



Government of Western Australia
Department of Aboriginal Affairs

The background of the cover is a large, diagonal image of Aboriginal rock art. The art depicts several figures in traditional attire, some holding spears and boomerangs, set against a textured, earthy background. The image is split diagonally, with the top-left portion being dark brown and the bottom-right portion being white.

ABORIGINAL AFFAIRS
PLANNING AUTHORITY
Annual Report
2016-17

Disclaimer

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Statement of Compliance

Hon Ben Wyatt MLA
Minister for Aboriginal Affairs

FOR THE YEAR ENDED 30 JUNE 2017

In accordance with Section 63 of the *Financial Management Act 2006*, I hereby submit for information and presentation to Parliament, the Annual Reports for the Aboriginal Affairs Planning Authority for the financial year ended 30 June 2017.

This Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Gail McGowan
Director General

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Aboriginal Affairs Planning Authority

The *Aboriginal Affairs Planning Authority Act 1972* (AAPA Act) makes provision for the establishment of an Aboriginal Affairs Planning Authority and an Aboriginal Affairs Advisory Council for the purpose of providing consultative and other services and for the economic, social and cultural advancement of Aboriginal people in Western Australia.

Under this Act, four statutory bodies were created to facilitate these objectives:

- Aboriginal Affairs Planning Authority (AAPA)
- Aboriginal Affairs Coordinating Committee (AACC)
- Aboriginal Lands Trust (ALT)
- Western Australian Aboriginal Advisory Council (WAAAAC).

Until 30 June 2017, Department of Aboriginal Affairs provides services on behalf of, and support to these statutory bodies. From 1 July 2017, these services will be transferred to the Department of Planning, Lands and Heritage. The AAPA does not have any staff. The AAPA funds the operational management of the ALT estate.

The AAPA is the responsibility of the Hon Ben Wyatt MLA, Treasurer; Minister for Finance; Energy; Aboriginal Affairs.

Western Australian Aboriginal Advisory Council

The Western Australian Aboriginal Advisory Council (WAAAC) is established under section 18 of the *Aboriginal Affairs Planning Authority Act 1972* (the AAPA Act).

The function of the WAAAC under section 19(3) of the AAPA Act is to advise the Minister on matters relating to the interests and wellbeing of persons of Aboriginal descent.

Formation of the WAAAC represents a unique opportunity to build genuine, respectful and reciprocal relationships between Aboriginal people and the Western Australian Government to achieve better life outcomes for Aboriginal and Torres Strait Islander men, women and children.

Central to achieving this purpose is working in partnership with the Aboriginal and Torres Strait Islander community of Western Australia. In turn, the State Government will be better placed to address Aboriginal disadvantage by acting on the advice and direction of the WAAAC and working collaboratively to achieve multiple benefit outcomes.

The membership of the WAAAC during 2016-17 is as follows:

- Ian Trust (Chair)
- Gail Allison
- Gordon Gray
- Carol Petterson
- Krista McMeeken
- Phillip Matera
- Brenda Garstone
- Troy Eaton (resigned November 2016)

Aboriginal Affairs Coordinating Committee

The Aboriginal Affairs Coordinating Committee (AACC) is established under section 19 of the *Aboriginal Affairs Planning Authority Act 1972* (the AAPA Act).

The function of the AACC under section 19(3) of the AAPA Act is to coordinate effectively the activities of all persons and bodies, corporate or otherwise, providing or proposing to provide services and assistance in relations to persons of Aboriginal descent.

Since 1972, the AACC, as a whole-of-government decision-making authority, has only operated intermittently, and was fully re-established in March 2009. From the outset, members agreed that the focus of the AACC should be on improved and innovative service delivery to Aboriginal people, and greater collaboration and coordination between State Government agencies.

The AACC agreed it would take action in three ways: broader systemic issues; intensive work with priority locations; and immediate crisis response to communities when necessary.

