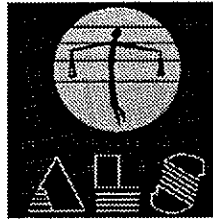


ANNUAL REPORT 1997 - 1998



**ABORIGINAL LEGAL SERVICE OF
WESTERN AUSTRALIA (INC.)**



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EXECUTIVE COMMITTEE MEMBERSHIP

(as at June 30, 1998)

Central:

Mr Ted Wilkes (President)

Ms Lorraine Whitby (Treasurer)

Goldfields:

Mr Delson Stokes

Mr Richard Evans

Southern:

Mr Mark Ugle

Mr Glen Colbung (Deputy Principal)

Pilbara:

Mr Brian Sampson

Mr Paddy Jeffries

Gascoyne:

Mr Mervyn Councillor

Mr William Kyanga

West Kimberley:

Mr Paul Sampi

Mr Alphonse Buck

East Kimberley:

Mrs Coral Gore-Birch (Secretary)

ATSIC Regional Council Chairpersons

Mr Arthur Slater (Kaata-Wangkinyiny Regional Council)

Mr Clem Riley (Kalkarniny Regional Council)

Mr Kevin Puertollano (Kullari Regional Council)

Mr Vic Hunter (Malarabah Regional Council)

Mr Adrian Brahim (Ngarda-Ngarli-Yarndu Regional Council)

Mr Bernard Newbury (Western Desert Regional Council)

Ms Veronica Williams (Wongi Regional Council)

Mr Ian Trust (Wunan Regional Council)

Mr Sandy Davies (Yamatji Regional Council)



PRESIDENT'S FORWARD

As President of the Aboriginal Legal Service of WA (Inc) I am pleased to present the Annual Report for the Financial Year 1997/1998.

The approach taken by the Executive Committee over the year was designed to make sure that Aboriginal people maintained confidence in the capacity of the organisation to meet their legal needs and to represent them on wider political issues, with increasing effectiveness.

The management and staff of ALSWA deserve appreciation, as do my fellow Executive Committee members.

The performance of the organisation during 1997/1998 was impressive, serving to confirm that ALSWA is a leading Aboriginal organisation, not only in this State, but in Australia. The organisation has shown that it has been determined to protect the interests and rights of Aboriginal people in this State, in the field of legal representation, and in areas of Native Title and Human Rights.

I am confident that ALSWA will continue to be supported by the Aboriginal and wider communities. I expect fully that ALSWA will be able to further develop service effectiveness into the forthcoming financial year and beyond.

A handwritten signature in black ink, appearing to read 'Ted Wilkes'.

TED WILKES
President
Aboriginal Legal Service of Western Australia (Inc)



CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to present this report on the activities and operations of the Aboriginal Legal Service of Western Australia Incorporated (ALSWA) for the 1997/98 financial year.

During the year a number of significant events occurred which have impacted, and will impact yet further, on the way in which ALSWA addresses its responsibilities toward the constituency that it serves – the Indigenous community in Western Australia.

Primary among these was the conduct of an Effectiveness Review of the Service by consultants appointed by our funding body, ATSIC.

The review, while strongly acknowledging the difficulties facing ALSWA in terms of inadequacy of funding, and recognising the effectiveness and efficiency of ALSWA operations in a general sense, identified a number of problem areas which, once properly addressed, will serve to further enhance the organisation's overall performance as a provider of legal services.

ALSWA's Executive Committee and Senior Management are working with ATSIC to restructure aspects of service delivery, in the suggested areas, to achieve greater efficiencies in use of human and financial resources.

Another major preoccupation during the year was ALSWA's strong defence of Aboriginal Native Title rights against attacks from the Federal Government.

While the Government managed to withstand the challenge and succeed in getting passage of its Native Title Amendment Bill through both Federal Houses of Parliament, the considerable research done by ALSWA in this area now forms the basis of its current and formidable opposition to proposed Native Title legislation within the State of WA.

A significant achievement during the year was the culmination of the Miriuwung-Gajerrong Native Title claim in the Federal Court in Perth, the first to go entirely through the Native Title process.

