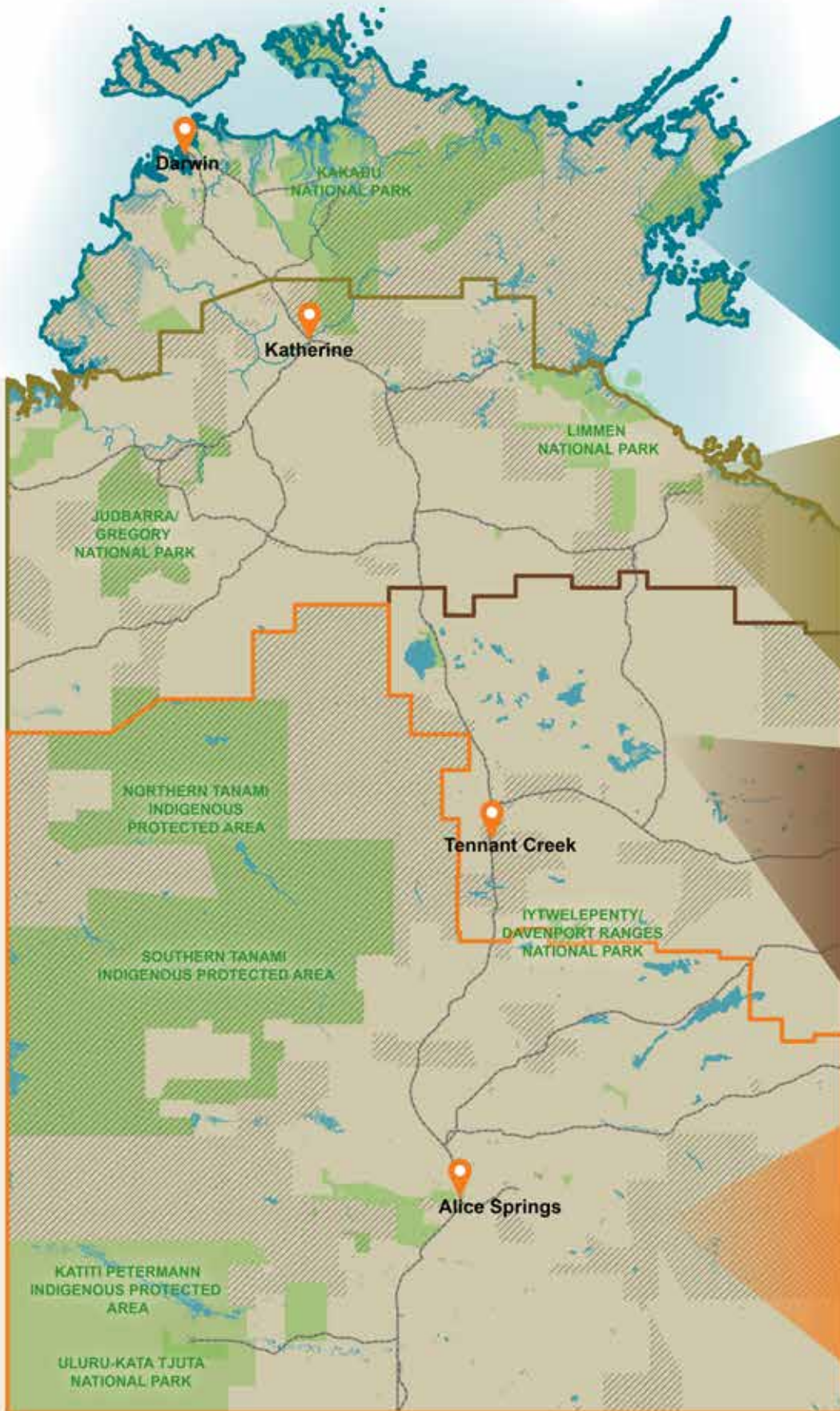
9 NT NRM AWARD RECIPIENTS

8 NT LANDCARE AWARD RECIPIENTS

OVER 200 PEOPLE involved in NRM Planning workshops across the NT

2015-16 HIGHLIGHTS

TNRM'S HOME IS THE TERRITORY



CLIMATE
Tropical monsoonal

NOTABLE 2015-16
Western Top End fire management
Darwin Harbour Clean-Up
Catchment Group Mimos management

CLIMATE
Sub-tropical

NOTABLE 2015-16
Neem herbicide assistance
Mataranka, aerial granular
acacia in the Southern V
the highest concentration
Agreements, two active p

CLIMATE
Semi-arid

NOTABLE 2015-16
Large scale management
on pastoral properties, e
Territory's biggest Territo
Brunette Downs

CLIMATE
Semi-arid

NOTABLE 2015-16
Monitoring and raising aw
on wildlife in Alice Springs
Alice Springs, Soil conser
projects on pastoral land,
Newhaven Wildlife Sanctu

SIZE AND POPULATION

Makes up 13% of the NT's landmass and is home to 70% of NT's population

16 NRM ACTIVITIES

Management region projects, Top Day, Finnis Reynolds sa pigra and feral pig

REGIONAL PROFILE

Characterised by mangrove-lined coasts, wetlands, floodplains and sandstone plateau. Approximately 70% of the region is under Aboriginal freehold title

CONSERVATION

33% of land is protected areas, 65% of this is Indigenous Protected Areas



TOP END

MAJOR FERAL ANIMALS AND WEEDS

Buffalo, Cats, Pigs, Cane toads, Gamba grass, Bellyache bush, Mimosa pigra, Olive hymenachne, Parkinsonia, Mission grass and Grader grass



SIZE AND POPULATION

Makes up 23% of NT's land mass and is home to 9% of NT's population

16 NRM ACTIVITIES

Recovery program in Katherine and herbicide trials on Prickly acacia in Victoria River District, home to 10% of Territory Conservation Area and 30% of pastoral Landcare groups

REGIONAL PROFILE

A variety of ecosystems including arid, savanna, plateau and coastal waters and islands. Nearly two-thirds of region under pastoral lease

CONSERVATION

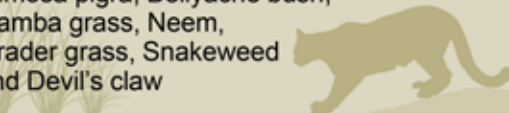
13% of the land is protected areas which includes 3 Indigenous Protected Areas



GULF SAVANNA

MAJOR FERAL ANIMALS AND WEEDS

Horses, Donkeys, Buffalos, Pigs, Cats, Dogs, Cane toads, Mesquite, Prickly acacia, Parkinsonia, Chinese apple, Mimosa pigra, Bellyache bush, Gamba grass, Neem, Grader grass, Snakeweed and Devil's claw



SIZE AND POPULATION

The Tablelands, also known as the Barkly region, covers 15% of NT's land mass and is home to 3% of NT's population

16 NRM ACTIVITIES

Control and treatment of Parkinsonia and establishment of one of the Territory Conservation Agreements at

REGIONAL PROFILE

Nearly three-quarters of the region is under pastoral lease. It is an area of semi-arid savanna and wetlands and lake systems

CONSERVATION

1.4% of land is protected areas



TABLELANDS

MAJOR FERAL ANIMALS AND WEEDS

Donkeys, Mesquite, Parkinsonia, Prickly acacia and Rubber bush



SIZE AND POPULATION

Makes up nearly half of the NT's land mass and is home to 19% of NT's population, with more than 85% of land classified as very remote. 55% is Aboriginal freehold land.

16 NRM ACTIVITIES

Awareness of the impact of cats, Cactus busting in outer Territory, Cactus principles application, Cat and fox trapping trials at

CONSERVATION

23% of the Arid Lands is protected areas, 95% of this is Indigenous Protected Areas.