The ability to provide fast and effective responses to critical incidents and levels of dysfunction threatening Aboriginal people was identified as a key priority for the AACC in 2009. It was also considered vital and recorded that the AACC learns from critical incidents to be able to identify emerging crises and take preventative action.

The AACC agreed that the Chief Operating Officer (COO) would perform the role of crisis response coordinator for incidents as they occur and engage in intelligence gathering to advise the AACC of emerging crises and risk factors.

Aboriginal Affairs Coordinating Committee

Between 2009 and 2017, the identification of actual and emerging crises in Aboriginal communities by the COO and other AACC member agencies led to the crisis deployment of the COO to:

- Oombulgurri (community closed by Government in 2011);
- Roebourne;
- Meekatharra;
- Kalumburu;
- Burringurrah; and
- Balgo.

Since June 2016, the former DAA deployed a Director Operation three times to crisis locations when necessary, to coordinate a crisis response on behalf of the AACC short term, including Kalgoorlie in late 2016 and more recently Roebourne.

Aboriginal Lands Trust

The Aboriginal Trust (ALT) is established under section 20 of the *Aboriginal Affairs Planning Authority Act 1972* (the AAPA Act).

The function of the AACC under section 23 of the AAPA Act is to acquire and hold land, and to use and manage that land for the benefit of persons of Aboriginal descent; to ensure that the use and management of the land accords with the wishes of the Aboriginal inhabitants of that area; to consult, negotiate and enter into contracts as necessary for the development of the land; and to initiate or support action required to ensure the most beneficial use of the land.

The Aboriginal Lands Trust (ALT) became responsible for the administration of lands previously held by the Native Welfare Department and a number of other State Government agencies. There are also lands that remain registered in the name of the Aboriginal Affairs Planning Authority. Additionally, as a part of the effective management of its estate, the ALT undertakes strategic land acquisitions.

The ALT provides advice to the Minister for Aboriginal Affairs on ALT land issues. The ALT is a significant landholder with responsibility for approximately 24 million hectares or 10 per cent of the State's land mass. This land comprises different tenures including reserves, leases and freehold properties. A significant proportion of this land comprises reserves that have Management Orders held by the ALT (generally having the power to lease), with their purposes mostly being for "the use and benefit of Aboriginal inhabitants".

The ALT meets every second month.

The membership of the ALT during the 2016-17 financial year, is as follows:

- Dr Robert Isaacs AM (Chair)
- Irene Davey
- Preston Thomas
- Harold Graham
- Patrick Green
- Jamie Elliott
- Jacqueline Minney
- Simon Forrest (resigned November 2016)

Significant issues impacting the AAPA

Divestment of ALT estate

There is an increasing awareness of the need for Aboriginal communities to create private interests on Aboriginal lands, which might provide economic activity, home ownership and investment opportunities for Aboriginal people, while having the option of retaining native title.

Land tenure reform is a significant economic enabler for Aboriginal people who live on or have traditional ownership of land. This reform is particularly important on reserve lands held by the ALT. These lands are inhabited by 80 percent of all remote Aboriginal community populations and cover almost 10 percent of the State. They are also among the most disadvantaged communities, with low economic participation rates and significant social disadvantage.

Private ownership through land tenure is a cornerstone of investment, including business investment and home ownership. In the last two years, the Department of Aboriginal Affairs and the ALT have taken a practical approach to land tenure improvement by providing rights and interests on distinct parcels of land. Furthermore, the ALT has sub-leased two of its pastoral leases to commercial interests working in partnership with Traditional Owners or Aboriginal corporations, with a further four sub-leases being negotiated.

The State Government has made significant commitments concerning divestment of the ALT estate in the Kimberley region. In June 2017, a Roundtable was held in Broome to discuss land tenure reform and divestment. The meeting was attended by the Minister for Aboriginal Affairs and senior Aboriginal leadership based in the Kimberley, as an initial step to addressing the Government's election commitment to divest the ALT estate.