The year also saw the introduction of ATSIC's new eligibility criteria guidelines for the provision of services by ATSILS, including ALSWA, and this too has impacted on the manner in which ALSWA operates.

Conscious of its obligations to the Aboriginal community, ALSWA started the year with the publication of a 'Plain English' guide to ATSIC's new rules, which has been distributed widely throughout the State.

1997/98 also saw modest but hard-won expansion and/or rejuvenation of ALSWA services in some of the more remote areas of the State, with further expansion being considered, depending on availability of funding.

During the latter part of the year ALSWA, as did all Aboriginal organisations, found itself involved in the federal election campaign. A worrying aspect of the campaign was the aggressive and intimidatory approach taken by the Federal Minister for Aboriginal Affairs towards ATSIC

and Aboriginal organisations generally, with veiled threats of funding cuts and erosion of autonomy should the Government be returned to office.

The year also saw continued interaction between ALSWA, the Western Australian Police Service, the Ministry of Justice and the State Ombudsman. Issues addressed include resolution of family feuds; monitoring of police involvement in high-speed pursuits; improvement of conditions and surveillance in police lock-ups; and integration of Aboriginal Customary Law into the Western Law system. As well, ALSWA continued its strong representation on the State Aboriginal Justice Council and the Police Minister's Council on Aboriginal Affairs.

During the year ALSWA also maintained working relationships with a wide number of organisations including print and electronic media, tertiary institutions, Australians for Native Title and Reconciliation, WACOSS, The Australian Association of Social Workers, the Lawson Institute, the Australian Institute of Criminology, the Stolen Generations Action Group, the Australian Institute of Management, the Human Rights and Equal Opportunity Commission and Amnesty International.

Additionally, ALSWA maintained strong links with Aboriginal organisations, both within Western Australia, and nationally. These included NAILSS, ATSILS in each State and Territory, the NIWG and WAANTWG, Land Councils and Representative Bodies and Aboriginal community organisations.

Overall, ALSWA performed to a high standard during the year, despite the intrusion of major issues, as outlined above, that demanded considerable attention. The Service handled nearly 10,000 cases across its four areas of Criminal, Civil and Family Law and Land and Heritage matters. Staff numbers stayed consistent at around 115, despite the increased workload, reflecting extra effort from hard-working and dedicated legal, para-legal, administrative and specialist support staff.

The Executive Committee, chaired by President Ted Wilkes, was especially supportive and notably became more involved with ALSWA offices in regional areas.

Dennis Eggington
Chief Executive Officer



DEPUTY CHIEF EXECUTIVE OFFICER'S REPORT

The 1997/98 financial year heralded a number of changes for the Aboriginal Legal Service of Western Australia Incorporated (ALSWA). Not the least of these was in the area of reviews and reforms instigated by ALSWA's funding body, the Aboriginal and Torres Strait Islander Commission (ATSIC).

The reforms generally followed concerns about the operation of the Redfern Aboriginal Legal Service in New South Wales some two years previous. For ALSWA as well as other Aboriginal and Torres Strait Islander Legal Services around the country, this has meant agreeing to an ongoing process of change to improve accountability and the quality of legal services provided to clients. The first review faced by ALSWA was an effectiveness review. ALSWA is still considering the outcomes of that review so that any recommendations made by the review are only implemented in the best interests of ALSWA clients.

One area of change that is being implemented relates to the provision of legal services to Aboriginal women. ALSWA has responded to concerns about this issue by injecting additional funds into the briefing budget specifically for the briefing of women clients in cases where they cannot be directly represented by ALSWA.

Additionally, ALSWA is looking to create a new position of Women's Contact Officer with the advertising and appointment of that position expected in the next few months. The Women's Contact Officer will bring a new focus to how ALSWA can provide legal services to Aboriginal women in a way which has never been done before. To further assist in this regard, ALSWA is forging stronger links with the Women's Legal Service through its Indigenous Women's Subcommittee.