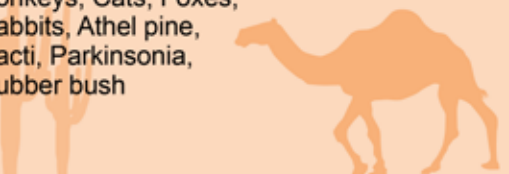
REGIONAL PROFILE

Part of Australia's iconic red centre and a region of extraordinary geological landforms and diverse habitats

ARID LANDS

MAJOR FERAL ANIMALS AND WEEDS

Camels, Horses, Donkeys, Cats, Foxes, Rabbits, Athel pine, Cacti, Parkinsonia, Rubber bush



THE 2016-2020 NORTHERN TERRITORY NATURAL RESOURCE MANAGEMENT PLAN

TNRM is the custodian of a community Natural Resource Management Plan that identifies and prioritises strategies address key NRM issues across the Territory. The 2016-2020 Northern Territory Natural Resource Management (NT NRM) plan was launched on June 17, 2016.



Many Territorians have contributed to developing the 2016 - 2020 TNRM Plan which promotes a shared vision that draws together the activities of all involved in natural resource management in the Territory.

The Plan establishes the management direction for maintaining the health of our land, water, and biodiversity resources over the next five years and beyond. The plan is also designed to improve the livelihoods and opportunities to be engaged in NRM.

The Plan provides guidance across 9 programs:

1. Managing fire
2. Preventing and managing weeds
3. Reducing the impacts of feral animals
4. Industry adoption of sustainable practices
5. Water resources and soil management
6. NRM based economic opportunities
7. Minimising ecological footprints of development
8. Managing and protecting key natural and cultural assets
9. Knowledge, capacity and engagement

In recognition that the four regions within the NT face different challenges and opportunities, this plan is based around four stand-alone regional plans: Arid Lands, Gulf Savanna, Tablelands and Top End.

The development of the plan included planning workshops, interviews, meetings and submissions from a wide variety of stakeholders including Landcare group, pastoralists, Traditional Owners, Aboriginal organisations and rangers, government, industry and key experts from research institutions.

Consultation included five regional workshops, interviews and theme-based meetings with key experts and organisations, a comprehensive review of relevant policies, legislation and research, and a public comment period.

The plan incorporates science and traditional knowledge, and draws on the experiences of the many people and organisations involved in delivering its strategies.

The 2016-2020 Plan was developed to continue the work started by a preceding document, the 2010-2015 Integrated NRM Plan, which TNRM also led the development of.

Lessons learned from the previous plan were incorporated into the current plan, including improvements in prioritising strategies and linking actions to long-term goals.

Supplementary documents including a booklet on Carbon in the Northern Territory and the assets and pressures within the NT have also developed.

TNRM will continue to work closely with the community to review progress on the 2016-2020 NT NRM Plan and help deliver its goals and objectives.

Large scale, unmanaged fires can have a damaging impact on native plants, animals, significant sites and pastoral production. TNRM supports coordinated fire management to protect biodiversity, maximise production and abate greenhouse gas emissions.

Western Top End strategic fire management

In 2016, TNRM supported the strategic planning and implementation of prescribed burns in the Western Top End Region. Along with the Northern Land Council and Bushfires NT, TNRM helped coordinate a two-day meeting in April at Nauiyu, Daly River. Thirty-five people took part in collaborative planning activities for preventative burning. Participants included Aboriginal ranger groups, Bushfires NT, Northern Land Council, Fish River Station, Pastoral lease-holders and Traditional Owners.

Fire management in the Western Top End was conducted over approximately 7,000 square kilometres with more than 1,800 kilometres of burn lines put in using a helicopter and nearly 18,000 incendiaries. The burning involved eight Aboriginal land managers and the training of six rangers in the operation of fire management equipment.

A TNRM grant supported the Wagiman Rangers also conducted on-ground burning operations to protect assets, sacred sites and sensitive vegetation. Coarse landscape-scale strategic fire breaks were established over parts of the region, in particular on land managed by Menggen Aboriginal Land Trust and the eastern portion of Daly River Port Keats Aboriginal Land Trust. Fire management objectives of Fish River Station were also supported.

Planning was undertaken in regional groups working on maps with fire scars from 2015 burns. Plans for the entire region were amalgamated onto one large map.



PREVENTING AND MANAGING WEEDS

Weeds are an increasing threat to the NT's natural, economic and cultural assets. They compete with and often displace native species. They contribute to land degradation, loss of biodiversity and adversely impact agricultural activity. TNRM supports strategic and long-term approaches to weed management across the NT.

Cactus Busting

Alice Springs Landcare, community volunteers and the NT Parks and Wildlife rangers with the support of TNRM removed 1,130 kilograms of invasive Cacti over a 12 month period.

The on-ground work was complemented by a community educational program. This included presentations, posters and a video to raise awareness of the threat posed by Cacti, and appropriate management techniques. TNRM worked with a range of stakeholders including the NTG Weeds Branch and the Alice Springs Regional Weeds Reference Group to coordinate activities and share data.



Finniss Reynolds Catchment Group

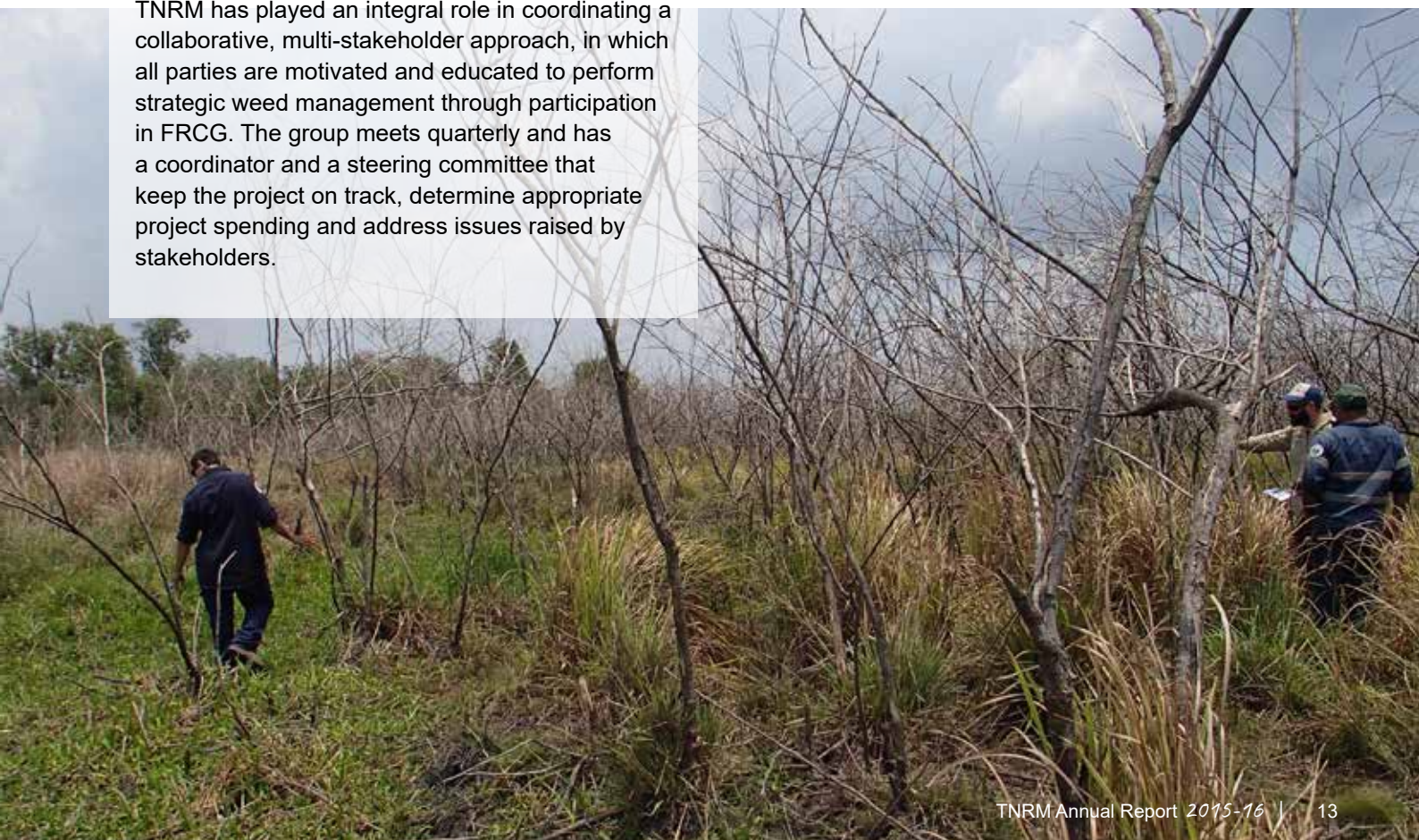
One of the Top End's biggest weed management projects is being carried out south-west of Darwin in a 5,500 square kilometre area characterised by two river systems. Known as the Finniss Reynolds Catchment area and home to the Finniss Reynolds Catchment Group (FRCG) this high biodiversity area faces threats from feral pigs and the invasive prickly floodplain weed, *Mimosa pigra*. The FRCG's activities are part of a long-term project established in 2011. The Australian Government has committed to funding the first five years of the project. The project is now in its fourth year and for the majority of its existence has been coordinated by TNRM.