Management of the Aboriginal Lands Trust Estate

Under the *Aboriginal Affairs Planning Authority Act 1972* (AAPA Act), the AAPA and ALT manage 9.65 per cent of Western Australia's land mass, equating to 24 million hectares. More than 12,000 people live on the AAPA/ALT estate, in 155 regional and remote Aboriginal communities and 28 town based reserves.

The land management requirements of the ALT and AAPA rely on non-restricted cash reserves held in the AAPA and managed by the Department. Operational funds for these entities do not come from the Department's budget allocation.

Many Aboriginal people are living in substandard living conditions in regional and remote Aboriginal communities, many of which are on the ALT estate. Funding is expended on unavoidable operating costs, such as power disruption, risks to public health, road safety, demolition of abandoned housing, contaminated site remediation and community clean ups. The ALT has been limited to addressing extreme and high risk infrastructure issues on the estate.

The Authority has undertaken a small-scale audit program in several high risk Aboriginal communities. It is approximated that two per cent of structures on the AAPA/ALT estate have been audited. Moderate to high risks have been identified, highlighting the presence of exposed asbestos, non-compliant electrical safety issues, contamination, poorly maintained sewer systems and other breaches in regulatory standards. These ongoing repair, maintenance and remediation issues continue to be addressed to reduce risks to public health and wellbeing on the ALT estate.

Town Based Reserves

Implementation of the Whole of Government Policy Framework for the transition of Aboriginal Town Based Reserves in Western Australia is being led by the Regional Services Reform Unit, however, individual government agencies are also pursuing Town Based Reserves projects as opportunities and resources allow.

There are 38 Town Based Reserves in Western Australia, occupied by approximately 3,000 people, 27 of which are located on Aboriginal Lands Trust Estate.

The ALT is working closely with communities on Town Based Reserves to ensure greater community safety and improved amenity having recently undertaken repairs, clean-ups and demolitions in Ninga Mia, Irrungadji, Parnpajinya, One Mile and Mallingbar.

The ALT is progressing the leasing of individual housing lots within Nambi Village in Leonora to the Katampul Aboriginal Corporation. This leasing arrangement allows the Corporation to secure Commonwealth infrastructure funding and is an interim step towards regularisation of the community.

The ALT, together with partner agencies, are working to investigate options for improved housing for residents living at Mallingbar and One Mile in Broome.

The ALT and the Department are working with the Pilbara Development Commission to undertake reform of seven Town Based Reserves in the Pilbara region.

Machinery of Government

Administrative support for the AAPA and the ALT was provided by staff employed by the Department of Aboriginal Affairs (DAA). Under Machinery of Government changes, the DAA was abolished as at 1 July 2017. Its functions pertaining to the support provided to the AAPA and ALT are being transferred to the new Department of Planning, Lands and Heritage.

Contaminated Sites

Under the *Contaminated Sites Act 2003*, the Authority is required to report known and suspected contaminated sites to the Department of Environment Regulation (DER). In accordance with the Act, DER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the Authority may have a liability in respect of investigation or remediation expenses.

During the year the Authority reviewed all sites and determined that the status of only one site, Buruwa (Reserve 9656) has changed, with remediation action completed in March 2017. For all other sites their status remains unchanged from the previous year.

There were no additional sites reported to DER this year.

Report on Operations

The ALT estate covers approximately 24 million hectares of land in Western Australia, which equates to about 9.65 per cent of the State.

There are 312 parcels of land including 249 crown reserves, 50 freehold, seven general purpose leases and six pastoral leases.

Over 81 per cent of the ALT land size lies on Part III land. This equates to 80 ALT reserves (19 million hectares) that are the subject of a proclamation by the Governor under Part III of the AAPA Act, where special protections apply. To enter or transit through these reserves a permit is required.