Another area of change that is being implemented relates to the enhancement of the role of the organisation's Executive Committee Members and the way they can work in their respective regions. To this end, ALSWA is looking to create a new position of Regional Coordinator, also to be advertised in the next few months. This position will work closely with the Chief Executive Officer in addressing the needs of Executive Committee Members and Aboriginal people in their regions. One of the functions of the Regional Coordinator will be to assist Members in the coordination of meetings to be held in the regions. It is hoped this initiative will better enable Members to represent the views of their regions when they come to meetings of the Executive Committee.

To assist Executive Committee Members to carry out their functions, ALSWA has produced a manual of information about how the organisation operates within ATSIC guidelines and the legal profession.

Further plans for change include the proposal still to be considered by ATSIC and the State Advisory Council (SAC) for ALSWA to become a statewide Community Development Employment Program (CDEP). If this proposal is successful, the positions that follow will include additional Court Officers/Friends of the Court as well as Community Legal Education Officers. It is hoped that through these positions and the regional meetings that are to occur, Aboriginal people in this State will have a better chance of knowing their rights and having them protected.

To also assist Aboriginal people to know their rights, work has continued on the production of legal education pamphlets. Topics currently available include Criminal Records, Going Surety, Under Arrest, Compensation for Criminal Injuries, Restraining Orders, Domestic Violence, Discrimination and Making a Will. Further publications are planned for the forthcoming financial year.

Work has commenced with some of the Community Legal Centres with a view to improving communication between ALSWA and the various other legal service providers. Work has continued with other agencies and organisations who are supportive of ALSWA and its objects. This includes the Human Rights and Equal Opportunity Commission, Amnesty International and Community Aid Abroad.

The second review undertaken on ALSWA operations was a financial review. The outcomes of this review were very positive and few changes to current arrangements and procedures are necessary. The financial situation of the organisation remains well managed with the 1997/98 financial year being a second successive year when there was no budget deficit. All staff are to be commended on this outcome, from the accounts staff who directly work in this area to the legal, para-legal and support staff who recognise the financial constraints within which ALSWA operates.

Human resource issues have also progressed including in regard to the revision of duty statements for many staff positions. It is expected that other revisions will be finalised within the next few months. In the forthcoming financial year, it is planned that a skills audit will be carried out for all staff so that the organisation can better meet the training needs of staff and therefore further improve the service to clients.

The 1997/98 financial year saw the re-opening of the Meekatharra office. Since then, a new office has been established in Newman to service the Newman/ Nullagine/Jigalong area. Additionally, a Solicitor is soon to commence at Derby thanks to additional funds being made available by the Malarabah (Derby) ATSIC Regional Council. Renovations were completed for the Broome and Carnarvon offices and the Hedland office was relocated to South Hedland in premises that are much more accessible for clients. Additionally, new premises were secured for the Geraldton office. All new and refurbished offices have received support from staff and clients alike.

In a bid to make the services of ALSWA more available to more Aboriginal people, extra 1800 telephone numbers were made available. These now operate in Perth, Albany, Broome, Bunbury, Carnarvon, Geraldton, Kalgoorlie and Hedland. Services are also being streamlined by the introduction of a computerised filing system which has been designed to show how ALSWA meets its performance indicators as set by ATSIC.

ALSWA has made submissions to the Education Act Review and the draft ATSIC Funding Formula as well as being involved in community issues such as forums on domestic and family violence.

Colleen Hayward
Deputy Chief Executive Officer



PRINCIPAL LEGAL OFFICER'S REPORT

The Aboriginal Legal Service of Western Australia (Inc) has survived another twelve months of conservative government at both State and Federal Levels. Our funding agency, ATSIC, is also under attack, particularly at the Federal level, as are most significant Aboriginal organisations nationally.

At the State level, an unenlightened Liberal government headed by Richard Court and Attorney General Peter Foss are continuing to develop and foster a more conservative psychology amongst the population at large. Their vote-catching 'law and order' campaign has resulted in pending sentencing legislation which will increase the time spent in custody by prisoners. Remissions on sentences will be abolished and a new privately owned medium security jail is to be constructed at Wanneroo to cater for the expected increase in prison population. It is almost inevitable that Aboriginal people will continue to be over represented in this prison population. Current estimates suggest that there are 14 - 20 times more Aboriginal persons per head of population in custody than non-Aboriginal.