FRCG project stakeholders include pastoral companies, which operate locally, the Bulgul Land and Sea Rangers who manage floodplain areas at the bottom of the catchments, the Northern Territory Government, which manages Litchfield National Park in the middle of the catchment, NT Land Corporation, and numerous private landholders who manage small properties around the town of Batchelor.

TNRM has played an integral role in coordinating a collaborative, multi-stakeholder approach, in which all parties are motivated and educated to perform strategic weed management through participation in FRCG. The group meets quarterly and has a coordinator and a steering committee that keep the project on track, determine appropriate project spending and address issues raised by stakeholders.

Over 2015-16 the FRCG:

- Achieved the third stage of feral pig culling, removing 584 pigs from the Bulgul floodplains. This brings total removal to 1501 since June 2014 and represents a near 70% reduction in pig numbers
- Combined stakeholder input with technical weed management advice to create a *Mimosa pigra* catchment plan for the Finniss and Reynolds catchments
- Used aerial spray to treat 19,388 hectares of *Mimosa pigra* over 10 properties, including treatment on three new properties
- Conducted a biodiversity audit on six properties, which identified multiple sightings of the threatened species the yellow spotted monitor (*Varanus panoptes*) and detected healthy levels of small mammals, contrasting with the mammal decline trend typically being observed across northern Australia
- Won the award for Best Community Group at the 2015 NT Landcare Awards



Feral animals such as cats, pigs, buffalos, camels and cane toads have a devastating effect on native plant and animal species. They can compete for food and shelter, destroy habitat and spread disease. They create costly problems for many agricultural businesses and private properties. Feral animals can degrade the environment, damage cultural sites and adversely impact on traditional harvest and livelihoods. TNRM supports the coordinated and strategic management of feral animals.

Controlling cats

In 12 months there have been significant efforts made in the control of feral cats, with TNRM supporting three projects across key regions of the Territory.

Li-Anthawirriyarra Sea Rangers, with the support of ecology experts Desert Wildlife Services, have continued a long-term project to remove feral cats from West Island, off the coast of Borroloola. Their successful efforts have resulted in the natural recovery of native small mammalian species on the island.

TNRM also continued support for feral cat and fox control method trials at the Australian Wildlife Conservancy's Newhaven Wildlife Sanctuary. The project, led by Desert Wildlife Services and in conjunction with the Nyirripi Rangers, resulted in the removal of several of these predators from the region, reducing the threat to Great Desert Skink populations in the area.

In a more urban setting, TNRM was involved in a Land for Wildlife program monitoring domestic cats in Alice Springs. A key aspect of this project was building community awareness of responsible cat ownership. By tracking and sharing spatial data showing both the range and the distances that domestic cats travel, as well as holding community awareness activities, pet owners and the community learned about the impact roaming pet cats can have on native wildlife.



Large-scale feral herbivore control at Wongalara

TNRM supported the efforts of the Australian Wildlife Conservancy to extend the existing herbivore free area by an additional 4,000 hectares to include the western sections of the Wilton River riparian zone. 189 feral herbivores were removed from within the destocked area. This included 105 donkeys from the new 4,000 hectare Wilton River fenced area. A total of 16 pigs, 11 buffalo and 20 cattle were removed from the remaining 100,000 hectare of feral herbivore-free area. The removal of feral animals, expansion of the feral herbivore free area and ongoing monitoring at permanent sites, both inside and outside the feral herbivore free area, has enhanced the broader ecological value of the area.



2015-16 ACTIVITIES PROGRAM 4 INDUSTRY ADOPTION OF SUSTAINABLE PRACTICES

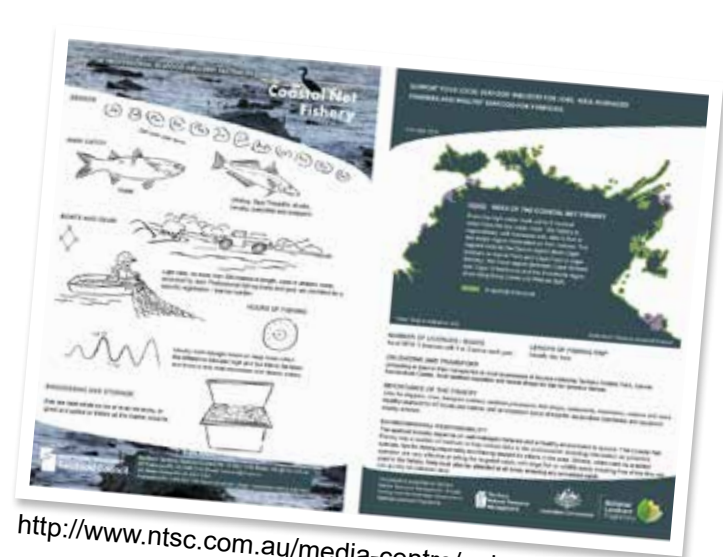
The key natural resource management objective for primary industries is to identify where sustainable practices can improve both profitability and environmental health. TNRM supports industry collaboration with NRM stakeholders to ensure efficient and sustainable practices are adopted and maintained.

Promoting understanding about sustainable seafood

TNRM supported the Northern Territory Seafood Council to develop a series of online and hard copy fact sheets.

A series of protected species fact sheets were developed to provide professional fishers with up to date information for sustainable fishing operations. The fact sheets were designed for use on fishing vessels to identify key protected species, and associated reporting requirements, and to provide handling and release tips to ensure animal and fisher safety.

managers. This project will assist fishers ensure their operations meet the best standards in environmental responsibility, as well as improve practical action and partnerships to address risks to threatened species.



<http://www.ntsc.com.au/media-centre/publications>

“ The Protected Species factsheets are just what we need to give our crew, to keep them up to date. They will also help show others that we fishermen have a strong interest in environmental initiatives in our industry ”

*Bill, professional
NT fisherman*

The NT Professional Seafood industry fact sheet series was designed for use in coastal Aboriginal communities and ranger groups to provide much needed current information about the professional fishing industry in NT coastal waters. The fact sheets were formatted for use in the field with a strong emphasis on pictorial information about the NT Wild catch, and aquaculture fishery industries.

The NT seafood council consulted extensively with communities and industry to ensure fact sheets were presented in an appropriate manner. Community engagement has led to the development of cross-sectoral relationships and knowledge sharing between fishers, Aboriginal rangers, communities, researchers and fisheries

Sustainable Agribusiness

Pastoralists in the Gulf Rivers region were supported to implement sustainable grazing land management practices. Following on from hosting last year's Business of Grazing course, TNRM facilitated additional training to encourage greater communication and increase pastoralist's awareness of the importance of pasture management. The training helped pastoralists develop their ability to identify grasses such as perennials, which can provide good options for natural resource management and supply year-round feed. Participants also learned how identifying key desirable perennials can be a highly important skill for understanding long-term land condition change.

2015-16 ACTIVITIES PROGRAM 5 WATER RESOURCES AND SOIL MANAGEMENT

Maintaining the health of the Territory's water and soil resources is vital given the increasing interest in improving the productivity of the pastoral sector, expanding irrigated agricultural ventures, and developing new aquaculture, mining, oil and gas projects. TNRM supports sharing knowledge and engaging with communities to inform best practice water and soil management.

Soil Wealth demonstration site

TNRM formed new relationships with horticultural industry stakeholders and promoted soil improvement techniques through the development of a Soil Wealth demonstration site.

