

**Aboriginal Legal Service
of Western Australia Limited**

ACN 617 555 843



LOOKING FORWARD...



Annual Report 2017



About the Artist - Front Cover Image

Gordon Syron is an acclaimed Aboriginal Artist who grew up at Minimbah, on the mid-north coast of NSW.

The 11th of sixteen children, he is greatly respected for the contributions that he has made to the arts industry, both as an artist, and as a teacher over many decades.

His renowned painting "Judgement By His Peers" was chosen as the front cover of this Annual Report for its powerful imagery of a non-Indigenous defendant facing an all Aboriginal judge and jury.

It stands in stark contrast to the injustice faced by Aboriginal people, who remain disadvantaged, discriminated against, over-policed and over-represented within Western Australia's courts and prisons.

"Judgement By His Peers" was painted almost forty years ago in 1978, while Syron was serving a life sentence for killing a white man over his family's land.

Imprisoned from 1972 to 1982, he taught himself to paint and even held his first solo exhibition in Redfern, being escorted to and from the exhibition by a prison guard. Its' success lead to Syron beginning to paint about the living conditions of Aboriginal people in the Northern Territory.

Upon release from prison, he and Bobby Merritt co-founded the Eora Visual and Performing Arts College in Redfern, where Syron became the first teacher.

In the early 1990's Syron painted a major series of 20 large canvases with the theme of Aboriginal Deaths in Custody which were exhibited at NSW Parliament House in 1996.

To this day, Gordon Syron remains an extremely relevant artist whose works continue to share the plight of Aboriginal peoples and the injustice that so many of our people have faced and continue to face today.

The National Museum of Australia hold a major collection of the work of Gordon Syron and he is acknowledged for the significant role that he plays in the growth of Aboriginal art development.

The Aboriginal Legal Service of WA gratefully acknowledges Gordon Syron for the use of "Judgement By His Peers" as the front cover of our 2017 ALSWA Annual Report.

Gordon is also The Founder and Artist of the Keeping Place Collection and more information about this can be found at www.keepingplace.net.au and more about Gordon Syron at www.gordonsyron.com



Contents

Chairperson's Message	2	Media	24
Looking Forward Looking Back	3	Community Legal Education	26
Governance	4	Sorry Day	29
About Our Board	5	From Past to Present: The Changing Face of the Law in Western Australia	30
Our Activities	6	Happy Snaps	31
Who Are We	7	Tributes	33
Quick Facts	9	Chief Financial Officer	34
Chief Executive Officer	11	Financial Report	35
Uluru Statement From The Heart	13	Additional Information	62
Director Legal Services	14	Corporate Directors	64
Youth Engagement Program	22		
NATSIL's Employee of the Year	23		

Acknowledging our People - Past, Present and Future

The Aboriginal Legal Service of Western Australia Limited (ALSWA) acknowledges the Traditional Custodians of the Lands on which our offices operate.

Cultural Warning

Aboriginal and Torres Strait Islander readers are warned that this Annual Report contains images and names of people who have passed away.

Chairperson's Message



Michael Blurton

As the Chairperson of the Aboriginal Legal Service of Western Australia (ALSWA), it gives me great pride to present the first of our annual reports as a Company Limited by guarantee.

The past twelve months has been a time of great transition as our organisation has moved from an incorporated body to a company limited.

This 2017 report heralds a new beginning for our service, but as we look forward, we also look back to remember our strong history and beginnings in Western Australia almost forty-five years ago.

So much work has been going on behind the scenes to get us to where we are today, and I am extremely proud of my fellow board members for the expertise and skills they bring to their roles.

Our dedicated executive management team and staff have worked tirelessly and continue to do our organisation proud.

As a Noongar, I am also proud to have shared in the history and growth of ALSWA, in my current role as Chairperson and as the former ALSWA President (2006, 2007, 2012 to 2017). I am also a former staff member of ALSWA and therefore have a great understanding of the complex issues that face Aboriginal and Torres Strait Islander Peoples within this state's criminal justice system.

To our community members, I encourage you to become a member of our organisation. A membership form and more information can be found on our website www.als.org.au

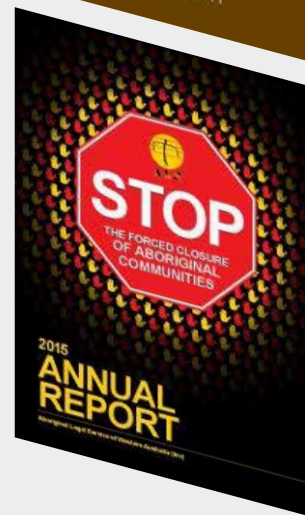
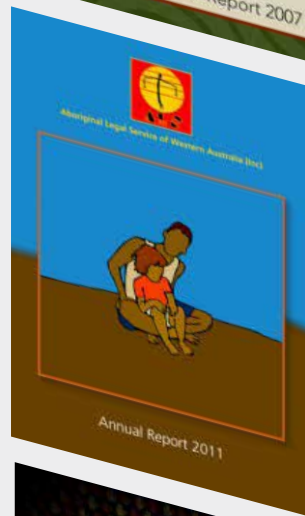
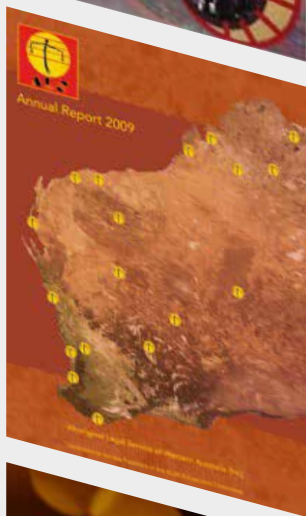
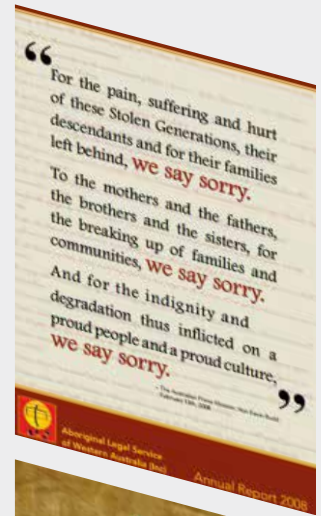
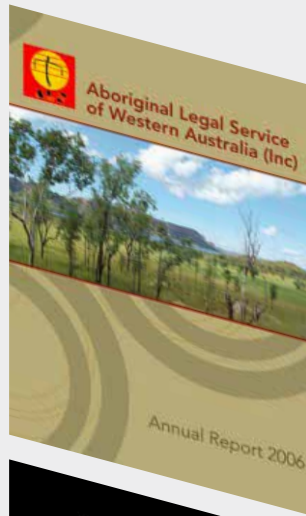
We will continue to serve our community members through providing a high quality legal service that caters to the legal needs of our people.

We invite you to share our journey as a member and look forward to the next phase of the ALSWA journey.

Michael Blurton

Chairperson

Looking Forward Looking Back



Governance



L-R ALSWA Board Members Donald Abdullah, Michael Blurton, Glen Colbung, Kathy Watson, Paul Baron, Jim Lewis, with ALSWA Executive Management Team Peter Collins, John Bedford and Dennis Eggington, PA to CEO Bronagh Morgan, and ALSWA Company Secretary John Poroch. RIGHT: Board Member Preston Thomas



Aboriginal Legal Service of Western Australia Limited (ALSWA) was registered with the Australian Securities and Investment Commission as a public company limited by guarantee on 10 March 2017 and is governed by an Aboriginal board.

The board consists of five elected directors and two co-opted directors who commit time, cultural and business expertise to provide leadership and governance. The board has been involved in governance training and development courses throughout the year.

The skills and expertise of ALSWA's board and executive management team have played a major role in improving ALSWA's corporate governance and operation with the development and implementation of a new constitution and company structure.

As a consequence of the creation of ALSWA's new constitution and company structure, ALSWA's board and executive management team have overseen the introduction of improved governance and operational processes.

Their hard work has been vital during ALSWA's transition from an incorporated body to a Company Limited by guarantee.



About Our Board

Our board members bring a wealth of experience and knowledge to our organisation and we are extremely proud of their commitment in advancing the operations of the Aboriginal Legal Service of Western Australia Limited.

CHAIRPERSON

Michael Blurton (Central) is a Ballardong Noongar from Quairading who has spent over fourteen years on ALSWA's Committee, seven as President. We are grateful for Michael's long involvement in this organisation which spans back to the 1970's when he worked as an ALSWA Field Officer. He remains dedicated to striving for justice for Aboriginal and Torres Strait Islander Peoples.

VICE-CHAIRPERSON

Glen Colbung (South West) is a deeply committed Noongar from Albany who has been actively involved in ALSWA for over twenty years. He is a strong advocate who continually strives to ensure that Aboriginal people have access to justice through the maintenance of a strong and effective legal service. A former ALSWA President, Glen brings a wealth of knowledge to our board.

Jim Lewis (East Kimberley) is a Gija man from Wyndham whose skills greatly enhance the

future direction of ALSWA. Jim is passionate about social justice, access and equity, and creating sustainable pathways for Communities through the creation of employment and business opportunities.

Kathy Watson (West Kimberley) is a strong Nyngina and Gidja woman whose local knowledge has assisted many people within the court and justice system. She is dedicated to promoting culturally appropriate policies and procedures within court matters and addressing the legal issues faced by many Aboriginal people.

Paul Baron (Murchison Gascoyne) is a Yamatji from Carnarvon who plays a vital role in the ongoing re-structure and future direction of ALSWA. He brings many skills to our organisation and Paul is a welcome addition to the ALSWA board.

Donald Abdullah (Goldfields) is a Wongi from Esperance who has been part of the ALSWA Executive since 2015. He is greatly committed to Community, and is supportive of keeping young people out of prison and ensuring there is support available for victims of domestic violence.

Preston Thomas (Central Desert) is from Laverton and has lived in the Kanpa Community, close to the Warburton Community, for over twenty years. He has a long association with ALSWA and is committed to ensuring that ALSWA's work plays a pivotal role in bringing about positive change for Aboriginal people.

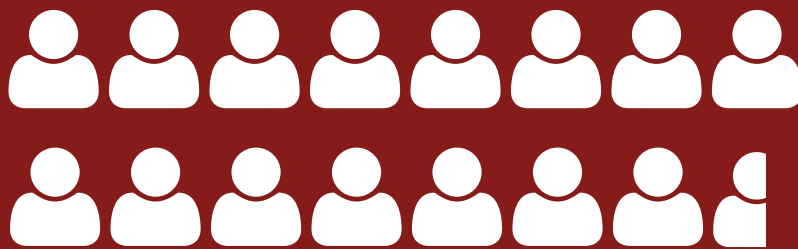
More details about our Board members can be found on Page 35 of this report.

Our Activities

During the year ended 30 June 2017 legal services were delivered in a professional and Culturally appropriate manner for the benefit of over 15,000 clients.