The ALT estate includes 155 regional and remote Aboriginal communities and 28 town based reserves, with an approximate population of 12,000 inhabitants. 17 of the 20 largest Aboriginal communities are located on ALT estate. The five largest are: Bidyadanga, Balgo, Warburton, Kalumburu and Jigalong.

There are over 260 existing leasing arrangements which constitute approximately 13 million hectares (or 54 per cent) of the ALT estate.

Through a desk top audit, it is estimated there are up to 5,000 buildings and structures on the ALT estate, consisting mainly of houses, and also including community halls, administrative buildings, schools, health clinics, and grocery stores.

Land Tenure

Reforming land tenure is a precursor to investment for Aboriginal people, and improves amenity, housing outcomes, service delivery and increases commercial opportunities.

The AAPA through the ALT and Department of Aboriginal Affairs, sought to reform land tenure in accordance with strategic land use planning goals and aspirations of native title holders, Aboriginal people and service providers through developing a policy framework to support reforms.

In June 2017, the ALT hosted a Roundtable in Broome, which was attended by the Minister for Aboriginal Affairs and senior Aboriginal leaders based in the Kimberley, as an initial step towards divestment of the ALT estate in the Kimberley region.

The Authority, has taken a practical approach to land tenure improvement through the issue of leases and land development applications. During the year, the ALT Board approved twelve parcels of land to be divested to the direct control of Aboriginal people or organisations, which exceeded performance targets for the period. ALT leases and sub-leases approved by the Board include:

- Meekatharra Reserve 13515 to the Trustee Yugunga-Nya Peoples Trust to develop a club to provide services for Aboriginal women;
- Redmond Reserve 26373, near Albany to the Dean Family for cultural, economic and training of Aboriginal youth;
- A portion of Parnpajinya Reserve 42835, Newman to the Ashburton Aboriginal Corporation for a housing renovation program;
- FH498/500 in Nannup to the Colmag Aboriginal Corporation for Aboriginal training and employment purposes;
- A portion of Reserve 9656 to the Bunuba Dawangarri Aboriginal Corporation to support Aboriginal youth service activities in Fitzroy and surrounding communities;
- Sub-Lease Ngaanyatjarra Central Reserve 24923 to the Tjambu Tjambu Aboriginal Corporation to align with native title boundaries;
- Sub-Lease Leonora Reserve 34913 from Leonora Aboriginal Corporation to the Ngalia Heritage Research Council to develop a cultural centre and associated infrastructure;
- Sub-Lease a portion of Reserve 20927 from Ardyaloon to the Kimberley Land Council for an operational base for the Bardi Jawi Rangers;
- Sub-Lease a portion of Reserve 21675 from Kalumburu Aboriginal Corporation to the Maraltady Family Aboriginal Corporation for tourism and commercial operations;
- Sub-Lease Freehold FH2891/195 from Beagle Bay Futures to the Kimberley Land Council for Nyul Nyul Ranger activities; and
- Sub-Lease over Pippingarra Pastoral Station Lease N049843, near Port Hedland, between Pindan Pty Ltd and Pippingarra to enable a better investment flow for a cattle business.

The Authority also committed to creating leases to meet the land requirements for key infrastructure projects, including roads, community services and essential services.

Activity related to this commitment also exceeded targets, with seven applications approved by the ALT Board, including:

- Cooinda House, Mt Lawley (FH1181/8) to the Minister for Child Protection for the purpose of an Educational Hostel for Aboriginal children;
- Caversham (Reserve 27464) to Youth Futures Western Australia to operate a training centre for marginalised youth and adults;
- Sub-Lease Warmun Reserve 34593 to the Bishop of Broome to construct of a school for the benefit of Aboriginal children;
- Sub-Lease a portion of Reserve 21471 to AirServices Australia to support safe and efficient air traffic operations;
- Sub-Lease a portion of Reserve 17614 to Telstra to support the operation and maintenance of telecommunications facilities;
- Sub-Lease a portion of Lake Gregory Pastoral Lease to Mandora Services to facilitate investment in the pastoral industry; and
- Approved infrastructure modifications (water drilling, increased camp sites) on Reserve 40571 to allow the Imintji Aboriginal Corporation to further develop the Wilderness Camp.