Set up in the Top End region at Lambells Lagoon, the site provided local growers with access to trials while also providing networking opportunities with key industry experts. Participants learned organic approaches to retaining carbon in the soil, the role of microbiology in soil function and soil borne disease, and how to manage pests and disease in an integrated manner.

The trials focused on three key activities: the benefits of different types of cover cropping, the effects of row covers on pest management and crop health, and the use of biochar to address soil carbon deficiencies and water holding capacity.

With support from local growers David and Tamara Boehme, NT Farmers and Applied Horticultural Research, the project carried out soil testing, biomass estimates, yield counts and visual assessments to evaluate the benefits of the different trial scenarios. Results are still being generated and analysed, but early findings showed higher levels of organic matter and cation-exchange capacity in all but one biochar site, and higher yield counts where there was minimum disturbance to the soil structure.

“ It was great to see the site and we certainly learned a lot about horticulture in the NT. It almost feels like a different country, there are so many differences between here and our southern sites ”

Dr Jenny Ekman, Applied Horticultural Research

Darwin Harbour Clean-Up Day

About 1.6 million tonnes of rubbish was picked up and responsibly disposed of at the sixth annual Darwin Harbour Clean-Up Day in 2015. The event attracted 140 volunteers working across eight locations in and around the Darwin harbour and on 17 boats that travelled along the coastline.

TNRM is a major supporter of Darwin Harbour Clean-Up Day, which is organised by the Northern Territory Seafood Council. It aims to showcase how the seafood industry depends on a healthy marine environment and that rubbish can harm wildlife, the ocean and our coastlines.

Volunteers from dozens of local businesses, government, defence agencies and local community groups helped collect rubbish that included 3,000 cigarette butts, 2,000 metres of fishing line, 2,000 plastic bags, about 1,800 aluminium cans and plastic drink bottles, 10 shopping trolleys, and a homemade porta loo!

As part of its support of Darwin Harbour Clean-Up Day, TNRM coordinated a television and online media campaign, reminding the public about the dangers dumping rubbish poses in marine environments and encouraging people to 'bin it or take it with you'.



Conservation activities that tap into market opportunities can contribute to the prosperity of many Territorians, in particular Indigenous people and those who live in remote areas. TNRM supports developing the conservation economy and rural livelihoods through activities including carbon farming, rehabilitation of mine sites and degraded land, producing bush food and sustainable harvests, and wildlife and biodiversity enterprises.

Kakadu plum wild harvest

Wild harvest of Kakadu Plum is developing into a significant industry around the Wadeye region and across the Top End. Through support from TNRM and in collaboration with EcOz Environmental Consulting, Thamarrurr Rangers, Charles Darwin University researchers and the Wadeye Women's Centre - Palngun Wurnangat, best practice harvest methods were developed. A short film was produced to raise community awareness and inform picking protocols that harvesters must follow before fruit is purchased. More than 150 harvesters have successfully completed the best practice harvest protocol induction.

Rock Oyster seafood industry development

TNRM supported a partnership between the Darwin Aquaculture Centre, the Warruwi community on South Goulburn Island and the Pirlangimpi community on the Tiwi Islands to conduct trials farming tropical black-lip rock oyster. The partners developed protocols and management techniques to establish sustainable small-scale oyster enterprises for local consumption and for sale into Australian seafood markets. To further develop aquaculture workforce capacity TNRM supported the participants at Warruwi to create a training video. The project engendered community support and led to several local people undertaking formal aquaculture training. It is hoped this will allow them to pursue successful careers as they develop a sustainable, local seafood industry.



Carbon farming

TNRM produced a 'Carbon in the Northern Territory' booklet to provide land managers with an overview of greenhouse gas abatement opportunities in the Territory. The booklet provided information about the potential and suitability of land management activities that can generate Australian Carbon Credit Units, possibly providing additional income streams. The booklet explained the possibilities and challenges associated with emissions reductions activities, sequestration activities and potential future blue carbon and restoring rangelands activities. Online versions of the booklet remain freely available on TNRM's website.



2015-16 ACTIVITIES PROGRAM 7 MINIMISING ECOLOGICAL FOOTPRINTS OF DEVELOPMENT

The Territory is home to a rich diversity of natural resources and clear policy settings are needed to ensure any adverse environmental impacts from development projects are appropriately managed. TNRM is developing its capacity to offer environmental offset services, starting with the NT NRM Plan.

Using the NT NRM Plan as a strategic guide to a more sustainable future

The Territory's economic and social future are inextricably linked to maintaining a healthy and sustainable environment. This is clearly demonstrated in the 2016-2020 Northern Territory Natural Resource Management Plan.

While the NT is valued for its relatively intact natural environments, its future prosperity depends on continuing economic and infrastructure development. The Plan sets out strategies and objectives to support development in a way that minimises damage to our natural and human capital.

In cases where approved development cannot avoid causing some environmental degradation, this needs to be offset by an investment in programs to improve environmental conditions elsewhere. The Plan provides a clear direction for where offset programs could focus. TNRM will use the Plan as a strategic document to encourage and facilitate investment in natural resource management activities in the Northern Territory from a broad range of stakeholders.



2015-16 ACTIVITIES PROGRAM 8 MANAGING AND PROTECTING KEY NATURAL AND CULTURAL ASSETS

The NT is known for its magnificent natural landscapes, seascapes and deeply significant cultural values. TNRM supports the cooperative management of sites of natural and cultural significance.

Territory Conservation Agreements (TCAs)

TNRM has continued to expand its Territory Conservation Agreement (TCA) program, establishing five new TCA sites, covering 16,439 extra hectares, in the past 12 months. At the end of the financial year TNRM had 32 TCAs in place. Collectively, these sites encompassed more than 48,019 hectares of ecologically significant habitat, including wetlands and rivers, escarpment country and woodland.

The TCA program was established in 2011 to support land managers to voluntarily protect areas of conservation importance on their properties. TNRM has helped landowners, most of whom are pastoralists, conserve areas within their own properties by providing planning support and funding for the establishment of sites. Individual management plans are developed for each site, in collaboration with the landholder, and employing advice from industry experts. One of the reasons the TCA program has been so successful is that management plans address site specific threats including weed, fire, feral, erosion and stock impacts while being consistent with the landowners' primary production goals and activities. In several instances changes in practice in line with management plans have created additional benefits including increased efficiency of pastoral operations.

Territory Conservation Agreement sites are subject to annual monitoring and much of the habitat within earlier established sites is now showing signs of improvement. Largely due to the decrease in stock related impact observations indicate there have been increases in ground cover, improvements in water quality and even increased presence of threatened species such as Gouldian finches at some sites.

One of the TCAs established in 2015-16 was at Cow Creek Station, near Katherine. TNRM has supported the land holder to install fencing and alternate watering points to preserve the biodiversity values of 1,000 hectare of riparian habitat. The landholder will continue to manage fire, feral herbivores and weeds at the site and hopes that this will improve habitat for threatened and native species such as Gouldian finches.



2015-16 ACTIVITIES PROGRAM 9

KNOWLEDGE, CAPACITY AND ENGAGEMENT

Natural resource management draws on diverse types of land management knowledge including scientific, Indigenous and community-based knowledge. TNRM supports the sharing of best-practice advice as well as techniques, technologies and information that support sustainable natural resource management activities.

Indigenous NRM Traineeship Program

TNRM's Indigenous NRM Traineeship Program operates by providing structured training in the workplace to give trainees skills and nationally recognised qualifications in the NRM industry.

The Indigenous NRM Traineeship Program was set up by TNRM to support Indigenous organisations in hosting full-time Indigenous trainees.

During 2015-16 TNRM celebrated the achievements of its second Indigenous NRM graduate, Thomas Ahfat, and welcomed a new trainee, Steven Dawson. Thomas Ahfat graduated with a Certificate II in Conservation and Land Management and was offered employment with Indigenous Land Corporation at Fish River Station, where he did his training helping to manage and conserve the 180,000 hectare property that runs along the Daly River.

TNRM's new trainee, Steven Dawson, is keen to complete his Certificate III in Conservation and Land Management and Development and use his traineeship to develop his leadership and technology skills. Steven divides his time between TNRM, where he works closely with TNRM's Indigenous Project Support Officer, and Larrakia Nation Aboriginal Corporation, where he works as a Larrakia Ranger.