No. Clients Assisted

15,738



2016-2017

Law Type

2,784 Civil

23,125 Criminal

1,603 Family

2 Inquests
(Death in Custody)

27,514 Grand Total

Matters Undertaken - 2016/2017

6,051 Advice Matters

15,590 Case Matters

5,873 Duty Matters

27,514 Grand Total



Who Are We

The Aboriginal Legal Service of Western Australia Limited is a not for profit public company limited by guarantee and a Public Benevolent Institution. We have 13 offices and over 100 staff across Western Australia assisting in criminal, family and civil/human rights law. Our history of striving for justice for Aboriginal and Torres Strait Islander Peoples spans over forty years.

OUR PURPOSE

ALSWA works in collaboration and partnership with our communities and key government and non-government partners to rectify legal policies and practices that impact adversely and disproportionately on the legal and human rights of Western Australia's First Peoples under Australian Law.

OUR VISION

Justice for Western Australia's First Peoples

OUR VALUES

The cultural values of Care, Share and Respect form the foundation of our organisation and underpin our commitment to our clients, their families and communities.

At ALSWA:

- We **Care** for the human and legal rights, safety and psychological well-being of clients, their families and communities.
- We **Share** a common understanding of client problems, issues, challenges and needs and diligently strive to deliver the highest quality legal services.
- We **Respect** the cultural diversity, values and beliefs of our clients and sustain the delivery of confidential, innovative, professional, culturally proficient legal services.

OUR GUIDING PRINCIPLES

Guiding Principles

Human Rights

The Articles contained in the United Nations Declaration on the Rights of Indigenous Peoples underpin everything we do.

Lore

We acknowledge, value, honour and respect Customary lore. Our lore is not compromised or devalued in the delivery of our services.

Leadership

Our decisions and actions are guided by strong cultural knowledge, leadership and governance.

Integrity

Our integrity is measured by the way we put our values into action and through the accountable, open, honest and ethical business and management systems we sustain.

Diversity

Our value and respect for diversity is acknowledged across our communities, reflected in the composition of our executive and staff and through the sensitive way in which we deliver our services.

Unity

We work in unity and share a mutual responsibility, dedication, commitment and passion for the delivery of high quality services to our clients.

OUR SERVICES

ALSWA provides assistance with criminal law, family law, civil and human rights law, policy and law reform and community legal education.

These services are offered and delivered through the following programs:

- Indigenous Legal Assistance Program
- Indigenous Case Fund
- Youth Engagement Program

OUR ROOTS

Our growth and development would not have been possible without the support of our communities and the dedicated services and work of countless executive and staff members since our inception in the late 1960s.

We remain indebted to the dedication and earlier pioneering work of the Justice Committee of the New Era Aboriginal Fellowship Inc from the late 1960s.



Quick Facts



Western Australia has an area of approximately
2,646,000 square kilometres.
That is greater than the land area of Western Europe

95% funding

ALSWA is dependent on funding grants and donations to provide and maintain delivery of legal services. 95% of our funding is provided by the Commonwealth Attorney General's Department

ALSWA has around

100 staff (40% are Aboriginal)

to deliver and manage legal services to Aboriginal and Torres Strait Islander Peoples throughout Western Australia

ALSWA has offices in **Perth (Head Office), Albany, Broome, Bunbury, Carnarvon, Fitzroy Crossing, Geraldton, Halls Creek, Kalgoorlie, Kununurra, Meekatharra, Northam and South Hedland**

ALSWA was established in 1975

to meet a growing need for Aboriginal and Torres Strait Islander Peoples to have access to justice

ALSWA clients are some of the state's

most disadvantaged people

Aboriginal people are

over-policed and over-represented

in the criminal justice system

Aboriginal people are

more likely to be questioned by police

than non-Indigenous counterparts

In Western Australia, Aboriginal people are

imprisoned at a higher rate

than anywhere else in the country (4011 people per 100,000)

We

acknowledge and respect

the diversity of our Aboriginal and Torres Strait Islander Peoples as two distinct Cultural groups, clan structures, language and family groups and deliver services in accordance with our

traditional values, lore and customs

ALSWA works in

collaboration and partnership

with Communities and key government and non-government partners to

rectify legal policies and practices

that impact

adversely and disproportionately

on the legal and human rights of Western Australia's First Peoples under Australian Law.

ALSWA undertakes approximately

27,000 legal matters

each year in criminal, family and civil/human rights law matters



Chief Executive Officer



Dennis Eggington

I am pleased to present my report for the 2016/2017 annual report. This period heralds a new legacy for our organisation.

On 10th March 2017, the Aboriginal Legal Service of Western Australia Limited (ALSWA) was registered with the Australian Securities and Investment Commission as a public company limited by guarantee.

While being a requirement to be able to access Commonwealth funds, our Board embraced this change, viewing it as an opportunity to take our great organisation into the future. Reforms were based on the principle of self-determination.

Unfortunately we were not able to carry our previous memberships across, so if you are not a member of our new company I would encourage you to contact us to be a part of this exciting new beginning.

It is imperative that our company continues to be Aboriginal owned and controlled. To this end we will strive to ensure community engagement is solid, active and an integral part of how we operate. This will be the only way that our cultural security, integrity and values are maintained. After all, this is what self-determination is all about.

We have all witnessed the continued attacks on our peoples and our communities by individuals, corporations and governments. Any changes to the corporate governance and strategic direction of an organisation presents challenges, but we are confident that our organisation is well equipped to meet these challenges and place ALSWA in a strong position for the future.

Our foundation stone of self-determination and governance will ensure that our organisation is an example of strength to our people and ultimately creates a better Australia for everyone.

As ALSWA's CEO since 1996, I am proud to have been part of ALSWA's journey over many years. I extend a very big 'thank you' to our dedicated staff who continue to provide the very best service to our community. This level of support and dedication continues to reflect our proud history. Special acknowledgement also goes to our executive management team and to our board members who provide the leadership and guidance required for ALSWA to continue to be the great organisation that we are.



On a sad note, we have lost some very special people over the past year, with the passing of Ms Janet Hayden, Mr Paul Sampi and Mr John Green. These respected Elders have each played an important role in ALSWA's history and we are extremely grateful for their friendship and guidance over the years and will miss them dearly. Our tribute to each can be seen on page 33.

We also acknowledge the passing of Mr Marc Newhouse, who dedicated many years to working alongside our people in his capacity as former Chair of the Deaths in Custody Watch Committee (WA), now known as the First Nations Deaths in Custody Watch Committee. His efforts and commitment were second to none.

For our ongoing work within Western Australia's justice system, we look forward to the journey ahead. We are firmly focused upon looking forward and invite you to share in this journey with us.

There are exciting times ahead and new beginnings for us all and I encourage you to read the landmark Uluru Statement From the Heart which calls for the establishment of a First Nations voice enshrined in the Australian Constitution (see next page).

I trust that this annual report will provide you with a greater insight into the unique and vital role that the Aboriginal Legal Service of Western Australia Limited plays within this state's justice system.

Dennis Eggington
Chief Executive Officer



Uluru Statement

From The Heart

We, gathered at the 2017 National Constitutional Convention, coming from all points of the southern sky, make this statement from the heart:

Our Aboriginal and Torres Strait Islander tribes were the first sovereign Nations of the Australian continent and its adjacent islands, and possessed it under our own laws and customs. This our ancestors did, according to the reckoning of our culture, from the Creation, according to the common law from 'time immemorial', and according to science more than 60,000 years ago.

This sovereignty is a *spiritual notion: the ancestral tie between the land, or 'mother nature', and the Aboriginal and Torres Strait Islander peoples who were born therefrom, remain attached thereto, and must one day return thither to be united with our ancestors. This link is the basis of the ownership of the soil, or better, of sovereignty.* It has never been ceded or extinguished, and co-exists with the sovereignty of the Crown.

How could it be otherwise? That peoples possessed a land for sixty millennia and this sacred link disappears from world history in merely the last two hundred years?

With substantive constitutional change and structural reform, we believe this ancient sovereignty can shine through as a fuller expression of Australia's nationhood.

Proportionally, we are the most incarcerated people on the planet. We are not an innately criminal people. Our children are alienated from their families at unprecedented rates. This cannot be because we have no love for them. And our youth languish in detention in obscene numbers. They should be our hope for the future.

These dimensions of our crisis tell plainly the structural nature of our problem. This is *the torment of our powerlessness.*

We seek constitutional reforms to empower our people and take a rightful place in our own country. When we have power over our destiny our children will flourish. They will walk in two worlds and their culture will be a gift to their country.

We call for the establishment of a First Nations Voice enshrined in the Constitution.

Makarrata is the culmination of our agenda: *the coming together after a struggle.* It captures our aspirations for a fair and truthful relationship with the people of Australia and a better future for our children based on justice and self-determination.

We seek a Makarrata Commission to supervise a process of agreement-making between governments and First Nations and truth-telling about our history.

In 1967 we were counted, in 2017 we seek to be heard. We leave base camp and start our trek across this vast country. We invite you to walk with us in a movement of the Australian people for a better future.

Director Legal Services



Peter Collins

High Quality Legal Assistance

Workloads remain gruelling, the daily grind sometimes unremitting and the challenges posed by over policing practices and unjust laws enormous; yet ALSWA lawyers and court officers have achieved excellent results for clients in all areas of ALSWA's legal practice.

ALSWA's involvement in the Ms Dhu Coronial Inquest is an example of the high quality legal assistance provided by ALSWA to its clients.

ALSWA acted for the mother and grandmother of Ms Dhu at the Inquest.

The findings and recommendations of the State Coroner in relation to the death in police custody of Ms Dhu were delivered in late 2016.

Many of the suggested findings and recommendations made by ALSWA in its written submissions were adopted by the State Coroner.

Key findings and recommendations included:

- that WA Police undergo mandatory cross-cultural competency training to assist in their dealings with Aboriginal persons and to understand their health concerns;
- that it be a standard procedure for all police officers transferred to a location with a significant Aboriginal population to receive comprehensive cultural competency training, tailored to reflect the specific issues, challenges and health concerns relevant to the location;
- that Parliament consider whether legislative change is required in order to allow medical clinicians to provide police with sufficient medical information to manage a detainee's care whilst in police custody. Allied to this is a consideration of the safeguards concerning that information.
- that the relevant fines enforcement legislation be amended to prohibit imprisonment as an option for enforcing payment of fines or if imprisonment is to remain an option, a Magistrate should be authorised to make orders other than imprisonment if appropriate.
- Introducing community work orders and expanding the use of work and development orders, as alternatives to imprisonment.
- Fine defaulters should be transported to the nearest prison within four to eight hours of their arrest by police, where the transport time does not exceed the detention period.
- The introduction of a Custody Notification Service warrants further consideration.