Partnerships to Create Cultural and Economic Value

The ALT endeavoured to forge partnerships across key land administration, planning, housing and service delivery agencies, collaborating with relevant agencies on ten initiatives across the State.

These partnerships included:

- Collaborating with the Department of Local Government and Communities in relation to burials on the ALT estate;
- Collaborating with the Pastoral Lands Board and the Department of Lands to facilitate the renewal of ALT Pastoral Leases;
- Developing the Karriyarra Indigenous Land Use Agreement (ILUA), in collaboration with the Departments of the Premier and Cabinet, Lands and the Housing Authority in relation to the divestment of ALT reserves;
- Collaborating with the Department of Agriculture to advertise an expression of interest for sub-leases over Lake Gregory Pastoral Stations;
- Partnering with the Housing Authority and Regional Services Reform Unit to facilitate the urgent repair, maintenance and demolition of unsafe infrastructure at One Mile and Irrungadgi communities;
- Working with the Water Corporation to address Cullacabardee sewerage issues, water debt and implementation and roll out of Water Corporation smart meters;
- Collaborating with Dambimangari and Willagen over divestment of ALT Reserves, as part of the Kimberley Science & Conservation Strategy, in conjunction with the Department of the Premier and Cabinet;

- Partnering with the Housing Authority and Regional Services Reform Unit to investigate options for improved housing for residents living at Mallingbar and One Mile in Broome;
- Working with the Pilbara Development Commission to undertake the reform of Town-Based Reserves in the Pilbara region including consultation on the regularisation of services or normalisation as part of the adjoining town; and
- Collaborating with BHP regarding programs for Aboriginal people utilising the Jigalong Shed facility.

Creating Economic Opportunities on the ALT estate

The ALT estate provides significant economic and investment opportunities for Aboriginal people. Through facilitating and brokering engagement of Aboriginal business for services and management of the estate, the Land Directorate has contributed to creating such opportunities. During the year, six Aboriginal businesses, registered on the Aboriginal Business Directory WA, were engaged to undertake contracts on the ALT estate, including:

- Remote Site Logistics engaged to undertake asbestos removal at Mogumber and remedial work to the church;
- Emam Nguda engaged to create a firebreak and slashing of grass at Bungarun near Derby;
- Broome Electrical engaged to undertake electrical and power works at Mallingbar, Broome;
- KRSP engaged to repair water leaks at Buruwa, Fitzroy Crossing;
- Mamabulanjin engaged to undertake two clean-up projects at One Mile, Broome; and
- Blackwood engaged to undertake asbestos removal, board-up and cleanup at Nindeebai Hostel, Kalgoorlie/Boulder.
- The Land Directorate has worked closely with pastoral operations this year, supporting ALT sub-leasing to Aboriginal entities. This has led to increased involvement of Aboriginal people in WA's beef industry and improved economic independence. Pastoral projects supported include:
 - Doon Doon (West): management agreement with East Kimberley Cattle Company is being rolled over for another year pending ALT Board consideration of a longer term arrangement. This agreement has resulted in new infrastructure such as water points and fencing being installed.
 - Doon Doon (East) and Gen Hill: sub-lease finalised to Glen Hill Pastoral Aboriginal Corporation (GHPAC). The eastern section of Doon Doon (East) is to be amalgamated with Glen Hill and divested to GHPAC. The sub-lease has enabled GHPAC to apply for business loans and grants to purchase up to \$2million worth of cattle stock.