Regional forums and events

NRM hosted major forums with natural resource management stakeholders in various locations across each of its regions as well as supporting other significant forums within the NT. These events provided rare opportunities for a diverse mix of people and organisations interested in NRM to connect in person, and to develop and foster valuable networks.

TNRM Top End Regional Forum

TNRM hosted the Top End Regional Forum in June 2016 at Charles Darwin University (CDU) in Darwin. Approximately 45 people from various government agencies, community groups and research institutions attended.

Discussions and presentations included: an overview of the NT Natural Resource Management Plan 2016-2020; the relationship between Gamba Grass and fire; regional biodiversity in the Top End; the use of GIS and spatial data for NRM; wild harvest of native bush products and improving soil health; Kakadu plum harvest; and updates on projects by Friends of Fogg Dam, the Finnis Reynolds catchment group, Larrakia Rangers and NT Weeds Branch.

Participants and presenters came from the NT Department of Land and Resource Management, CDU, NT Parks and Wildlife, community Landcare groups, NT Farmers and TNRM.

TNRM Southern Regional Forum

TNRM hosted the Southern Forum at the Desert Knowledge Precinct in Alice Springs on 29th June, 2016. Each year TNRM hold a regional forum in the Southern NRM Region incorporating the Arid Lands and the Tablelands regions. 55 people attended the forum.

2015-16 ACTIVITIES PROGRAM 9 KNOWLEDGE, CAPACITY AND ENGAGEMENT

Presentations were given by Olive Pink Botanical Gardens, the NT Department of Primary Industries, Arid Edge Environmental Services, Rocky Hill Table Grapes, CSIRO, Land for Wildlife - Alice Springs, the Nakua Programme in the Pacific Islands and TNRM Regional Coordinators.

As part of the Forum, participants were also given an interpretive tour of the Desert Knowledge Precinct.

Discussions focused on the management of Buffel Grass, the work being conducted by Aboriginal Rangers in the Northern Tanami, developing sustainable food production in central Australia, achieving NRM outcomes through social enterprise and research being undertaken on the Plains Rat (*Pseudomys australis*).

TNRM Gulf Savanna Regional Forum

The TNRM Gulf Savanna Regional Forum was held in Katherine in December 2015. Around 25 people attended the forum where they learned about the role of TNRM including examples of Territory Conservation Agreements and TNRM Community Grants within the Katherine region. Presentations and discussions focused on the Katherine Regional Weed Management Plan, and how to manage weeds on small blocks during the wet season. Participants also learned about the NRM Spatial Hub and how it can be used to increase productivity, assist in environmental management and help improve carrying capacity calculations for small blocks and grass species identification. Further talks were held about the TNRM Neem Chemical Subsidy Project and how to identify and manage Neem.



East Arnhem Land Indigenous Ranger Forum

In the first week of June 2016 Dhimurru hosted the first East Arnhem Land Aboriginal Ranger Forum at Gulkula, NT. TNRM provided support for the three-day forum which brought together East Arnhem Land Aboriginal Rangers to meet face to face and share stories and experience. The Forum attracted over 140 participants including over 100 Aboriginal Rangers from 11 East Arnhem Land Ranger Groups. Other participants were representatives from government departments, Land Councils and Aboriginal organisations.

Ranger Groups presented to the larger group about the work they are undertaking such as managing weeds, feral animals and fire. They also discussed the importance of cultural viewpoints, especially in looking after sacred sites. It provided an opportunity for Rangers to present to the forum about their work and to learn about the challenges each group face locally, regionally and nationally.

Digital Story Telling Workshop

TNRM hosted a Digital Media Story Telling workshop in June 2016 which was held in Alice Springs. The course was designed to help NRM practitioners plan and produce compelling, interactive content to share with stakeholders and attract interest from new audiences. Participants learned how to develop a narrative, frame and capture footage on their mobile phones or tablets, use editing software to produce the video and upload the finished content online.

Spatial Science and Geographic Information System (GIS) knowledge

TNRM held a spatial science and GIS course in both Darwin and Alice Springs which attracted 24 people. The courses taught NRM practitioners how to produce maps for a range of activities such as weed management or controlled burns, especially to show areas before and after treatment. Key improvements within TNRM during the financial year included upgrading to Sentinel S2 imagery, and adopting SASPlanet software, which provides high resolution imagery.

NT GROUPS AND ORGANISATIONS AWARDED COMMUNITY GRANTS FOR NRM PROJECTS

A total of 19 community groups and organisations from around the Northern Territory were awarded \$467,000 in community grant funding to carry out a range of projects with environmental and production benefits.

Grants given in the 2015-16 financial year focused on helping protect threatened species, supporting the adoption of sustainable practices and getting the community involved in natural resource management activities.

Project	Group / Organisation	Grant
Making information accessible for identifying key Howard Sand Plains flora	Top End Native Plant Society Inc.	\$25,000
Integrating Emerging Parkinsonia Biocontrol Technologies on the Barkly Lakes	Australian Agricultural Company Ltd.	\$39,746
A Co-ordinated Bushfire Management Strategy for the Tennant Creek Region	Central Land Council	\$22,900
Barkly Grazing Land Management	Barkly Landcare & Conservation Association	\$39,901
Towards a sustainable mud crab fishery-stakeholder engagement and knowledge capture	Northern Territory Seafood Council	\$40,000
Soil: Sustaining our industry and livelihoods project	Centralian Land Management Association	\$33,700
Domestic Cat monitoring and awareness in Alice Springs	Low ecological Services-Land for Wildlife	\$24,995
Joint Ranger exchange program	Warddeken Land Management and Mimal Land Management Aboriginal Corporation	\$10,600
Alice Springs Roaming Cat prevention	Alice Springs Town Council	\$13,750
Engaging indigenous people in the management of Chinese apple	Indijico Pty Ltd.	\$25,000
Twin Hill Station planning for natural resource management	Twin Hill Aboriginal Corporation	\$25,000
Ludmilla Creek to the Sea - Increasing community engagement and capacity by improving habitat and community access	Ludmilla Creek Landcare Group	\$19,950
Fogg Dam Conservation Reserve weed control	Friends of Fogg Dam	\$10,000
Atlas moth collaborative project	Berry Springs Primary School	\$25,000
It's all about Food and Shelter - improving habitat diversity for threatened species	Greening Australia	\$25,000
Wardaman Gouldian Finch recovery	Northern Land Council	\$25,000
Banka Banka West managing Bilby and ecological assets	Indigenous Land Corporation	\$25,000
Developing cost effective predator control to protect threatened vertebrates in the arid NT	CSIRO	\$24,773
Preventing the spread of prickly acacia to maintain wetland habitat of international conservation significance	Buchanan Downs Station	\$12,000

CONFERENCE AND AWARDS

Each year TNRM hosts a conference and awards ceremony that is the only event of its kind in the Northern Territory. It brings together hundreds of people from all walks of life who are passionate about caring for our environment. The inclusive event allows people involved in natural resource management work to network, share and learn skills, and be recognised for the hard work they do. The event has also become a major generator of media coverage and public recognition for TNRM and NRM activities.

350 ATTENDED

the 7th annual TNRM Conference, held between 10 and 13 November, 2015

200 PEOPLE TOOK PART

in a range of fieldtrips and workshops

200 PEOPLE CELEBRATED

the achievements of NRM practitioners at an evening ceremony in which 9 NT NRM Awards and 8 NT Landcare Awards were awarded.