L-R Ruth Barson from the Human Rights Law Centre and ALSWA's Ashley Truscott (Civil/Human Rights Unit Lawyer) Peter Collins (Director Legal Services) and Paul Gazia (Managing Lawyer Civil/Human Rights Unit) outside the Central Law Courts in December 2016 after the Coroners Findings into the death of Ms. Dhu were handed down

Challenges Faced by Aboriginal People involved in the Justice System

(a) Availability of Interpreter Services in Aboriginal Languages

The absence of a state wide, properly accredited and adequately resourced interpreter service in Aboriginal languages continues to present significant challenges for clients.

The decision of the Court of Appeal in State of Western Australia – v- Gibson [2017] WASCA 141 is a compelling example of this.

As well, in January 2017, His Honour Chief Justice Martin wrote to ALSWA emphasising the importance of effective interpreter services in Aboriginal languages for Aboriginal persons appearing in Courts. His Honour also acknowledged that at times the provision of interpreters was suboptimal. The letter requested ALSWA to contact registrars of regional courts in the event of any concerns in relation to Aboriginal interpreters.

In May 2017, ALSWA was forced to write to Kununurra Magistrates Court (below) as the Court responsible for all circuit courts in East Kimberley to raise concerns in relation to the provision of interpreter services in Aboriginal languages in courts in the East Kimberley. The letter noted that, despite a standing booking for the provision of a Kutkatja interpreter at each Balgo Magistrates Court circuit, there was no interpreter in attendance at four of six court circuits between November 2016 and April 2017.



The non-attendance of interpreters to this circuit, where most of the accused appearing in the list are Aboriginal and do not speak English as their first language, is a significant impediment to the proper and expeditious administration of justice. The consequence is that many Aboriginal accused remain in the court system for much longer than should otherwise be the case.

For example, ALSWA was acting for a Kukatja speaking client with a cognitive impairment who had been before the Court for six months and faced successive remands, with no progress being made with his matters, because no Kukatja interpreter had attended the circuit.

Multiple remands over many months also exposes clients to other risks, including the possibility of reoffending whilst on bail and therefore the application of Schedule 2 of the Bail Act, (ie, a requirement to demonstrate exceptional reasons in order to be re bailed) as well as failures to answer bail and ultimately, remands in custody. The failure of an interpreter to attend the circuit means that clients can then languish in custody for months before their matters are finally disposed of.

The failure of an interpreter to attend the circuit can also result in clients feeling frustrated by the delays involved in remands in the hope that an interpreter will attend resulting in instructions to plead guilty when a matter should be defended. This creates serious ethical issues for ALSWA lawyers, increases the risks of innocent persons being sentenced to terms of imprisonment and potentially exacerbates the already enormous problems associated with the overrepresentation of Aboriginal people in custody.

(b) Aboriginal – Police Relations

The relationship of Aboriginal people with the WA Police Service continues to be fraught with difficulty. Hardly a day goes by when police do not attempt to frustrate or ignore advice given by ALSWA lawyers to clients in police custody in relation to participating in police records of interview.

Insensitive and inappropriate social media posts by police are also an emerging issue of concern.

For example, ALSWA lodged a complaint in relation to a picture posted on the Kimberley District WA Police Facebook page depicting depicted an Aboriginal child (who appeared to be no more than three years old) from a remote community with a breathalyser type instrument in his mouth. The child was sitting unaccompanied in the driver's seat of a motor vehicle.

The complaint noted that to photograph a young child with a breathalyser in their mouth, whilst in the driver's seat of a motor vehicle was disgraceful and perpetuated negative stereotypes around Aboriginal parental responsibility, especially with respect to under age alcohol consumption. Such conduct beggars the question – would a similar circumstance be permitted to occur had the child been non Aboriginal?

(c) The most vulnerable and disadvantaged – tailoring services

ALSWA remains committed to providing culturally appropriate services to vulnerable and disadvantaged clients. Such clients are often consigned to the “too hard” basket by other service providers, which exacerbates their risk of ongoing involvement in the justice system and eventually imprisonment.

AB is an example of this. AB is originally from a remote Aboriginal community. He has been an ALSWA client for many years. AB has been living in a major regional town for some time and is homeless and illiterate. AB is sometimes difficult to understand and often converses in his Aboriginal language.



Unfortunately, AB has also been verbally and physically abusive at times. Much of AB's aggression has been directed at banks in the regional town in which he resides.

It was never properly understood what the real reason for AB's anger. However, as a result of his aggression, restraining orders had been taken out banning AB from all banks in the town.

Following a court appearance in April 2017, ALSWA staff were able to establish that AB was not able to access Centrelink benefits because he had no bank account. AB could not open a bank account because he did not have satisfactory proof of identity. Centrelink had tried to get other organisations in the town to help him, but no one was willing or able to offer him assistance.

ALSWA staff helped AB to obtain his birth certificate (the fee was waived) and then enlisted a bank to help him.

An ALSWA court officer (who also speaks AB's Aboriginal language) went with AB to the bank and helped AB open a bank account. Centrelink then advised that it had deposited funds into AB's new bank account.

This is all in circumstances where BJ had been living with no income whatsoever for the last five years, including, of course, income from Centrelink for the past five years.

Diverting Young People from the Justice System and Detention – ALSWA's Youth Engagement Program

ALSWA's Youth Engagement Program (YEP) now employs three Aboriginal staff members to assist in the diversion of young people from the justice and detention systems. As noted in last year's report, the program is funded by the WA State Government through the Department of Corrective Services (DCS). However, all young people are also concurrently criminal law clients facing charges which are before the Perth Children's Court where representation services are provided by ALSWA lawyers funded under the Commonwealth Attorney General's Indigenous Legal Assistance Program.

A significant number of these young people are subject to court orders under the supervision of DCS. ALSWA has developed various measures for ensuring effective collaboration and service planning with DCS as well as with various non-government agencies working in youth justice.



ALSWA YEP Diversion Officers Monique Kickett, Sasha Greenoff and Roy Blurton

The Youth Engagement Program provides a range of complimentary or ancillary specialist services to these clients depending upon their particular needs and circumstances. These services include mentoring, referrals, case management, transport assistance (in particular to attend court and to attend supervision appointments with Youth Justice Services), accommodation assistance, practical assistance (such as obtaining birth certificates, employment training and Centrelink payments) and participation in recreational activities. More information on YEP can be found on page 22 of this annual report

Contributions to the Policy and Law Reform debate

(a) Australian Law Reform Commission Inquiry into the Incarceration Rate of Indigenous Australians

ALSWA met with Commissioner His Honour Judge Matthew Myers AM and staff from the Australian Law Reform Commission as part of its consultation in relation to the Commission's Inquiry into the incarceration rates of Aboriginal and Torres Strait Islander Peoples. ALSWA provided the Commissioner and his staff with a detailed briefing on the issues impacting incarceration rates for Aboriginal people in WA. ALSWA has also made a comprehensive submission to the Commission's Discussion Paper on Incarceration Rates of Aboriginal and Torres Strait Islander Peoples.

(b) Meeting with the Special Rapporteur on the Rights of Indigenous Peoples

In early 2017, ALSWA met with the Special Rapporteur, Vicky Tauli-Corpuz, and her staff. A wide range of issues were discussed including deaths in custody, Ms Dhu's story, imprisonment for the non-payment of fines, driving offences, a custody notification service for WA, an Aboriginal language interpreter service in WA, mandatory sentencing and raising the age of criminal responsibility in WA.

(c) Neighbourhood Justice Centre Feasibility Study Roundtable

ALSWA attended this roundtable at the University of WA Law School Centre for Indigenous People and Community Justice on 19 May 2017. The Roundtable discussed the feasibility of a Neighbourhood Justice Centre (NJC) in WA. NJCs are community based, solution focused justice institutions designed to create better outcomes for individuals while also reducing social disadvantage, non compliance with court orders and imprisonment rates. They do this by creating 'one stop' justice hubs that integrates the local community, service providers and justice personnel. A specific focus of the Roundtable was the success of the Melbourne based NJC and whether it could be replicated in WA. ALSWA is an enthusiastic supporter of the NJC model and would welcome its introduction in WA.

(d) Legal Working Group for the Review of the Children and Community Services Act Review

ALSWA is a member of the Legal Working Group that is tasked to make recommendations concerning legislative reform to deal with the intersection of child protection proceedings and family court proceedings.



(e) Review by WA Finance Department into the Coroner's Court

ALSWA participated in a WA Finance Department review into the WA Coronial system and how the Coroner's Court could operate more effectively and efficiently, especially when assisting families of deceased Aboriginal persons.

(f) ALSWA Submission in response to the Commonwealth Attorney General's Department Consultation Paper on Amendments to the Family Law Act 1975 to Respond to Family Violence

ALSWA supported measures in the Consultation Paper designed to reduce the burden on families navigating both the family law and child protection systems and emphasised the need for appropriate judicial training for magistrates in the Children's Court and Magistrates Court.

ALSWA also supported the criminalisation of breaches of personal protection injunctions, noting that for a victim of family violence who is already involved in family law proceedings it will remove the need to apply for a violence restraining order in the Magistrates Court.

(g) ALSWA Submission to the Review of the Criminal Investigation Act 2006

This involved a broad review of the Act and covered, among other things, police powers of arrest and search; admissibility of confessional evidence; body worn cameras and the right to silence. A key component of ALSWA's submission was that the rights of arrested suspects contained in sections 137 and 138 of the Act (eg, right to be cautioned, right to silence, right to contact a lawyer, right to an interpreter) should also apply (with appropriate modification) to suspects who have not been arrested.

(h) Submission to the Review of the Young Offenders Act 1994

ALSWA provided an extensive submission in response to the Department of Corrective Services' Green Paper. ALSWA's submission included various proposals such as conditional cautioning, legislative measures to strengthen diversion, preclusion of remanding a young person under the age of 14 years in a detention facility, the provision of a new flexible community based order for Aboriginal young people, graduated release orders, extended supervised release orders, establishment of an independent statutory board to oversee youth detention facilities, revised procedures for detention offences, and mandatory sentencing.

(i) Submission to the Review of the Children and Community Services Act 2004

The Review covered five major themes: improving foster carer standards; improving outcomes for Aboriginal and Torres Strait Islander children and families; supporting the safety and wellbeing of children and families exposed to family and domestic violence; therapeutic secure care for children at high risk; and the intersection between child protection proceedings and proceedings in the Family Court of Western Australia. Underpinning ALSWA's approach in this submission was the view that the way in which the child protection system is currently administered in WA is not suited to the needs and circumstances of Aboriginal children and families. Furthermore, it was submitted that the State should never rule out the potential for reunification of children with their families of origin, except in the most obviously dire and impossible of circumstances. Ultimately, decisions about the protection and best interests of Aboriginal children should be made by Aboriginal people.

(j) Letter to the Minister for Corrective Services and Attorney General in relation to compassionate leave for prisoners

This letter called for the immediate review of the current policy to ensure that it expressly acknowledges Aboriginal kinship and cultural obligations to attend funerals.