In the Native Title area, proposed amendments to the *Native Title Act* threatened to significantly reduce rights. The *Native Title Act* originally provided a fairly complex mechanism for a determination of Native Title and rights associated with it. The amended Act would be four times as large and almost unworkable despite this being a suggested reason for the introduction of changes. The 'right to negotiate' would go and its proposed replacement, the 'right of consultation', seems far weaker. Despite these set-backs, a large number of competent Lawyers and Court Officers remain at the Aboriginal Legal Service and are prepared to take up whatever fight might be necessary.

Criminal Law Unit

The country saw three new practitioners arrive at Broome, Port Hedland and Kununurra while only one new Solicitor was needed in the Perth office. Staffing remains relatively stable in this Unit and morale is high. Most of the serious indictable work is now concentrated in the country due to the fact that ALSWA is losing a lot of serious indictable work to legally-aided private firms in the city. The infamous "three strikes" legislation continues to mean that juveniles, especially, run the risk of extended incarceration for minor burglaries. Recent Supreme Court authority makes it more likely for people to be jailed for driving under suspension. This particularly discriminates against those persons who are unable to afford to pay the cost of regaining a driver's licence. The Criminal Counsel role is now being performed by Peter Collins who has replaced Brian Devereaux.

Civil Unit

Following the transfer of the former Unit head, Paul Kennard, to the Land & Heritage Unit a new Unit head, David MacLean, was appointed and the section is being re-vamped. It was proposed that a Solicitor take up a position at Derby to better service the Kimberley region. The Unit recently settled a \$1.8 million motor vehicle injury claim for a young traditional person in the Jigalong Community. The Unit has filed a significant "stolen generation" writ in the Western Australian Supreme Court.

Family Law Unit

The Unit enjoyed probably its most stable year in 1997/98 with no change of staff. Demands on the brief out budget during the year meant that in cases of conflict the parties not represented by ALSWA needed to seek representation through the Legal Aid Commission. The demand for preliminary assistance and legal casework assistance remained strong. The Aboriginal Alternative Dispute Resolution Service previously operating within the Ministry of Justice was suspended in April 1998 leaving no effective mediation resolution service to intervene in family law disputes. The bulk of the Unit's work continues to centre around disputes relating to residence, responsibility for day to day care, welfare and development of children and contact issues as well as care and protection applications brought by the Department of Family & Children's Service. Urgent applications involving immediate court intervention i.e. a warrant for the return of children, remain an active area for the Unit. The Unit continues to have frequent contact with different country offices, providing general advice, taking on matters of greater complexity and appearing in trials as required.

Land & Heritage Unit

The Land and Heritage Unit saw a large turnover in staff in the last part of the year. This difficulty, coupled with the imminent passage of the Federal Government's amendments to the *Native Title Act 1993*, was offset to an extent by an anticipated positive Federal Court decision with regards to the Miriuwung Gajerrong Native Title claim surrounding Kununurra in the Eastern Kimberley region.

Country Offices

ALSWA is going through a phase which better recognises the need for more representation and coverage in the bush. A Court Officer position has been proposed for Laverton which will service Leonora, Cosmo Newberry and other western desert areas until ALSWA is in a position to establish at least a part-time Court Officer in the Warburton region. A new position was also proposed for Newman in the Pilbara. Vacancies for solicitors were filled in Broome, Kununurra, Port Hedland and Kalgoorlie.

Court Officers

Apart from the proposed appointments at Newman and Laverton, a number of new appointees have now completed their Court Officer training. Some Court Officers are undertaking a law degree via an Aboriginal Law Program at Deakin University in Victoria.

Conclusion

Overall, ALSWA is functioning well. Despite being completely accountable, ALSWA continues to be over-regulated by Government and Government agency reviews and requirements. Complying with these requirements seems non-sensical at times. Hopefully common sense will prevail and we can get on with doing that which we do best - providing a top quality legal service.

David Imlah
Principal Legal Officer



LAND & HERITAGE EXECUTIVE OFFICER'S REPORT

There have been many developments in the area of Native Title since the last Annual Report.