2015 Northern Territory Natural Resource Management Award Recipients

Best Collaboration in NRM: North Australian Fire Information

Individual NRM Champion: Tahnee Thompson

Agricultural NRM Champion: Indigenous Pastoral Program

Best Urban NRM group: Land for Wildlife – Garden for Wildlife, Alice Springs

Small business initiative in NRM: Wild Science

Indigenous NRM Champion(s): Christine Ellis

Research in NRM: Department of Land and Resource Management Flora and Fauna Division

Best NRM story: Arafura Swamp Rangers

People's Choice: Conservation Volunteers Australia

2015 Northern Territory Landcare Awards

Australian Government Individual Landcarer: Peter Latz

Australian Government Innovation in Sustainable Farm Practices: Rebecca and Steve Cadzow

Australian Government Landcare Facilitator or Coordinator: Vanessa Drysdale

Coastcare Award: Darwin Harbour Clean-Up Partners

Junior Landcare Team: Alawa Primary School

Indigenous Land Management: Crocodile Islands Rangers

Young Landcare Leader: Daniel Chapman

Landcare Community Group: Finniss Reynolds Catchment Group

THE BOARD

Chair

Clare Martin

Clare brings many years of political and media experience to the position of Chair of TNRM. For thirteen years she was a member of the Northern Territory Parliament with six of those years as the Chief Minister carrying a range of portfolios – treasurer, police, arts and tourism. Before politics, Clare was an ABC journalist and broadcaster. As well as Chairing TNRM, she is also the Chair of the NT/Kimberley Council of the Defense Reserves Support Council and a director of the Climate Institute. Clare is an occasional correspondent with the Saturday Paper.

Deputy Chair, Business Development and Communications chair

Dr Stephen Morton

Steve is an Honorary Fellow with CSIRO. He started his career as an ecologist with the Supervising Scientist at Jabiru, before moving to CSIRO in Alice Springs. He went on to become a member of the Executive Team of CSIRO, serving 7 years as Group Executive responsible for research in environment, energy, manufacturing, materials and minerals. Steve currently Chairs the Scientific Advisory Panel to the Lake Eyre Basin Ministerial Forum, is a Member of Council for the Australian Institute of Marine Science, is Chair of Arid Recovery at Roxby Downs in South Australia, Chairs the Steering Committee for the Threatened Species Recovery Hub, is a Board member of the Western Australian Biodiversity Science Institute, and is a Trustee for the Olive Pink Botanic Garden in Alice Springs. He lives in Alice Springs.

Public Officer, Finance and Audit Committee chair

Dr Brooke Rankmore

Brooke's enthusiasm and drive is reflected in her completion of an Australian Rural Leadership Program and her engagement in multiple areas of NRM, including pastoral and Indigenous issues. Brooke runs her own environmental consultancy business that largely assists pastoralists with environmental issues. She brings with her a practical scientific and conservation background along with a good understanding of the pastoral industry.

Board member

Ray Hall

Ray has been working in the environmental and NRM field in the NT for over 20 years. He currently owns and operates EcoOz Environmental Consulting, the NT's largest locally owned and operated environmental consulting business. Prior to this, Ray was involved with the Maningrida-based Djelk Rangers and the Bawinanga Aboriginal Corporation where his role focused on sustainable development of natural resources and the creation of employment opportunities. He has also previously been involved with the Landcare Council, the Bushfires regional councils and government. Ray is very interested in the social and economic aspects of NRM and environmental values and hopes to use his skills and experience to add value to the TNRM Board and its activities.

Board member (reappointed 4 Jan, 2016)

Sally Sullivan

Sally began her Territory life in 1987 as a Soil Conservation Officer based in Darwin, Katherine and then at Kidman Springs in the VRD for six years. Along with her husband Rohan and his family, Sally has been involved in the management of the family-owned Cave Creek Station near Mataranka since 1991. She is committed to sustainability in the cattle industry and brings to the Board a wealth of practical knowledge in weed and feral animal management, soil erosion control and conservation of native pastures, flora and fauna. While raising her family of five, Sally maintained a connection to NRM through authoring and editing technical publications. Sally has considerable experience in the management, accountability and governance of community organisations, for many years holding executive positions on the Roper River Landcare Group, Mataranka School Council and the NT State Council of the Isolated Children's Parents' Association (ICPA).

Board member

Rowan Foley

Rowan is the General Manager of the Aboriginal Carbon Fund, Chair of the National Indigenous Climate Change Steering Committee and member of the RIRDC Aboriginal and Torres Strait Islander Advisory Committee. Rowan is studying a Master of Environmental Law at the Australian National University. He is a ranger by trade and has consistently played a leadership role in Aboriginal land and sea management, and more recently climate change and carbon farming. Rowan was appointed to the TNRM Board in March 2011.

Board member

Kate Peake

Kate is a passionate advocate for the Northern Territory. She is a member of many northern Australian representative bodies and was formerly the Executive Officer of the NT Horticultural Association. In her current role as CEO of Regional Development Australia NT she works with a range of organisations to support the sustainable development of the Territory. A born and bred Territorian with experience across government and non-government roles, Kate is keen to secure a prosperous future for Territorians and she believes strongly in the need for locals to drive development through innovation and cross-sectoral collaboration.

Board member until 28 Aug, 2016

Mona Liddy

Mona sits on the Northern Australia Indigenous Experts Forum on Sustainable Economic Development, Daly River Management Advisory Committee (DRMAC) and the Daly River Aboriginal Reference Group (DRARG). Mona also worked on projects within the Tropical Rivers and Coastal Knowledge (TRaCK) Project. Mona was a founding member of the Aboriginal Research Practitioner's Network (ARNet) and School for Environmental Research (SER), Charles Darwin University. Mona enjoys bringing her new skills back to the community to enhance the 'old ways' and to enrich the community, in particular through the empowerment of women. Mona is a Facilitator of and participant in bush harvesting, Cross-Cultural Awareness, business, women's management

programs and meetings. Land Management projects she's involved in include sustainable development of bush and western herbal medicines; Traditional Wagiman Seasonal Calendar, a Wagiman Fish Poster, and traditional aromatherapy products. Mona is well-networked with broad expertise in community development, and experience working in water management, planning and research, including working with western science and Indigenous Knowledge.

Board member from 1 June, 2016

Dr Stephen Rogers

Steve commenced as the CEO of Centre for Appropriate Technology (CAT) in January 2015. He has most recently been the Science and Industry leader at the Australian Institute of Marine Science in Perth. He has also been the CEO and Managing Director of two Co-operative Research Centre's and Principal Research Scientist with CSIRO Land and Water. He is an experienced company director with a strong vision for CAT as a national organisation delivering the technology innovation needed to stimulate economic development across remote Australia.

BOARD MEETINGS ATTENDED

Director	3rd September 2015 Meeting #56	11 December 2015 Meeting #57	AGM #7	3rd March 2016 Meeting #58	17th June 2016 Meeting #59
Clare Martin (Chair)	1	1	1	1	1
Steve Morton (Deputy Chair)	1	1		1	1
Brooke Ranmore (Public Officer, FAC Chair)	1	1	1	1	1
Rowan Foley			1	1	1
Mona Liddy					
Sally Sullivan	1	1	1	1	1
Ray Hall	1	1	1	1	1
Kate Peake	1	1	1	1	1
Stephen Rogers					1
TOTAL ATTENDED	6	6	6	7	8

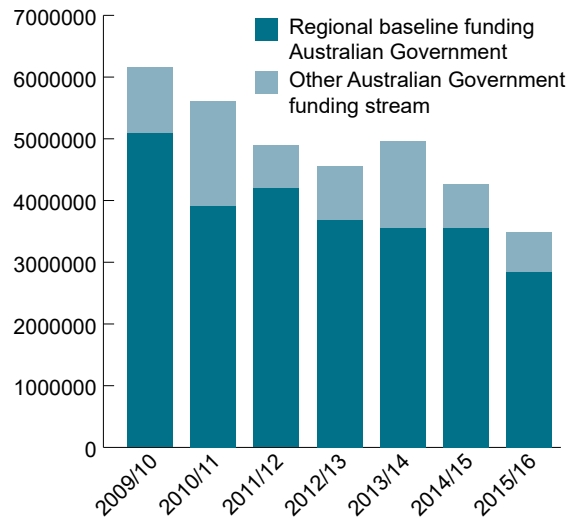


FINANCIAL OVERVIEW

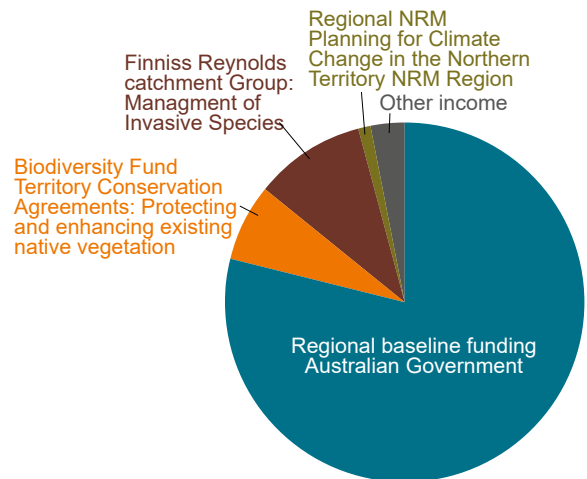
In the year that ended 30 June 2016, TNRM received almost \$3.5 million grant funding from the Australian Government, \$2.84 million of this funding was through Regional Baseline Funding. More than 40% of Regional Baseline funds were directly invested in community projects, contributing to National Landcare Programme outcomes. Funding agreements were established with 40 organisations to support 54 projects and events throughout the year. Indigenous and pastoral sectors were the main recipients of funds devolved directly to community organisations, with Land Councils and Indigenous organisations receiving 27% and Pastoral Landcare groups and Pastoralists receiving 24% of funds provided to the community.