(k) Submission to the Review of section 9 AA of the Sentencing Act 1995

ALSWA provided a submission to the Department of the Attorney General for its Statutory Review of Section 9AA of the Sentencing Act 1995. This provision sets out the requirements and limitations for providing a sentencing discount for a plea of guilty. It was inserted in 2012 and has resulted in reduced discounts in sentencing an account of a plea of guilty and has operated unfairly for many of ALSWA's clients. The submissions highlighted the various problems with the operation of the provision and recommended that the former law should be reinstated.

(l) Reforms to the Criminal Law (Mentally Impaired Accused) Act 1996

ALSWA has contributed extensively to joint advocacy work with the Western Australian Association for Mental Health, Developmental Disability WA, Mental Health Matters2, Mental Health Law Centre and Consumers of Mental Health WA in relation to much needed reforms to the Criminal Law (Mentally Impaired Accused) Act 1996. Amongst other things, this legislation is the reason why some mentally impaired accused are detained in prison for years longer than they would have been if they had been convicted of the offence. ALSWA also contributed to a comprehensive joint submission setting out the desired reforms to the legislation which was provided to the Attorney-General's office.

Volunteers

The last 12 months has seen the development of ALSWA's volunteer and placement programs, courtesy of the dedicated efforts of ALSWA's Human Resources manager, Danielle Bird. This year ten people have provided their time and expertise across a range of disciplines including legal and support services. Placements have ranged from one weeks' worth of work experience for a young person in high school through to a 13 week full time placement for a social work masters student and practical legal training placements for lawyers completing their Graduate Diploma of Legal Practice.

Placements have been introduced in a variety of ways including through universities and law societies, and this year, most notably through ALSWA's relationships with the Australian National University and the Piddington Society.



Acknowledgements

I would like to thank ALSWA's Executive Management Team and ALSWA's new Board for their unwavering support and assistance.

Murray Stubbs, a Senior Court Officer from ALSWA's Kalgoorlie office, received the 2017 National Aboriginal and Torres Strait Islander Legal Services Trevor Christian Memorial Award. The Award is a fine recognition of Murray's tireless, high quality advocacy on behalf of Aboriginal people over more than 30 years and is thoroughly deserved (more information on pag 23).

Russell Reading retired as managing lawyer of ALSWA's Carnarvon office after years of many years of dedicated service. I wish Russell well in his retirement.

Steve Carter (pictured at right) ALSWA's long serving Senior Court officer, who had stints in ALSWA's Halls Creek and Fitzroy Crossing offices, retired during the year. Steve is one of the world's great characters and is much loved by all who know him.



Steve was also an accomplished courtroom advocate and provided much valued cultural information for the many lawyers who worked with him.

I thank Steve for all his efforts over the years and wish him well for the future.

Peter Collins

Director Legal Services

CONGRATULATIONS JUSTYNE EADES



Congratulations to Justyne Eades who received a placement in the WA Bar Association Indigenous Clerkships program.

This is a wonderful opportunity which includes working with members of the Association for two weeks and one week shadowing an Associate to a Supreme Court Judge.

Justyne is a court officer based in Perth and is part of ALSWA's Law Student program. Justyne is completing her law degree at Murdoch University and will commence second year units next semester.

Well done Justyne on your outstanding achievement.

YOUTH ENGAGEMENT PROGRAM

The ALSWA Youth Engagement Program (YEP) commenced operation on 23 May 2016 and has now been operating for over 14 months. ALSWA received two years funding for the Youth Engagement Program from the Department of Corrective Services under its Youth Justice Innovation Fund.

YEP currently employs three Aboriginal diversion officers, Roy Blurton, Monique Kickett and Sasha Greenoff. Julie Waud (Manager Court Officers and Children's Court lawyer) is the program manager and she manages the program on a day-to-day basis at the Perth Children's Court. Victoria Williams (Senior Policy Officer) is the project manager with responsibility for convening and attending case management meetings and stakeholder meetings; overseeing data recording; reporting to the Department of Corrective Services; and developing and maintaining relevant policies.

From 1 January 2017 to 30 June 2017, YEP has assisted 52 young people; made over 1,000 contacts with young people, families and external agencies; and convened 612 individual client-case management meetings. Each of these case management meetings involve a discussion about the client's participation and progress on the program and the formulation of agreed actions. The program held its fourth stakeholder meeting at the PCC on 23 March 2017. Feedback received during these stakeholder meetings, including from the judiciary, has been very positive.

The ALSWA Youth Engagement Program is making a positive contribution in the lives of young people by assisting them to complete the requirements of their court orders and improve their wellbeing and future prospects.



ALSWA YEP Diversion Officers Sasha Greenoff and Monique Kickett with ALSWA Court Officer Unit Manager Julie Waud outside the Perth Children's Court



CONGRATULATIONS MURRAY STUBBS

Murray Stubbs was awarded the National Aboriginal and Torres Strait Islander Legal Services (NATSILS) Male Employee of the year award. Murray is an enormous asset to ALSWA's work. A Wongutha man, he has provided legal support and representation for some of WA's most disadvantaged peoples over the decades and is motivated by making sure that our people understand the court process and are looked after in court. His Cultural knowledge and understanding of local issues ensures that community members have greater access to justice.

Murray first commenced work at ALSWA Kalgoorlie in 1984 as a young Field Officer and is now a Senior Court Officer in this predominantly mining town. He is pivotal in assisting non-Aboriginal lawyers and other key stakeholders in gaining a greater insight into our people and the complexities faced within the justice system.

Kalgoorlie has a reputation for racism and conflict, making it an often-challenging environment to live and/or work in.

This doesn't faze Murray, who remains staunch at all times, equally competent and confident working alongside all people, from diverse communities, to all levels of organisation and government, many of whom he has built a strong rapport with.

He strives to educate others, and at the last ALSWA staff conference, addressed over 100 staff and WA's Chief Justice about Kalgoorlie's challenges.

Murray Stubbs is a greatly respected 'go-to' person for anyone seeking information about this region. His commitment and dedication goes above and beyond and his tireless work is extremely valued and appreciated by ALSWA.

The Aboriginal Legal Service of WA is grateful for the assistance provided by the Commonwealth.



Murray Stubbs receiving his NATSILS award from Adam Nott, Director of the Indigenous Legal Assistance Branch at the Commonwealth Department of the Attorney General, in Adelaide in June

MEDIA

ALSWA continues to be highly sought for media comment, not just in WA but throughout the country.

ALSWA has formed good relations with many media representatives who remain committed to balanced reporting on the complex issues surrounding the involvement of Aboriginal people within the justice system.

The coverage of issues pertaining to our work is often highly sensitive and requires in-depth, accurate and fair reporting. As ALSWA's most prominent spokesperson, CEO Dennis Eggington ensures that all public comment is in the best interests of our clients, community and organisation. He has maintained a strong media presence that is highly respected and provides a strong voice on behalf of Aboriginal and Torres Strait Islander peoples through various forums, including radio and TV interviews, press conferences, doorstops, presentations and online contributions.



ALSWA CEO Dennis Eggington addressing media outside the Coroners Court after the findings into the death of Ms. Dhu were handed down



Speaking to a national audience on The Project later that day, out of Perth's Channel 10 studios



LAW MATTERS

Since its inception in 2010, ALSWA's Media Officer Jodi Hoffmann has produced and presented 115 Law Matters programs.

Broadcast out of the Noongar Radio studios in Perth, Law Matters is repeated nationally via the National Indigenous Radio Service and provides listeners with important information about their legal rights, law and justice issues and some of the key stakeholders delivering services in this area.



*ALSWA Civil/Human Rights Lawyer
Ashley Truscott*



*Professor Neil Morgan and Joseph
Wallam from the Office of the
Inspector of Custodial Services*



*Jodi Hoffmann ALSWA Media
Officer hosting Law Matters*

Community Legal Education

ALSWA remains committed to providing Culturally Competent Community Legal Education to assist Aboriginal people to navigate the Justice System.

Sabah Rind is ALSWA's Community Legal Education Officer. ALSWA has continued to work closely with Aboriginal communities in the provision of much needed culturally appropriate community legal education (CLE). For example, ALSWA has developed a very close working relationship with the Kanyirninpa Jukurrpa (KJ) Martu Rangers Men's and Women's Leadership groups, comprising senior Martu men and women from the Western Desert.

In mid June, 2017, ALSWA attended a four day camp, run by the KJ Martu Leadership Program, at Yulpu, which is deep in Martu country, not far from the Parngurr community, in the Western Desert.

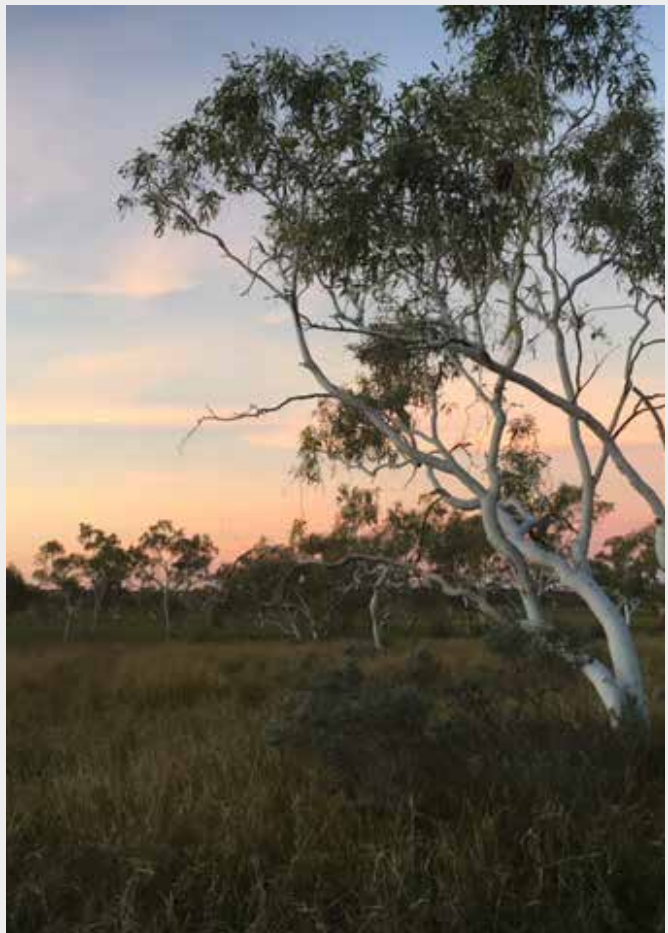
The camp was attended by over 100 Martu people, including elders, ALSWA lawyers, the Pilbara based Magistrate, WA Police and staff from Roebourne Regional Prison.

The camp involved an unprecedented opportunity for Martu to explore with key stakeholders in the justice system new methods aimed at achieving better outcomes for Martu and reducing the number of Martu being imprisoned.

CLE sessions were conducted by ALSWA in relation to driving offences, extraordinary driver's licences, police relations and complaints, the court system, compliance with court and parole orders and domestic violence laws, including how to obtain and comply with a restraining order.