Miriuwung and Gajerrong Native Title Claim.

The Federal Court hearing for the Miriuwung and Gajerrong Native Title Claim in the East Kimberley was completed, and all involved with the claim were quietly confident as to the outcome.

Whenever a case goes to Court, there is always the risk of losing. However, in this Native Title claim the claimants felt they had a very strong case and would be successful. The claim was for exclusive possession over the land and, if successful, the Miriuwung and Gajerrong people would receive a number of rights that they currently did not enjoy. If the Federal Native Title Amendments were passed the claimants would be faced with large areas of extinguishment which would have an adverse affect upon their claim. Should the claim be successful it would be the first on the mainland, and would establish the Miriuwung and Gajerrong people in the legal history of Australia. It would also show Federal and State Governments that ALSWA should remain as a Representative Body.

Federal Native Title Legislation.

To the close of the year the Federal Government was continuing to pressure the Senate to get its Native Title Amendment Bill through, and implement its 10 Point Plan. If the Federal Government was successful, there would be a level of extinguishment of Native Title, that would take years to analyse, and there would be a delay in compensation for Native Title holders.

ALSWA was able to get support from the Australian Labor Party, Democrats and the Greens to endorse its position on the Native Title amendments, but the same could not be said for either Senator Harradine or Senator Colston.

Senator Harradine was having discussions with the National Indigenous Working Group and seemed to be holding the line. Senator Harradine has been known to change his mind at the last minute as he did in the first round of the selling of Telstra, after the Government made him an offer of extra money for Tasmania, the Senator's home State. Senator Colston did not communicate with the Working Group, but his vote could have been unimportant because the Federal Government had stated that it would 'pair' his vote which effectively meant that if Senator Colston voted then they would drop one of theirs to nullify the effect.

The Howard 10 Point Plan would have implications for Representative Bodies as they would have to go through a re-recognition process which meant that no one Representative Body would be guaranteed continued operation after the Bill was passed through Parliament.

ALSWA Representative Body status would also be in jeopardy because if the sole jurisdiction amendments were passed, the organisation would be in a situation where it would not have the whole State as its defined boundary. The Executive Committee would have to decide what action would be taken to maintain ALSWA's Representative Body Status.

Other areas that the Bill would affect included the Registration Test on Claims, Statutory Functions for Representative Bodies, Validation of Titles (that may have been given illegally), and most importantly, the Right to Negotiate.

The organisation would analyse whether the only alternative was to challenge the amended legislation in the Courts. Inaction could mean that Native Title holders could lose current rights.

Western Australia Aboriginal Native Title Working Group

The Western Australia Aboriginal Native Title Working Group is a forum for all Representative Bodies to meet and discuss problems they face with governments and with the Native Title Act, with a view to trying to get a coordinated approach to solving the problems. It has been in operation for the past three years.

In the last year the Working Group met five times to discuss what ALSWA could do about its Representative Body Status. The position of the Working Group is that the Executive Committee endorses the concept of a Special Representative Body status, which may allow ALSWA to continue to operate as a Representative Body and not be affected by the proposed sole jurisdiction principles of the Federal Government amendments.

ALSWA has been seeking support from other Representative Bodies throughout the State with only the Yamatji Land and Sea Council offering support at this stage.

West Pilbara

ALSWA is still operating as the Representative Body for the West Pilbara, and is expected to do so until the federal minister makes a decision as to who will be the Representative Body in the future.

ALSWA congratulates staff who have worked hard in the West Pilbara, as it is difficult to begin working on claims that have already started. The organisation will be in a position to be able to assist the Native Title holders in the West Pilbara region right through to the determination stage.

Conclusion

The year was an extremely difficult one for all who work within the Land & Heritage Unit/ Representative Body, considering that some of the more experienced staff moved on from the organisation. Thanks must go to all in the Land & Heritage Unit/Representative Body for their efforts.

Glenn Shaw
Executive Officer Land & Heritage

Aboriginal Legal Service of Western Australia (Inc)
Consolidated Financial Accounts for the year ended 30 June 1998

The accounts and schedules set out herein present fairly the consolidated financial position of the Aboriginal Legal Service of Western Australia (Inc) at 30th June 1998 and the results of its operations for the year then ended, in accordance with the basis of accounting described in Note 1 to the accounts and are based on proper accounts and records.