As per Australian Charities and Not-for-profits Commission and NT Associations Act requirements, TNRM engages independent auditors to review the organisation's financial records on an annual basis. The audited Special Purpose Financial Report for Territory Natural Resource Management Inc. follows, along with a series of graphs representing financial activities for 2015-2016.

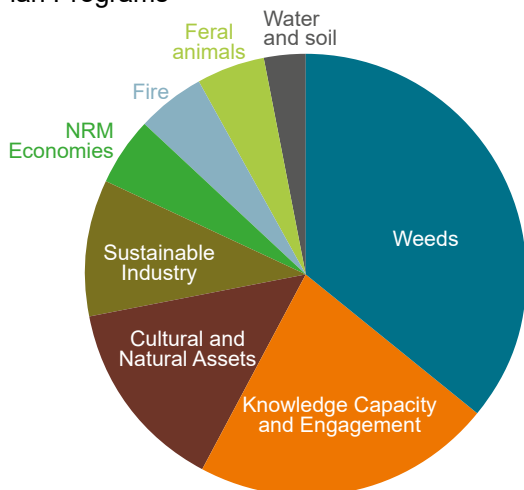
Income 2009-16



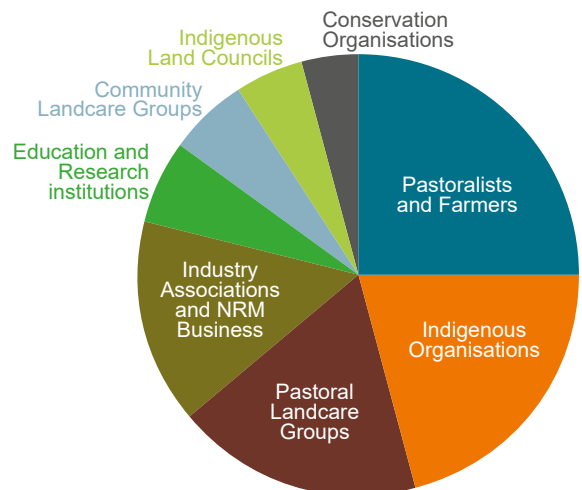
Income sources 2015/16



2015-2016 Expenditure against NT NRM Plan Programs



2015/16 Expenditure by type of recipient



Territory Natural Resource Management Incorporated

Special Purpose Financial Report

30 June 2016

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

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Territory Natural Resources Management Incorporated
Special Purpose Financial Report

Statement of financial position
as at 30 June 2016

	Note	2016 \$	2015 \$
Assets			
Cash and cash equivalents	4	2,103,586	2,561,918
Other receivables	5	2,440	19,500
Other assets	6	212,909	-
Prepayments		21,567	23,871
Total current assets		2,340,502	2,605,289
Office furniture and equipment	7	9,172	15,159
Total non-current assets		9,172	15,159
Total assets		2,349,674	2,620,448
Liabilities			
Trade and other payables	8	241,654	337,172
Provisions for employee benefits - current	9	173,914	119,987
Unexpended grants	10	1,571,741	1,750,692
Total current liabilities		1,987,309	2,207,851
Provisions for employee benefits - non current	9	40,029	106,783
Total non-current liabilities		40,029	106,783
Total liabilities		2,027,338	2,314,634
Net assets		322,336	305,814
Equity			
Accumulated funds		322,336	305,814
Total equity		322,336	305,814

The notes on pages 5 to 10 are an integral part of these financial statements.

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Statement of profit or loss and other comprehensive income for the year ended 30 June 2016

	Note	2016 \$	2015 \$
Income			
Interest income		37,005	46,802
Other income		121,407	131,053
Government grants		3,488,285	4,287,316
Total income		3,646,697	4,465,171
Depreciation and amortisation	7	5,987	5,691
Employee benefit expenses		1,407,898	1,548,731
Grants expended		1,755,839	2,045,353
Other operating expenses		639,402	513,339
Disbursement refund		-	2,326
Total expenses		3,809,126	4,115,440
Transfer from / (to) unexpended funds		178,951	(195,511)
Surplus for the year		16,522	154,220
Other comprehensive income		-	-
Total comprehensive income for the year		16,522	154,220

The notes on pages 5 to 10 are an integral part of these financial statements.

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Statement of changes in equity as at 30 June 2016

	Accumulated funds \$
Balance as at 1 July 2014	151,594
Surplus for the year	154,220
Balance as at 30 June 2015	<u>305,814</u>
Surplus for the year	16,522
Balance as at 30 June 2016	<u><u>322,336</u></u>

The notes on pages 5 to 10 are an integral part of these financial statements.

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Statement of cash flows for the year ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flow from operating activities			
Cash receipts from operations		3,626,752	4,379,305
Interest received		37,005	46,802
Cash paid to suppliers and employees		(3,909,180)	(4,119,116)
Net cash (used in) / generated from operating activities		(245,423)	306,991
Cash flow from financing activities			
Investments in term deposits		(212,909)	-
Net cash used in financing activities		(212,909)	-
Net (decrease) / increase in cash and cash equivalents		(458,332)	306,991
Cash and cash equivalents at 1 July		2,561,918	2,254,927
Cash and cash equivalents at 30 June	4	2,103,586	2,561,918

The notes on pages 5 to 10 are an integral part of these financial statements.

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Notes to the financial statements

1 Reporting entity

Territory Natural Resource Management Incorporated (the Association) is an entity domiciled in Australia. The principal place of business of the Association is Level 1, 16 Bennett Street, Darwin NT 0800. Territory Natural Resource Management Incorporated is a not-for profit entity and was established in order to implement a strategic approach to natural resource management through the Northern Territory Integrated Natural Resource Management (NT INRM) Plan.

In the opinion of the Management Committee, the Association is not a reporting entity because there are unlikely to exist users of the financial report who are unable to command the preparation of a report tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the Management Committee's reporting requirements under the Northern Territory Associations Act and the Association's Constitution.

2 Basis of preparation

(a) Statement of compliance

The special purpose financial statements have been prepared in accordance with the requirements of the Northern Territory Association Act and the Association's Constitution and measurement and classification aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB).

The special purpose financial statements include only the disclosure requirements of the following AASBs and those disclosures considered necessary by the Management Committee to meet the needs of members:

- AASB 101 Presentation of Financial Statements
- AASB 107 Cash Flow Statements
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1048 Interpretation and Application of Standards
- AASB 1054 Australian Additional Disclosures

(b) Basis of measurement, functional and presentation currency

The financial statements have been prepared on the historical cost basis and are presented in Australian dollars, which is the Association's functional currency.

(c) Use of judgments and estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other source. Actual results may differ from these estimates. The Association has consistently applied these accounting policies.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The accounting policies set out below have been applied consistently to all periods presented in the financial

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Notes to the financial statements

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied by the Association.

(a) Revenue and other income

(i) *Grant and donation income*

Grant and donation income is recognised when the entity obtains control over the funds or the right to receive the assets, it is probable that the future economic benefits comprising the asset will flow to the Association, and the amount can be reliably measured.