Sabah Rind (ALSWA Community Legal Education Officer) and Eloise Langoulant (ALSWA Lawyer)



Top image: Balgo. Bottom Images: Balfour Downs and Yulpu near Parrngurr



ALSWA's Kelly Custodio, Alexander Walters, Roy Blurton, Sabah Rind and Ashley Truscott at Perth Law Careers Fair



Left: NAIDOC Family Day at Ashfield with Jolene Farrell, Savannah Travia Dann, Sabah Rind and Jodi Hoffmann
Right: Jolene Farrell and Carmen Ward at Sorry Day



Sorry Day Perth dancers

Sorry Day

Sorry Day commemorations in Perth continue to attract over a thousand people to share in this important day for acknowledging our Stolen Generations. ALSWA is always proud to be included in this event through running a stall and speaking with our community members about the services that we provide.



Welcome to Country, Reverend Sealin Gartlett



Archie Roach and Band



Smoking ceremony, Trevor Walley & Elder Ben Taylor



Jim Morrison Bringing Them Home Committee (WA)

From Past to Present:

The Changing Face of the Law in Western Australia

The Aboriginal Legal Service of WA was proud to be included in an exhibition highlighting how the law has evolved in this state. *From Past to Present: The Changing Face of the Law in Western Australia*, was held at the Old Court House to coincide with the buildings 180th anniversary.

During its history, it has been used for many purposes including the Supreme Court, the Arbitration Court, the Law Society's premises and currently the Law Society's Old Court house Museum.

ALSWA's Eloise Langoulant, Daniel Rawlings and Kerrigan Mercer attended the commemorations at the Old Court House which is located in Stirling Gardens next to the Perth Supreme Court building.



Happy Snaps

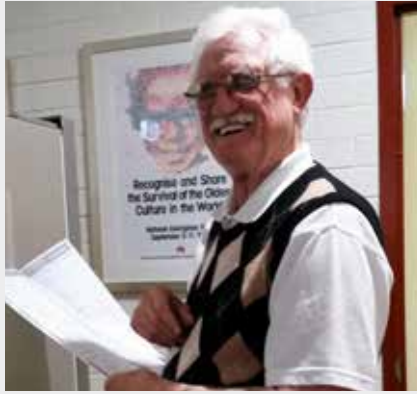


1. Ashleigh Williams, Justyne Eades, Leashay Eggington
2. Jolene Farrell, Lars Corbett, Melissa Langley,
Carmen Ward
3. Kathleen Heath, Katrina Lane

4. Tony Hager, Rob Owen
5. Jonathon Reid, Ashleigh Williams, Melody Ross,
Neil Anderson



Team building at HBF Run for a Reason Sasha Greenoff, Monique Kickett, Danielle Bird, Victoria Williams



L-R: Salil Koonja, Barbara Salter, Sue Nichols, Robert Wilson, Wendy Hughes, Matthew Wheatley, Alice Barter, Darlene Summers, Silvana Campbell, Andy Matthews, Suzi Marshall, Kevin Blurton, Monica Collard, Hayley O'Hara, Georgia Herford, Victoria Williams, Elvis Stokes, Teeka Skeen, Alana Woldan



Tributes

The following important ALSWA people passed away during the year.



Elder Paul Sampi was such an important person within the ALSWA family throughout his time on the Executive Committee.

Such an honourable gentleman, his wisdom, generosity and sharing of Cultural knowledge will be remembered and valued always.

Mr. Sampi's contributions to our organisation were a guiding force in our work with Aboriginal people and we have so much gratitude for the empowering legacy that Mr. Sampi has left, not only ALSWA, but also Community members. Our respect and gratitude will never waiver.

Elder Janet Hayden was a greatly loved and respected woman. A strong advocate for our people, she was an extremely active and committed Community member who did so much, for so many.

A plaque in our ALSWA Head Office Reception area reminds us daily that Ms. Hayden officially opened our renovated offices in 1993. She also gave the Welcome to Country at the launch of the historical Aboriginal Legal Service 'Justice' book.

We will always remember Ms. Hayden for her passion in striving for justice for Aboriginal people.

Elder John Green was much more than ALSWA's Halls Creek Court Officer. He was family, both to our organisation, and more specifically, to some of our staff members.

Such a greatly respected and kind gentleman, Mr. Green's involvement in ALSWA spanned many years. He contributed so much to our organisation, and to community members who sought legal assistance within his region.

We will always remember, and be grateful that we had the opportunity to work alongside such a compassionate man who was motivated by his commitment to his people.

Chief Financial Officer



John Poroch

I am pleased to present the audited financial report for the 12 months ended 30 June 2017. During the period, the Aboriginal Legal Service of Western Australia Limited (ALSWA) achieved a profit (surplus over expenses) of \$118,640 from revenue of \$13,686,120

The statement of profit or loss and other comprehensive income provides evidence of continued expense reduction initiatives initiated in the prior year and achieved by management to meet the challenges posed by the logistics of providing effective, meaningful and timely legal services throughout the vast state of Western Australia. The balance sheet is strong and will be the platform to carry the ALSWA operations forward.

Throughout the year, ALSWA has been able to maintain its focus on providing and delivering culturally appropriate high quality legal services for the Aboriginal community in Western Australia.

I would like to highlight a few keystone events:

Proposed funding cuts previously announced by the Commonwealth Attorney General's Department effective from 1 July 2017 were reversed by the Attorney General during May 2017 releasing an additional \$990,000 to the 2017/2018 operation budget

The transition to a public company limited by guarantee was completed on 10 March 2017 with registration under the Corporations Act 2001.

The financial report for 2017 has been prepared as a general purpose financial report in accordance with the Corporations Act 2001, Australian Accounting Standards including Accounting Interpretations and the Corporations Regulations 2001. This is testament to the commitment that the board and management have undertaken to continual improvement of governance and more informative and transparent financial information.

I would like to acknowledge the directors and the senior management team for their leadership and support

I would also like to acknowledge and thank all those who have donated or provided much need funding to the operations of ALSWA and specifically thank the staff of the Commonwealth Attorney General's department for their assistance and efforts.

John Poroch

Chief Financial Officer



Directors' Report

In respect to the financial report of the Aboriginal Legal Service of Western Australia Limited ("ALSWA" or "the Company") of the financial year ended 30 June 2017.

1. Responsible Directors

The following persons were directors of the Aboriginal Legal Service of Western Australia Limited during the entire financial year:

- Mr Michael Blurton
- Mr Glen Colbung
- Ms Kathy Watson
- Mr Jim Lewis
- Mr Preston Thomas
- Mr Paul Baron
- Mr Donald Abdullah

2. Directors' details

Michael Blurton was appointed as an Initial Elected Director on registration of the Company as a public company limited by guarantee on 10 March 2017. He previously served as an Executive Committee member for 13 years. He is a Ballardong Noongar man from the wheat belt town of Quairading. His involvement with the organisation spans back to the 1970s when he worked as a field/court officer. Michael supports and promotes the vital role that the Company plays in striving for justice and support for Aboriginal and Torres Strait Islander people within the legal justice system.

Glen Colbung was appointed as an Initial Elected Director on registration of the Company as a public company limited by guarantee on 10 March 2017. He previously has been an Executive Committee member since 2015. He has been involved with the organisation for more than 20 years. He is a Noongar man from Albany in the south west of the state. Glen is greatly committed to maintaining a strong legal service for our people and looks forward to contributing to the Company's future.

Preston Thomas was appointed as an Initial Elected Director on registration of the Company as a public company limited by guarantee on 10 March 2017. He previously has been a member of the Executive Committee since 2006. He is from Laverton and has lived in Kanpa Community for over 20 years. Preston has also had a long affiliation with the organisation. Preston is deeply committed to the issues facing our people and will support the vital work undertaken by the Company for the benefit of the Aboriginal and Torres Strait people.

Kathy Watson was appointed as an Initial Elected Director on registration of the Company as a public company limited by guarantee on 10 March 2017. She had previously been an Executive Committee member since 2011. Kathy is from Broome in the west Kimberley. She is passionate about legal issues for our community, she would like to see more cultural input into court matters, particularly with in court districts.

Donald Abdullah was appointed as an Initial Elected Director on registration of the Company as a public company limited by guarantee on 10 March 2017. He previously had been an Executive Committee member since 2015. He is a Wongi man from Esperance on the south east coast of Western Australia. Donald is dedicated to supporting Aboriginal and Torres Strait Islander People and feels strongly about keeping our young people out of prison. He is also supportive of women who face domestic violence and providing guidance on legal matters.

Jim Lewis was appointed as a Co-Opted Director on registration of the Company as a public company limited by guarantee on 10 March 2017. He is a Gija man from Wyndham. He previously served as the Treasurer of the ALSWA Inc. for the past 2.5 years prior to the transition of ALSWA to a company limited by guarantee. He has vast experience with various aboriginal companies and enterprises.

Paul Baron was appointed as a Co-Opted Director on registration of the Company as a public company limited by guarantee on 10 March 2017. He is a Yamatji man from Carnarvon. He previously served as an executive committee member of ALSWA Inc. for the past 2.5 years prior to the transition of ALSWA to a company limited by guarantee. Paul brings a great deal of experience and commitment and has offers himself as a candidate to serve as a Co-opted Director.

3. Principal Activities

The ALSWA is public company incorporated under the *Corporations Act 2001* on 10 March 2017 (formerly an association incorporated under the Western Australia's Associations Incorporations Act 1987).

The principal activity is to provide legal service to disadvantaged and under-privileged Aboriginal and Torres Strait Islander People of Western Australia.

4. Results

The Company made a profit of \$118,640 (2016: profit \$229,003).

5. Review of Operations

The Company's revenue for the year ended 30 June 2017 was \$13,686,120 (2016: \$13,351,937, an increase of 2.50% (2016: decrease 10.62%) over the previous year.

7. Change in State of Affairs

The Association successfully transitioned to a public company limited by guarantee registered under the Corporations Act 2001 on 10 March 2017.

8. Contribution in Winding Up

The Company is incorporated under the Corporations Act 2001 as a public company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. As 30 June 2017, the total amount that members of the Company are liable to contribute if the Company is wound up is \$150 (2016: Nil).

9. Future Developments

The Company plans to continue with its principal activities as noted above in the foreseeable future.

10. Directors' Meetings

The number of meetings of directors held during the year and the number of meetings attended by each director is as follows:

	No meetings entitled to attend	No meetings attended
Michael Blurton	4	4
Glen Colbung	4	4
Kathy Watson	4	2
Jim Lewis	4	4
Preston Thomas	4	3
Paul Baron	4	3
Donald Abdullah	4	4

11. Insurance of Officers

During the financial year the Company paid a premium of \$12,980 to insure the directors, secretary and officers of the Company.

The liabilities insured are the legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company.

No liability has arisen under this indemnity as at the date of this report.

12. Events Subsequent to Balance Date

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect:

- The Company's operations in future financial years, or
- The results of those operations in future years, or
- The Company's state of affairs in future financial years.