The grants received from the Aboriginal and Torres Strait Islanders Commission (ATSIC) for the financial year 1997/98 have been used towards the achievement of goals for which they were provided and all conditions included in the ATSIC letter of offers have been complied with.

The audit reports for the Aboriginal Legal Service of Western Australia (Inc) were documented by our auditors Pannell Kerr Forster and have been signed and delivered. Copies of the report are available from ALSWA.

Andrew Grist
Accountant

BALANCE SHEET
AS AT 30TH JUNE 1998

	<u>Note</u>	<u>1998</u> \$	<u>1997</u> \$
<u>CURRENT ASSETS</u>			
Cash	2	1,508,595	1,241,943
Receivables	3	119,720	111,826
Total Current Assets		<u>1,628,315</u>	<u>1,353,769</u>
<u>NON-CURRENT ASSETS</u>			
Property, furniture and equipment	1(B), 4	347,118	347,995
Leasehold improvements	1(B), 5	124,269	87,341
Total Non-Current Assets		<u>471,387</u>	<u>435,336</u>
<u>TOTAL ASSETS</u>		<u>2,099,702</u>	<u>1,789,105</u>
<u>CURRENT LIABILITIES</u>			
Accounts payable	1(E), 6	477,520	507,411
Provisions	7	421,000	357,500
Total Current Liabilities		<u>898,520</u>	<u>864,911</u>
<u>NON-CURRENT LIABILITIES</u>			
Provisions	8	95,000	125,900
Total Non-Current Liabilities		<u>95,000</u>	<u>125,900</u>
<u>TOTAL LIABILITIES</u>		<u>993,520</u>	<u>990,811</u>
<u>NET ASSETS</u>		<u>\$1,106,182</u>	<u>\$798,294</u>
<u>Accumulated Funds:</u>			
Reserves	10	741,633	741,633
Retained surplus		364,549	56,661
<u>TOTAL FUNDS</u>		<u>\$1,106,182</u>	<u>\$798,294</u>

INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30TH JUNE 1998

	<u>Note</u>	<u>1998</u> \$	<u>1997</u> \$
<u>INCOME</u>			
ATSIC grants		8,976,150	6,933,773
Interest		91,063	83,592
Other income		296,108	133,962
		<hr/>	<hr/>
		9,363,321	7,151,327
		<hr/>	<hr/>
<u>EXPENDITURE</u>			
Salaries		4,906,843	4,579,494
Depreciation		268,154	309,094
Other operating expenses		3,880,436	2,730,298
		<hr/>	<hr/>
		9,055,433	7,618,886
		<hr/>	<hr/>
Net surplus/(deficit) for year	12	307,888	(467,559)
Retained surplus at the beginning of the financial year		56,661	524,220
		<hr/>	<hr/>
Retained surplus at the end of the financial year		\$364,549	\$56,661
		<hr/>	<hr/>

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 1998

		<u>1998</u> Inflows (Outflows)	<u>1997</u> Inflows (Outflows)
<u>Cash flows from operating activities:</u>			
Receipts from ATSIC		8,976,150	6,933,773
Interest received		91,063	82,206
Other receipts		296,108	138,962
Payments to suppliers and employees		(8,792,464)	(7,199,532)
		<hr/>	<hr/>
Net cash from/(used in) operating activities	A	570,857	(44,591)
		<hr/>	<hr/>
<u>Cash flows from investing activities:</u>			
Payments for property, plant and equipment		(304,205)	(125,978)
		<hr/>	<hr/>
Net cash used in investing activities		(304,205)	(125,978)
		<hr/>	<hr/>
Net increase/(decrease) in cash held		266,652	(170,569)
		<hr/>	<hr/>
Opening balance of cash held		1,241,943	1,412,512
		<hr/>	<hr/>
Cash balance at the end of the year		\$1,508,595	\$1,241,943
		<hr/>	<hr/>