Government grants are assistance by the government in the form of transfers of resources to the Association in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Unexpended funds at year-end are reflected in the statement of financial position as a liability, as these will be returned to the funding body.

(ii) *Interest income*

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

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

(b) Cash and cash equivalents

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

(c) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Receivables are usually due for settlement no more than 30 days from date of recognition.

(d) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Any gain and loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Association.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset.

The estimated useful life of office furniture and equipment is between 4 - 10 years (2015: 4 -10 years). Management reviews the useful lives of its office and furniture equipment annually and aligns them with the current average estimates.

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Notes to the financial statements

3 Significant accounting policies (continued)

(e) Impairment of assets

At the end of each reporting period, the Association reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

(f) Payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year which remain unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(g) Provisions

Provisions are recognised when the Association 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 at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Tax status

The Association is tax exempt under Division 50 of the Income Tax Assessment Act 1997, a non-profit association and charitable institution.

(i) Leased asset

Leases where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the Association, are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor are recognised in profit and loss in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rent arising under operating leases are recognised as an expense in the period in which they are incurred.

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Notes to the financial statements

3 Significant accounting policies (continued)

(j) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these financial statements. Those which may be relevant to the Association are set out below. The Association does not plan to adopt these standards early.

AASB 9 Financial Instruments (2014)

AASB 9 replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018 with early adoption permitted. The Association is assessing the potential impact on its financial statements resulting from the application of AASB 9.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2017 with early adoption permitted. The Association is assessing the potential impact on its financial statements resulting from the application of AASB 15.

AASB 16 Leases

AASB 16 removes the lease classification test for lessees and requires all the leases (including operating leases) to be brought onto the balance sheet. The definition of a lease is also amended and is now the new on/off balance sheet test for lessees.

AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted where AASB 15 Revenue from Contracts with Customers is adopted at the same time. The Association is assessing the potential impact on its financial statements resulting from the application of AASB 16.

Territory Natural Resources Management Incorporated
Special Purpose Financial Report

Notes to the financial statements

	2016	2015
	\$	\$
4 Cash and cash equivalent		
Cash at bank	2,103,377	2,561,709
Cash on hand	209	209
	<u>2,103,586</u>	<u>2,561,918</u>
<i>Reconciliation of cash flows from operating activities to profits adjusted for working capital movements:</i>		
Surplus for the year	16,522	154,220
Adjustments for depreciation	5,987	5,691
Change in other receivables	17,060	(19,500)
Change in prepayments	2,304	(19,564)
Change in trade and other payables	(95,518)	(32,553)
Change in provisions	(12,827)	23,186
Change in unexpended grants	(178,951)	195,511
Net cash (used in) / generated from operating activities	<u>(245,423)</u>	<u>306,991</u>
5 Other receivables		
Other receivables	<u>2,440</u>	<u>19,500</u>
6 Other assets		
Term deposits	<u>212,909</u>	-
	<u>212,909</u>	-
7 Office furniture and equipment		
Cost	51,542	51,542
Accumulated depreciation	(42,370)	(36,383)
	<u>9,172</u>	<u>15,159</u>
Carrying amount at beginning of year	15,159	20,850
Depreciation	(5,987)	(5,691)
Carrying amount at end of year	<u>9,172</u>	<u>15,159</u>

Territory Natural Resources Management Incorporated
Special Purpose Financial Report

Notes to the financial statements

	2016	2015
	\$	\$
8 Trade and other payables		
Trade payables	85,341	227,503
Accrued expenses	43,732	63,482
Goods and services tax payable	61,990	19,005
Other payables	50,591	27,182
	<u>241,654</u>	<u>337,172</u>
9 Provisions for employee benefits		
<i>Current</i>		
Provision for annual leave	<u>173,914</u>	<u>119,987</u>
<i>Non-current</i>		
Provision for annual leave	-	28,459
Provision for long service leave	40,029	78,324
	<u>40,029</u>	<u>106,783</u>
10 Unexpended funds		
Balance as at beginning of year	1,750,692	1,555,181
Funds received during the year	3,646,697	4,465,171
Funds expended	(3,825,648)	(4,269,660)
	<u>1,571,741</u>	<u>1,750,692</u>
11 Operating lease commitments		
Less than one year	168,613	178,647
One to five years	397,693	479,682
	<u>566,306</u>	<u>658,329</u>
<p>Operating leases relate to the lease of motor vehicles and office space. The Association does not have the option to purchase the leased vehicle or the office space at the end of the lease period.</p>		
12 Remuneration of auditors		
KPMG Darwin		
- Audit of the financial report	24,580	23,000
- Assistance with preparation of financial statements	5,600	5,400
- Audit of acquittal statements	11,400	26,000
	<u>41,580</u>	<u>54,400</u>

Territory Natural Resources Management Incorporated

Special Purpose Financial Report

Statement by the Management Committee for year ended 30 June 2016

In our opinion:

- (a) the accompanying financial report as set out on pages 1 to 10, being a special purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2016 and the results of the Association for the year ended on that date;
- (b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

We confirm the following:

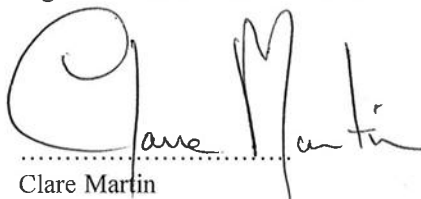
- (a) The names of the committee members of the Association during the relevant financial year were:

Clare Martin	Chair
Stephen Morton	Deputy Chair / Director
Brooke Rankmore	Public Officer and Chair (Finance and Audit Committee)
Rowan Foley	Director
Sally Sullivan	Director
Ray Hall	Director
Kate Peake	Director
Stephen Rogers	Director
Mona Liddy	Director

Mona Liddy resigned her position effective 28 August 2015. Stephen Rogers was appointed as a Director to the Board 1 June 2016.

- (b) The principal activities of the Association during the financial year were:
 - Territory Natural Resource Management Incorporated (TNRM) is one of 56 regional organisations that play a key role in managing Australia's natural resources;
 - TNRM works in partnership with farmers, landholders, and community groups, non government and indigenous organisations, governments and business to secure our farming resource base; and protect the natural environment.
 - The mission of the TNRM is focused on helping the Northern Territory's Natural Resource Management (NRM) community meet their aspirations. It does this by implanting a strategic approach to NRM through the NT Integrated Resource Management Plan using funding from the Australian Government.
- (c) The net surplus of the Association for the relevant financial year was \$16,522 (2015: \$154,220).

Signed in accordance with a resolution of the Association:



Clare Martin
Chairperson
11/10/2016



Brooke Rankmore
Public Officer
11/10/2016



Independent audit report to the members of Territory Natural Resource Management Incorporated

Report on the financial report

We have audited the accompanying financial report of Territory Natural Resource Management Incorporated (the Association), which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 10 comprising a summary of significant accounting policies and other explanatory notes.

The Management Committee's Responsibility for the Financial Report

The Management Committee of the Association is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in note 2 to the financial report is appropriate to meet the requirements of the Associations Act (Northern Territory), the Association's constitution and are appropriate to meet the needs of the members. The Management Committee's responsibility also includes such internal control as they determine necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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 Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in note 2 to the financial statements so as to present a view which is consistent with our understanding of the Territory Natural Resource Management Incorporated's financial position, and of its performance and cash flows.

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 Australian professional accounting bodies.

Audit Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Territory Natural Resource Management Incorporated as of 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in notes 2 and 3 to the financial statements.



Basis of Accounting

Without modifying our opinion, we draw attention to note 2 to the financial report which describes the basis of preparation. The financial report has been prepared to assist Territory Natural Resource Management Incorporated to meet the requirements of the Associations Act (Northern Territory) and the Association's constitution. As a result the financial report may not be suitable for another purpose. Our report is intended solely for Territory Natural Resource Management Incorporated and should not be distributed to or used by parties other than Territory Natural Resource Management Incorporated. We disclaim any assumption of responsibility for any reliance on this report, or on the financial report to which it relates, to any person other than the Management Committee of Territory Natural Resource Management Incorporated or for any other purpose than that for which it was prepared.

A handwritten signature in blue ink, appearing to read 'KPMG'.

KPMG

Darwin

11 October 2016



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