13. Environmental Regulations

The Company complies with the Environmental Protection Act 1996. It has not contravened any of its regulations during the financial year.

14. Independent Auditor's Independence Declaration

The lead auditor's independence statement is set out on page 2 and forms part of the directors' report for the year ended 30 June 2017.

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



Chairman

Perth, Western Australia
Date: 21 September 2017



Deloitte.

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Board of Directors
Aboriginal Legal Services of Western Australia Limited
7 Aberdeen Street
EAST PERTH, WA 6000

21 September 2017

Dear Directors

Aboriginal Legal Services of Western Australia Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Aboriginal Legal Services of Western Australia Limited.

As lead audit partner for the audit of the financial statements of Aboriginal Legal Services of Western Australia Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Peter Rupp
Partner
Chartered Accountant

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

Independent Auditor's Report to the Board of Directors of Aboriginal Legal Services of Western Australia Limited and the Attorney-General's Department

Opinion

We have audited the financial report of Aboriginal Legal Services of Western Australia Limited (the "Company") which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 7 to 27.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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



Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

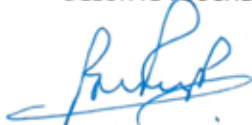
Deloitte.

- Obtain an understanding of internal control relevant to the audit 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 recipient's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the recipient's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the report, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the recipient to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the report, including the disclosures, and whether the report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Peter Rupp
Partner
Chartered Accountants
Perth, 21 September 2017

**Financial Statement****Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2017**

	<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
Revenue	2	13,686,120	13,351,937
Depreciation and amortisation expenses	3	287,964	410,779
Electricity & Gas expense		64,759	74,198
Employee Benefits expense		9,793,216	9,416,086
Information technology		105,907	165,444
Library resources		135,207	125,731
Office expenses		132,594	135,743
Other expenditure		941,579	700,270
Property expenses		125,024	169,177
Rent		905,340	869,234
Lease expenses		373,099	424,892
Royal commission		-	5,985
Telephone & internet		133,016	166,835
Training		53,865	39,430
Travel and accommodation		515,910	419,130
Profit before income tax		118,640	229,003
Income tax (expense) / benefit		-	-
Profit after income tax attributable to the members of ALSWA		118,640	229,003
Other comprehensive income/ (loss)			
Fair value movement in land and buildings		-	(274,843)
Income tax relating to components of other comprehensive income			-
Total comprehensive income/ (deficit) for the period		118,640	(45,840)

The above statement should be read in conjunction with the accompanying notes.

Financial Statement

Statement of Financial Position
As at 30 June 2017

	<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
Current Assets			
Cash and cash equivalents	6	7,724,254	7,264,833
Receivables	7	255,236	226,485
Total Current Assets		<u>7,979,490</u>	<u>7,491,318</u>
Non-Current Assets			
Property, plant & equipment	8	3,660,108	3,910,376
Total Non- Current Assets		<u>3,660,108</u>	<u>3,910,376</u>
Total Assets		<u>11,639,598</u>	<u>11,401,694</u>
Current Liabilities			
Accounts Payable	9	493,343	412,394
Provisions	10	2,206,019	1,960,459
Unexpended Grants	11	673,951	711,653
Borrowings & interest bearing liabilities	12	144,070	116,406
Total Current Liabilities		<u>3,517,383</u>	<u>3,200,912</u>
Non-Current Liabilities			
Provisions	13	335,321	451,174
Borrowings & interest bearing liabilities	14	73,097	154,611
Total Non-Current Liabilities		<u>408,418</u>	<u>605,785</u>
Total Liabilities		<u>3,925,801</u>	<u>3,806,697</u>
Net Assets		<u>7,713,797</u>	<u>7,594,997</u>
Equity			
Retained Earnings		4,548,832	4,430,192
Asset revaluation reserve		602,678	602,678
Discretionary reserves	15	2,562,287	2,562,127
Total Equity		<u>7,713,797</u>	<u>7,594,997</u>

The above statement should be read in conjunction with the accompanying notes.



Financial Statement**Statement of Changes in Equity
For the year ended 30 June 2017**

	<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
Retained earnings			
Balance at the beginning of the financial year		4,430,192	5,473,300
Total comprehensive Income/(deficit)for the year		118,640	(45,840)
Transfer to discretionary reserve		-	(829,633)
Transfer to unexpended grants		-	(151,656)
Prior Period Adjustment		-	(15,979)
Balance at the end of the financial year		<u>4,548,832</u>	<u>4,430,192</u>
Discretionary reserves			
Balance at the beginning of the financial year		2,562,127	1,744,495
Transfer from retained earnings		-	1,013,314
Reduction in reserve		-	(195,682)
Members' Equity		160	-
Balance at the end of the financial year		<u>2,562,287</u>	<u>2,562,127</u>
Asset revaluation reserve			
Balance at the beginning of the financial year		602,678	701,618
Movement during the year		-	(98,940)
Balance at the end of the financial year		<u>602,678</u>	<u>602,678</u>
Total equity at the end of the financial year		<u>7,713,797</u>	<u>7,594,997</u>

The above statement should be read in conjunction with the accompanying notes.

Financial Statement

Statement of Cash Flows
For the year ending 30 June 2017

	<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
Cash flows from operating activities			
Grants received		12,661,189	12,994,614
Payments to suppliers and employees		(12,334,304)	(12,813,262)
Interest received		188,201	144,743
Interest paid		(10,859)	(17,287)
Rent received		26,458	42,849
Sundry Income		45,750	-
Net cash provided by operating activities	20	<u>576,435</u>	<u>351,657</u>
Cash flows from investing activities			
Payment for the purchase of property, plant & equipment		(52,871)	(6,493)
Net cash(used in investing activities)		<u>(52,871)</u>	<u>(6,493)</u>
Cash flows from financing activities			
Repayments of borrowings		(74,688)	(68,669)
Advance from Browne's Trust		10,385	-
Members' contribution		160	-
Net cash used in financing activities		<u>(64,143)</u>	<u>(68,669)</u>
Net increase in cash and cash equivalents held		459,421	276,495
Cash and cash equivalents at beginning of the financial year		7,264,833	6,988,338
Cash and cash equivalents at the end of the financial year	6	<u>7,724,254</u>	<u>7,264,833</u>

The above statement should be read in conjunction with the accompanying notes.



1. Summary of significant accounting policies

The financial statements are general purpose financial statements that have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards, including Australian Accounting Interpretation and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the Aboriginal Legal Service of Western Australia Limited (the "Company"). The Company is a not for profit company incorporated and domiciled in Western Australia.

The following summary of the material accounting policies adopted by the Company in the presentation of the financial report, and have been consistently applied, unless otherwise stated.

(a) Basis of preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Convention

The financial report has been prepared on an accrual basis and under the historical cost convention and do not take in to account current valuations of non-current assets, except for land and buildings that are measured at revalued amounts or fair value as explained in accounting policy 1(j) below.

Going Concern

The financial report has been prepared on a going concern basis.

The Company is dependent upon the ongoing receipt of Commonwealth Government grants (Commonwealth Department of Attorney General) and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report, the executive committee has no reason to believe that this financial support will not continue.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the association are measured using the currency of the Primary economic environment in which the Company operates ("the functional currency").

The financial statements are presented in Australian dollars, which is the Aboriginal Legal Service of Western Australia's functional and presentation currency.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenue when the amount can be reliability measured, the collection is probable and when criteria for each of the Company's different activities have been met and described as follows:

(i) Government grants

A number of the Company's activities are supported by grants received from federal, state and local governments or agencies. Grants are recognised on a systematic basis over the period in which the Company recognises as expenses the related costs or which the grants are intended to compensate.

If conditions are attached to a grant, which must be satisfied before the Company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services performed and at year-end a liability is recognised until the service is delivered.

Where a grant is required to be repaid if certain conditions are not satisfied, a liability is recognised at year-end to the extent that conditions remain unsatisfied.

(ii) Sale of goods

A sale is recorded when goods have been despatched to a customer and associated risks have passed to the carrier or customer.

(iii) Provision of services

Revenue from the provision of services is recognised in the period in which the customer obtains the benefit of the service.

(iv) Gifts and donations

Gifts and donations are recognised at their fair value when the Company obtains control, economic benefits are probable and the amount of the donation can be reliably measured.

(v) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(d) Operating expenses

Operating expenses including expenses relating to the grants, are recognised on an accrual basis.

(e) Income Tax

The Company is exempt from paying income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

1. Summary of significant accounting policies (continued)

(f) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(g) Goods and services tax (GST)

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

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

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Trade and other receivables

Trade receivables are recognised at original invoice value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are generally settled in 30-60 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

(j) Property, Plant and equipment

(i) Revaluation Basis

Land held for use in production or administration is stated at re-valued amounts. Re-valued amounts are fair market values based on appraisals prepared by external professional valuers' once every three years or more frequently if market factors indicate a material change in fair value. The last external valuation date for each property is set out in Note 8.

Any revaluation surplus arising upon appraisal of land is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the

remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

As no finite useful life for land can be determined, related carrying amounts are not depreciated.

(ii) Cost basis

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The depreciable amounts of all fixed assets, other than freehold land, are depreciated over their estimated useful lives using the straight-line method.

Leasehold improvements are amortised over the unexpired period of the lease or the lease or the useful life, whichever is the shorter.

The following estimate of useful lives has been applied:

- Buildings: 25 years
- Furniture & fittings: 5 years
- Improvement residential properties: 5 years
- Motor vehicles: 4 years
- Capital & lease hold improvements: 4 years
- Computer equipment: 3 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is the Company's policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.



1. Summary of significant accounting policies (continued)

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

(iii) *Low value asset capitalisation*

Low value asset items costing less than \$2,000 are expensed immediately.

(k) *Impairment of assets*

At each reporting date, the Company reviews the carrying value 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 the value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

(l) *Trade and other payables*

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. These amounts are unsecured and are usually paid within 30 - 60 days of recognition. These are presented as current liabilities unless payment is not due within 12 months after the reporting period.

(m) *Borrowings*

Borrowings are initially recognised at fair value, net of transactions costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(n) *Employee benefits*

(i) *Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities as a provision.

(ii) *Long service leave and sick leave*

The liability for long service and sick leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are estimates of the probability of payout based on length of employee service and past historic trends.

(iii) *Retirement benefit obligations*

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Liabilities recognised for salaries and wages are recognised in payables. Unpaid liabilities recognised for annual leave, long service leave and sick leave entitlement are recognised in provisions.

(o) *Provisions, contingent liabilities and contingent assets*

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

(p) *Unexpended grants - deferred income*

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within twelve (12) months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date or

1. Summary of significant accounting policies (continued)

the conditions will only be satisfied more than twelve (12) months after the reporting date, the liability is discounted and presented as non-current liability.

(q) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimated useful life of property, plant & equipment.
Management determines the estimated useful life of depreciable assets, based on the expected useful life of the asset and this could change significantly as a result of technical innovations. Management will increase the depreciation charge where useful lives are less than previously estimated. Technically obsolete or non-strategic assets that have been abandoned or disposed of will be written down or written off.