RECONCILIATION OF NET CASH PROVIDED FROM OPERATING ACTIVITIES TO NET INCOME/ (DEFICIT) FOR

<u>YEAR</u>		
Net income/ (deficit) for year	307,888	(467,559)
Depreciation	268,154	309,094
Increase in provisions	32,600	122,400
Increase in receivables	(7,894)	(24,172)
Increase/ (decrease) in creditors and accruals	(29,891)	15,646
Net cash from/ (used in) operating activities	\$570,857	\$(44,591)

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1998

1. STATEMENT OF ACCOUNTING POLICIES

A) BASIS OF ACCOUNTING & CONSOLIDATION

The consolidated financial accounts comprise the accounts of the Aboriginal Legal Service of WA (Inc) and other entities which received grants from the Aboriginal and Torres Strait Islanders Commission (ATSIC) for which the Aboriginal Legal Service of WA (Inc) acts as grantee and is responsible for. Details of the contribution to the consolidated net surplus/ (deficit) by each entity is included in Note 12.

The financial statements have been drawn up in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and have been prepared on the historical cost basis and except where stated do not take into account current valuation of non-current assets.

B) NON-CURRENT ASSETS

Non-Current Assets have been recorded in the financial statements at 1 July 1995 valuation and subsequent acquisition cost, less accumulated depreciation or amortisation. Depreciation/ amortisation is calculated on a straight line basis over the estimated useful lives of the assets.

Useful lives for each class of depreciable asset are:

Computer equipment	3 years
Office equipment	4 years
Furniture and fittings	5 years
Renovations	4 years
Buildings	25 years

C) GOING CONCERN

It is considered appropriate to prepare the accounts on a going concern basis as continued funding from the Aboriginal and Torres Strait Islanders Commission (ATSIC) is expected.

D) COMPARATIVE INFORMATION

Certain comparative information has been re-classified to ensure consistency with current years disclosure.

E) ACCOUNTS PAYABLE

Accounts Payable, including accruals not yet billed, are recognised when the obligation arises to make future payments as a result of a purchase of assets or services. Accounts payable are generally settled within 30 days.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1998

	<u>1998</u>	<u>1997</u>
	\$	\$
2. <u>CURRENT ASSETS - CASH</u>		
Payroll Account	285	8,559
Cash Management Accounts	481,765	680,387
Branch Imprest	3,510	3,510
Petty Cash Imprest	1,400	400
General Accounts	216,735	(16,309)
Short term Deposits	804,900	565,396
	\$1,508,590	\$1,241,943

CURRENT ASSETS - RECEIVABLES

Prepayments	80,559	99,671
Organisation Trust	29,612	2,186
Others - General	9,549	9,969
	<hr/>	<hr/>
	\$119,720	\$111,826
	<hr/>	<hr/>

NON-CURRENT ASSETS - PROPERTY, FURNITURE
& EQUIPMENT

Land and Buildings		
At committee's valuation 1 July 1995	99,773	99,773
Accumulated depreciation	16,983	12,737
	<hr/>	<hr/>
	82,790	87,036
	<hr/>	<hr/>
At cost	28,552	28,552
Accumulated depreciation	3,235	2,093
	<hr/>	<hr/>
	25,317	26,459
	<hr/>	<hr/>
Total land and buildings	108,107	113,495
	<hr/>	<hr/>
Furniture and Equipment		
At committee's valuation, 1 July 1995	217,468	217,468
Accumulated depreciation	214,429	194,415
	<hr/>	<hr/>
	3,039	23,053
	<hr/>	<hr/>
At cost	676,545	518,270
Accumulated depreciation	440,573	306,823
	<hr/>	<hr/>
	235,972	211,447
	<hr/>	<hr/>
Total furniture and equipment	239,011	234,500
	<hr/>	<hr/>
Total Property, Furniture and Equipment	\$347,118	\$347,995
	<hr/>	<hr/>

NON-CURRENT ASSETS

Leasehold Improvements		
At committee's valuation 1 July 1995	424,392	424,392
Accumulated amortisation	424,392	363,765
	<hr/>	<hr/>
	—	60,627
	<hr/>	<hr/>
At cost	173,326	27,397
Accumulated depreciation	49,057	683
	<hr/>	<hr/>
	124,269	26,714
	<hr/>	<hr/>
Total Leasehold Improvements	\$124,269	\$87,341