(ii) Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The Company applies the revaluation model to measure its land and buildings. This requires that the fair value of the asset be assessed on a regular basis. Independent external property valuers are engaged every 3 years or sooner if required to assess the fair value.

(iii) Long service leave and sick leave entitlements

The measurement of the provision for long service leave and sick leave entitlements require that the Company make an estimate of the payout likely to occur in the future. Management applies a probability factor to the likelihood of a payout based on the length of service and past historic trends of employees continuing employment.

**1. Summary of significant accounting policies (continued)****(r) Accounting Standards issued but not yet effective and have not been adopted**

In preparing financial statements an entity is required to disclose information with respect to new Standards and Interpretations that have been issued but are not yet adopted. The Company is in the process of considering the financial impact of the new accounting standards and interpretations not adopted.

Date issued	Standard/Interpretation	Effective for annual reporting periods beginning on or after	Applicable for year ended 30 June 2017
Mar 2016	AASB 16 <i>Leases</i>	1 January 2019	Optional 30 June 2020
Dec 2016	AASB 1058 <i>Income of Not-for-Profit Entities</i> , AASB 1058 <i>Income of Not-for-Profit Entities (Appendix D)</i> , AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i>	1 January 2019	Optional 30 June 2020
Dec 2016	AASB 2016-7 <i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</i>	1 January 2017	Optional 30 June 2018

2. Revenue	<u>Note</u>	<u>2017</u> \$	<u>2016</u> \$
Income			
Grant income		12,560,274	12,358,152
Indigenous Legal Assistance Programme Grant		174,677	170,992
Expensive Indigenous Criminal Cases Grant		20,538	72,287
Data Standardisation Grant		27,712	37,920
Youth Justice Grant		256,598	-
		<u>13,039,799</u>	<u>12,639,351</u>
Other income			
Rental		26,457	42,849
Recovery of costs		337,496	256,303
Interest		216,952	165,176
Other		65,416	248,258
		<u>646,321</u>	<u>712,586</u>
		<u>13,686,120</u>	<u>13,351,937</u>

3. Expenses

Profit before income tax included the following expenses:

Expenses			
Depreciation			
Land and buildings		133,579	207,869
Leasehold improvements		36,191	38,463
Plant and equipment		117,127	160,261
Motor vehicles		1,067	4,186
Total Depreciation		<u>287,964</u>	<u>410,779</u>

Notes to the financial statements



4. Auditor's remuneration	Note	2017 \$	2016 \$
Remuneration for audit of the financial reports of the Company:			
Deloitte Touche Tohmatsu		36,000	28,800
Total remuneration		<u>36,000</u>	<u>28,800</u>
Advisory Services			
Taxation		-	3,000
Total remuneration		<u>36,000</u>	<u>31,800</u>

5. Directors' remuneration

Income paid or payable, or otherwise made available, to directors by the Company and related parties in connection with the management of the affairs of the Company.

Short term employee benefits		<u>-</u>	<u>-</u>
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6. Current assets - Cash and cash equivalents

Cash at bank and on hand		1,661,227	1,421,031
Term deposits	(i)	463,027	449,502
Deposit at call	(ii)	5,600,000	5,394,300
		<u>7,724,254</u>	<u>7,264,833</u>

(i) Term Deposits

The term deposits are bearing interest at a rate of 2.40% (2016 - 2.75%)

(ii) Deposits at call

The deposits are bearing interest at a rate of 2.40% (2016 - 2.75%)

7. Current assets - Receivables

Trade Debtors and accrued income		33,457	24,464
Security Bonds		32,866	32,867
		<u>66,323</u>	<u>57,331</u>
Prepayments		188,913	169,154
		<u>255,236</u>	<u>226,485</u>

Notes to the financial statements

8. Non-current assets property, plant & equipment	Note	2017 \$	2016 \$
Freehold land & buildings @ valuation	(a)	3,685,000	3,685,000
Accumulated depreciation		(132,731)	-
		<u>3,552,269</u>	<u>3,685,000</u>
Leasehold improvements at cost		1,000,107	986,047
Less: Accumulated amortisation		(970,765)	(933,726)
		<u>29,342</u>	<u>52,321</u>
Plant & equipment at cost		1,214,309	1,201,514
Less: Accumulated amortisation		(1,135,812)	(1,029,526)
		<u>78,497</u>	<u>171,988</u>
Motor vehicles at cost		-	16,745
Less: Accumulated depreciation		-	(15,678)
		<u>-</u>	<u>1,067</u>
Total property, plant & equipment		<u>3,660,108</u>	<u>3,910,376</u>

Fair value of land and buildings

Location	Valuation Date	Valuation \$	Asset revaluation reserve @ 30 June 2017 \$	Asset revaluation reserve @ 30 June 2016 \$
Lots 10 & 7 Aberdeen St, Perth WA	13/4/2016	1,090,000	215,866	215,866
Lots 12 & 7 Aberdeen St, Perth WA	13/4/2016	690,000	194,119	194,119
60 Egan St, Kalgoorlie WA	24/5/2016	400,000	129,608	129,608
24 Hibiscus Drive, Kununurra WA	(a) 14/4/2016	470,000	47,329	47,329
4/30 Bourke St, Piccadilly WA	(a) 15/4/2016	290,000	15,756	15,756
11 Wallaby Way, Broome WA(a)	(a) 29/4/2016	460,000	-	-
10/4 Reynolds St, South Headland WA	(a) 09/5/2016	285,000	-	-
		<u>3,685,000</u>	<u>602,678</u>	<u>602,678</u>

- (a) Residential properties acquired under a grant from the department of Attorney General. The Department of the Attorney General has caveated that such properties to be used specifically to accommodate staff of the Association rendering legal services

**Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and the end of the current financial year are set out below.

	Freehold land & Buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Carrying amount at 30 June 2015	4,264,638	93,013	332,493	5,253	4,695,398
Additions	2,013	4,481	-	-	6,493
Disposals	-	(11,316)	(157,224)	-	(168,540)
Depreciation expense	(207,869)	(38,463)	(160,261)	(4,186)	(410,779)
Depreciation on disposals	-	4,607	156,978	-	161,586
Impairment expense	(373,782)	-	-	-	(373,782)
Carrying amount at 30 June 2016	3,685,000	52,321	171,988	1,067	3,910,376
Additions	-	14,060	38,811	-	52,871
Disposals	-	-	(26,016)	(16,745)	(42,761)
Depreciation expense	(132,731)	(37,039)	(117,127)	(1,067)	(287,964)
Depreciation on disposals	-	-	10,841	16,745	27,586
Impairment expense	-	-	-	-	-
Carrying amount at 30 June 2017	3,552,269	29,342	78,497	-	3,660,108

9. Current Liabilities - Accounts payable

	<u>Note</u>	<u>2017</u>	<u>2016</u>
		\$	\$
Unsecured:			
Accrued expenses		231,777	92,893
Taxes Payable		138,127	77,091
Superannuation payable		69,565	59,018
Other payables		53,874	183,392
		<u>493,343</u>	<u>412,394</u>

10. Current Liabilities - Provisions

Employee Entitlements:			
Annual Leave		1,065,551	1,078,826
Long Service Leave		671,255	395,967
Sick Leave		469,213	453,699
Termination		-	31,967
		<u>2,206,019</u>	<u>1,960,459</u>

Notes to the financial statements

11. Current Liabilities - Unexpended grant	<u>Notes</u>	<u>2017</u> \$	<u>2016</u> \$
Indigenous Legal Assistance Program Grant		431,695	330,780
Myer Yinhawangka Charitable Grant		8,862	12,171
Employee of the year grant		1,586	1,586
Kids out of detention		10,000	10,000
Youth Justice Program		221,808	134,189
Expensive Indigenous Criminal Cases Grants		-	20,539
Data Standardisation		-	27,713
Unexpended frontline services		-	174,675
		<u>673,951</u>	<u>711,653</u>

12. Current Liabilities - Interest bearing liabilities

Secured property loan	(a)	80,063	73,239
Corporate credit cards		64,007	43,167
		<u>144,070</u>	<u>116,406</u>

- (a) Being an amortising principal & interest variable & fixed rate loan facility with Bankwest, which was renegotiated on 3 September 2013. Expiry date of this facility is 3 April 2019. The facility was fixed rate for the initial 12 months and has converted to a low rate variable loan. The interest payable charges at the business low rate plus 0.55% pa. The covenants within the loan facility requires that the total bank debt does not exceed \$426,885. Secured by a first ranking registered mortgage over Lots 2 and 12, 7 Aberdeen Street, Perth 6000 and lot 60 Egan Street, Kalgoorlie WA 6430 and a first ranked fixed and floating charge over the assets and undertakings of the Company.

13. Non - Current Liabilities - Provisions

	<u>2017</u> \$	<u>2016</u> \$
Employee Entitlements:		
Long Service Leave	335,321	451,174
	<u>335,321</u>	<u>451,174</u>

14. Non - Current Liabilities - Interest bearing liabilities

Secured property loan	(a)	<u>73,097</u>	154,611
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- (a) Non- current portion of bank loan referred to in note 12(a)



15. Discretionary Reserves	Notes	2017 \$	2016 \$
Residential Property Reserve			
Opening balance		83,873	43,302
Increase		-	40,571
Decrease		-	-
Closing balance	(i)	<u>83,873</u>	<u>83,873</u>
Long Service Leave Reserve			
Opening balance		672,000	550,000
Increase		-	122,000
Decrease		-	-
Closing balance	(ii)	<u>672,000</u>	<u>672,000</u>
Asset Replacement Reserve			
Opening balance		520,077	520,077
Increase		-	-
Decrease		-	-
Closing balance	(iii)	<u>520,077</u>	<u>520,077</u>
Redress Reserve			
Opening balance		-	183,682
Increase		-	-
Decrease		-	(183,682)
Closing balance	(iv)	<u>-</u>	<u>-</u>
Kalgoorlie Property Reserve			
Opening balance		392,037	392,037
Increase		-	-
Decrease		-	-
Closing balance	(v)	<u>392,037</u>	<u>392,037</u>
Special Projects Reserve			
Opening balance		55,396	55,396
Increase		-	-
Decrease		-	-
Closing balance	(vi)	<u>55,396</u>	<u>55,396</u>
Contract Reserve			
Opening balance		-	-
Increase		838,744	850,744
Decrease		-	(12,000)
Closing balance	(vii)	<u>838,744</u>	<u>838,744</u>
		-	-
		160	-
		-	-
		<u>160</u>	<u>-</u>
		<u>2,562,287</u>	<u>2,562,127</u>

(i) Residential property reserve is for the repairs and maintenance and improvement of residential properties owned by the Company and which are caveated by the Attorney General department for specific purpose. The reserve increases annually from rents received and decreases as expenses are incurred.

(ii) Long service leave reserve declares the reserves required by the Company to satisfy current employee entitlement liability.

(iii) Asset replacement reserve is used to offset future capital purchase requirements that may arise.

Notes to the financial statements

- (iv) Redress reserve is the residual surplus of the redress program and monies are set aside for future redress needs.
- (v) Kalgoorlie property reserve recognises the probability of the development of a future building on the Company's freehold land in Kalgoorlie.
- (vi) Special projects reserve is created from non-Attorney General Department surplus funds to be used for special projects in the future.
- (vii) Contract reserve being the surplus retained from "Legal Services Contract Tenders" 2004 to 2011 identified and preserved for future projects.

Reserves are created by prudential financial decision making by the executive committee and senior management and reflect the planned use of accumulated funds. Funds will be released back to retained earnings should the need no longer exist.

16. Contingent Liabilities

The Company was a party to a contract, on a fee for service basis, with the Commonwealth Attorney Generals Department, for the provision of legal services during the period 2004 to 2011. Surplus funds were retained following the successful delivery of the agreed services. A contract reserve within the discretionary reserves has been established to identify and preserve the funds earned by the Company - Note 15 (vii)

17. Commitments for expenditure

	<u>2017</u>	<u>2016</u>
	\$	\$
Lease commitments		
Aggregate operating lease expenditure in respect of buildings and plant and equipment contracted for at balance date but not provided for in the accounts:		
Payable no later than one year	756,818	976,514
Payable later than one, but no later than five years	1,061,105	274,201
Payable later than five years	-	-
	<u>1,817,923</u>	<u>1,250,715</u>

There is no significant capital expenditure contracted for at the end of the reporting period (2016: Nil)

18. Financial risk management and policies

The Company's principal financial instruments comprise cash and short-term deposits, receivables, payables, and bank loans.

The Company manages its exposure to key financial risks, including interest rate risk, in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The main risks arising from the Company's financial instruments are interest rate risk and credit risk. Monitoring of specific credit allowances is undertaken to manage credit risk.

Primary responsibility for identification and control of financial risks rests with the Executive Committee.

Unless otherwise stated the Company does not have any derivative instruments.

Each of the risks are identified as follows:

**Risk exposures and responses****(a) Interest rate risk**

The Company's exposure to interest rate risks relates to short-term deposit and long term borrowings. Short-term deposits form part of the cash and cash equivalents that bear fixed interest rates on maturity. Borrowings form part of the current and non-current interest bearing liabilities. Borrowings are contracted at variable rates.

		<u>2017</u>	<u>2016</u>
		\$	\$
Financial Assets			
Cash & cash equivalents	6	7,724,254	7,264,833
Receivables	7	66,323	57,331
Total Financial Assets		<u>7,790,577</u>	<u>7,322,164</u>
Financial Liabilities			
Accounts payable		1,167,294	1,124,047
Borrowings & Interest bearing liabilities		217,167	271,017
Total Financial Liabilities		<u>1,384,461</u>	<u>1,395,064</u>
Net Financial Assets		<u>6,406,116</u>	<u>5,927,100</u>

(b) Credit risk

Credit risk is the risk that a counterparty fails to pay or discharge an obligation to the Company. The Company does not have significant credit risk exposure to any counter party(s) under financial instruments entered into by the Company. The maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date. The Company constantly monitors defaults of clients and other counterparties.

(c) Liquidity risk

Liquidity risk management involves maintaining sufficient cash and the availability of funds to satisfy debts as and when they fall due and payable. Management effectively manages the Company's liquidity needs by monitoring forecast cash flows, following up trade and other receivables and ensuring that adequate credit facilities are maintained.

(d) Market risk

The Company is exposed to market risk through its use of financial assets and specifically to interest rate and certain price risks, which result from both its operating and short-term deposit investing activities.

(e) Sensitivity Analysis

As at reporting date the effect on profit and equity as a result of changes in interest rate, with all other variables remaining constant would be as follows:

	<u>2017</u>	<u>2016</u>
	\$	\$
Change in profit		
Increase in interest rates by 1%	79,414	69,938
Decrease in interest rates by 1%	(79,414)	(69,938)
Change in equity		
Increase in interest rates by 1%	(79,414)	(69,938)
Decrease in interest rates by 1%	79,414	69,938

Notes to the financial statements

No sensitivity analysis has been performed on foreign exchange risk, as the Company is not exposed to foreign exchange fluctuations.

Notes to the financial statements

(f) **Maturity analysis**
The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Financial assets and liabilities are considered in the Company's liquidity risk.

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
Cash and cash equivalents	7,724,254	7,264,833	-	-	-	-	7,724,254	7,264,833
Trade receivables	66,323	57,331	-	-	-	-	66,323	57,331
	<u>7,790,577</u>	<u>7,322,164</u>	-	-	-	-	<u>7,790,577</u>	<u>7,322,164</u>
Financial Liabilities								
Trade and other payables	1,167,294	1,124,047	-	-	-	-	1,167,294	1,124,047
Borrowings and Interest bearing liabilities	144,070	116,406	73,097	154,611	-	-	217,167	271,017
	<u>1,311,364</u>	<u>1,240,453</u>	<u>73,097</u>	<u>154,611</u>	-	-	<u>1,384,461</u>	<u>1,395,064</u>
Net maturity	<u>6,479,213</u>	<u>6,081,711</u>	<u>(73,097)</u>	<u>(154,611)</u>	-	-	<u>6,406,116</u>	<u>5,927,100</u>

The Company monitors liquidity reserves regularly on the basis of expected cash flows. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements, the fair value of which are materially equal to their carrying values.

Notes to the financial statements



19. Capital Management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, to ensure that the Company can fund its operations and continue as a going concern.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels.

There have been no changes in the strategy adopted by management to control the capital of the Company since the prior year.

20. Reconciliation of Profit after income tax to net cash inflow from operating activities

	<u>2017</u> \$	<u>2016</u> \$
Profit after income tax	118,640	229,003
Depreciation and amortisation	287,964	410,779
Net loss on disposal of assets	15,173	6,954
(Increase)/decrease in receivables	(28,751)	6,927
Increase/(decrease) in trade creditors and other payables	91,404	(436,091)
Increase in provisions	129,707	508,197
Decrease in unexpended grants	(37,702)	(374,112)
Net cash inflow from operating activities	<u>576,435</u>	<u>351,657</u>

21. Events occurring after reporting date

There is, at the date of this report, no other matter or circumstance that has arisen since the 30 June 2016 that has significantly affected, or may slightly affect:

- (a) the Company's operations in future financial years; or
- (b) the results of those operations in future financial years; or
- (c) the Company's state of affairs in future financial years.

22. Other information

The Aboriginal Legal Service of Western Australia is incorporated under Corporations Act 2001 as a public company limited by guarantee (formerly the Aboriginal Legal Service of Western Australia Inc. incorporated under the Western Australian *Associations Incorporations Act 2015*), domiciled in Australia. Its registered office and principal place of business is 7 Aberdeen Street, Perth, 6000 Western Australia.

A description of the nature of the Company's operations and principal activities is included in the Directors' report on page 1 and do not form part of this financial report.



Directors' Declaration

In the opinion of the Directors'

- (a) The financial statements and notes set out on pages 7 to 26 are in accordance with the Corporations Act 2001, including:
- (i) complying with the *Corporations Regulations 2001*, Accounting Standards and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at the 30 June 2017 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the financial year ended on that date; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board made pursuant to s 295(5) of the Corporations Act 2001

On behalf of the directors

Chairman
Perth, Western Australia
Date: 21 September 2017

Additional Information

ALSWA Staff as at 30 June 2017

Albany 1 Lawyer, 1 Court Officer, 1 Secretary, Broome 4 Lawyers, 1 Court Officer, 1 Secretary, Bunbury 1 lawyer, 2 Court Officers, 1 Secretary, Carnarvon 2 Lawyers, 1 Court Officer, 1 Secretary, Fitzroy Crossing 1 Court Officer, Geraldton 2 Lawyers, 1 Court Officer, 1 Secretary, Halls Creek 0.8 Court Officer, Kalgoorlie 3 Lawyers, 1.9 Court Officers, 1.5 Secretary, Kununurra 2 Lawyers, 1 Court Officer, 1 Secretary, Meekatharra 1 Court Officer, Northam 1 Court Officer, 1 Secretary, South Hedland 4 Lawyers, 1 Court Officer, 1 Secretary

Perth Criminal Unit 17 Lawyers, 4 Court Officers, 1 Para-Legal, 1 Court Liaison Officer, 2.8 Secretaries, Perth Family Law Unit 4 Lawyers, 2 part-time secretaries, Perth Civil/Human Rights Unit 6 Lawyers, 1 Senior Policy Officer, 1 Community Legal Education Officer, 1 Secretary, Perth Administration 1 Receptionist, 1 Payroll Officer, 1 Mail and Records Officer, 1 Human Resources Manager, 1 Chief Financial Officer, 1 Senior Finance Officer, 1 Travel Coordinator/Admin Assistant, 1 Personal Assistant, 1 Librarian, 1 IT Manager, 1 Manager Data & Sec Services, 1 Media Officer, 1 Operations Manager

Acknowledgements

Financial Assistance

Australian Government Attorney-General's Department (**95% of Funding**), Government of Western Australia Department of Corrective Services, Myer Yinhawangka Charitable Trust

Pro Bono

ALSWA is indebted to the following law firms and lawyers who have generously provided pro bono help.

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Law Firms: Corrs Chambers Westgarth, Gilbert and Tobin, DLA Piper, Ashurst Australia, Allens Linklaters

Law Access WA, Human Rights Law Centre, especially Ruth Barson

Donations

We would like to express our gratitude to the many individuals and organisations who generously donated to ALSWA and who wish to remain anonymous. More information on Donations can be found on the ALSWA website www.als.org.au

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Sponsorship

Thank you to the Blackstone Society for the opportunity for ALSWA to host a stall at the Perth Law Careers Fair, made possible through sponsorship from attending law firms.

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Artist information includes excerpts from Boomalli Aboriginal Artists Cooperative Artists www.boomalli.com.au

The Aboriginal Legal Service of WA 2017 Annual Report was compiled by ALSWA Media Officer Jodi Hoffmann.

Corporate Directory

Company

Aboriginal Legal Service of Western Australia Limited

ACN 617 555 843

ABN 61 532 930 441

Directors

Mr Michael Blurton	<i>Chairperson, Non-executive Director</i>
Mr Glen Colbung	<i>Deputy-Chairperson, Non-executive Director</i>
Mr. Donald Abdullah	<i>Non-executive Director</i>
Mr Preston Thomas	<i>Non-executive Director</i>
Ms Kathleen Watson	<i>Non-executive Director</i>
Mr Jim Lewis	<i>Non-executive, Co-opted Director</i>
Mr Paul Baron	<i>Non-executive, Co-opted Director</i>

Company Secretary

Mr John Poroch

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Facsimile 08 9221 1767

WA Toll Free 1800 019 900

Company Auditors

Deloitte Touche Tohmatsu

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LOOKING BACK



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