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1998**

	1998	1997
	\$	\$
6. <u>CURRENT LIABILITIES - ACCOUNTS PAYABLE</u>		
Sundry accruals	115,673	137,025
Other Creditors	51,449	53,724
Accounts Payable	310,398	304,589
Sundry creditors - others	—	12,073
	<u>\$477,520</u>	<u>\$507,411</u>
7. <u>CURRENT LIABILITIES - PROVISIONS</u>		
Annual Leave	305,000	270,500
Long Service Leave	116,000	87,000
	<u>\$421,000</u>	<u>357,500</u>
8. <u>NON-CURRENT LIABILITIES</u>		
Long Service Leave	<u>\$95,000</u>	<u>\$125,900</u>
9. <u>AUDIT FEES</u>		
General audit services	13,400	8,525
PLO Trust audit	2,300	2,318
	<u>\$15,700</u>	<u>\$10,843</u>
10. <u>RESERVES</u>		
Asset Revaluation Reserve	<u>\$741,633</u>	<u>\$741,633</u>
Due to the introduction of full accrual accounting on 1 July 1995, the value of property, plant and equipment recognised at that date was \$741,633. This reserve accordingly reflects the recognition of such assets.		
11. <u>CONTINGENT LIABILITY</u>		
An amount of \$844,883 (1997: \$564,905) relating to unexpended grants which is not recognised in the Balance Sheet, may be carried forward only with the approval of the Aboriginal and Torres Strait Islanders Commission (ATSIC).		
	Contribution to net surplus/(deficit)	
	1998	1997
	\$	\$
12. <u>CONSOLIDATED ENTITIES</u>		
Aboriginal Legal Service of WA (Inc)	190,125	(54,638)
Land and Heritage Unit	(448,062)	(382,338)
West Pilbara Representative Body	511,314	—
National Indigenous Working Group	3,841	—
Western Australian Native Title Working Group (13,359)	(30,583)	—
Media & Awareness Campaign	(5,971)	—
ATSIC Derby Grant	70,000	—
	<u>\$307,888</u>	<u>\$(467,559)</u>
Net surplus/(deficit) for year		

13. FINANCIAL INSTRUMENTS

(a) Interest Rate Exposure

30 June 1998	Weighted average effective interest rate %	Floating Interest rate \$	Fixed Interest rate maturities 1 year or less \$	Non Interest Bearing \$	Total \$
<u>Assets</u>					
Cash	4.32	703,695	804,900		1,508,595
Accounts Receivable				39,161	39,161
Total Financial Assets		703,695	804,900	39,161	1,547,756
<u>Liabilities</u>					
Accounts Payable & Accruals				477,520	477,520
Employee entitlements				516,000	516,000
Total Financial Liabilities				993,520	993,520
Net Financial Assets / (Liabilities)		703,695	804,900	(954,359)	554,236

(b) Credit Risk Exposure

All financial assets are unsecured

INFORMATION FOR ATSIC PURPOSES

	1998 \$	1997 \$
<u>Unexpended Funds</u>		
ATSIC Derby	70,000	
Aboriginal Legal Service of WA (Inc.)	205,609	106,186
Land and Heritage Unit	57,912	436,477
West Pilbara Representative Body	502,479	—
Western Australian Native Title Working Group	8,883	22,242
	844,883	564,905
<u>Deficit carried forward</u>		
National Indigenous Working Group	(4,067)	—
Western Australian Native Title Working Group Media and Awareness Campaign	(5,971)	—
	(10,038)	—
Total net unexpended funds carried forward	834,845	564,905
<u>Adjustments to statutory accounts</u>		
(Surplus) brought forward	(564,905)	(729,449)
Capital Expenditure	304,204	125,978
Depreciation	(268,154)	(309,094)
Provision for long service leave	1,898	(109,899)
Net surplus/(deficit) per Income and expenditure statement	\$307,888	\$(467,559)

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