- Pippingarra: sub-lease signed 46 Pindan over Pippingarra Pastoral Lease & lodged with Landgate. Working on a sub sub-lease to Pippingarra Pastoral Company which is a joint venture between 46 Pindan and Eastern Gurama Pastoral Company to provide enhanced economic opportunities and better management of the pastoral lease.
- Lake Gregory: currently finalising the sub-lease to Mandora Services and as a result \$8.5 million over 20 years is to be invested in the cattle business.
- Billiluna: process initiated for community consultation for an expression of interest for a partnership or sub-lease to result in commercial pastoral activities being recommenced on this station.
- Mogumber Reserve: a licence for agistment of stock on Mogumber Reserve has been approved to Daley Foods

Managing the ALT Estate

Many Aboriginal people are living in high risk, substandard living conditions in regional and remote Aboriginal communities, many of which are on the ALT estate. Funding provided for the management of the ALT estate is expended on unavoidable operating costs, such as firebreaks at 32 sites, payment of statutory fees and charges (special purpose and pastoral lease fees, agricultural protection rates, emergency services levies, and Shire rates).

Addressing priority health and safety risks on the ALT estate continued to be a strong focus for the Land Directorate, however this was limited to extreme and high risk infrastructure issues due to budget constraints. During the year, 19 infrastructure repair and maintenance projects were undertaken, many of which were on town-based reserves (TBR's) where staff worked closely with the respective communities. Where possible, local Aboriginal businesses were engaged to undertake the required works.

Remediation projects at TBR's included:

- Cullacabardee (Perth): removal of asbestos, erection of fencing and warning signs, and the pumping of sewerage. Cullacabardee is one of 18 contaminated sites on the ALT estate;
- Ninga Mia (Kalgoorlie): repairs to unsafe septic tanks and road repairs;
- Irrungadji (Nullagine): electrical works and waste water repairs;
- Parnpajinya (Newman): sewerage system repairs including emergency pump replacement;
- Mallingbar (Broome): supply of generators and reconnection of power to the community;
- One Mile (Broome): electrical works and community clean-ups; and
- Buruwa (Fitzroy Crossing): repairs to water leaks, demolition of hostel and road repairs

Other remediation projects included but not limited to:

- Balgo: demolition of unsafe structures;
- Airport Reserve, Broome: post cyclone clean-up; and
- Asbestos removal at Nindeebai Hostel, Kalgoorlie/Boulder and at Bayulu, Fitzroy Crossing.

In addition ten infrastructure inspections were conducted across the ALT estate at:

- Tjalka Boorda, Port Hedland;
- Nannup, South West;
- Boomerang Hostel, Geraldton;
- Coinda House, Mt Lawley;
- Cullcabardee, Perth;
- Jigalong Shed, Jigalong;
- Two Laverton properties;
- Nindeebai Hostel, Kalgoorlie; and
- McLeod Close, Marble Bar.

The effectiveness of the applications of best practice principles and improved customer focus is shown in the results of the annual survey of stakeholders, whereby respondents acknowledged improvements in the Directorate's understanding of their needs, knowledge and experience, keeping them informed of matters concerning them, and rectifying problems quickly. Overall, respondents noted improved performance in the management of Aboriginal land on behalf of Aboriginal people, and an improved response to the remediation of health and safety risks on ALT estate.

ALT Board and Awareness

The ALT is a statutory committee established under section 20 of the AAPA Act. The primary function of the ALT is to hold land on behalf of Aboriginal people, and to use and manage the land for the benefit of the Aboriginal people. Six ALT Board meetings (210th to 215th) were held this financial year with regional meetings in Albany and Broome. The Land Directorate continued to provide well researched, high quality and timely submissions and provided support to the ALT Chair and Board members. The 88 submissions to the Board comprised:

- 33 land use and development proposals;
- 31 leasing / management proposals;
- 22 mining entry permits;
- 7 policy related issues; and
- 6 burial requests.

In addition, four management policies and guidelines were developed during the year:

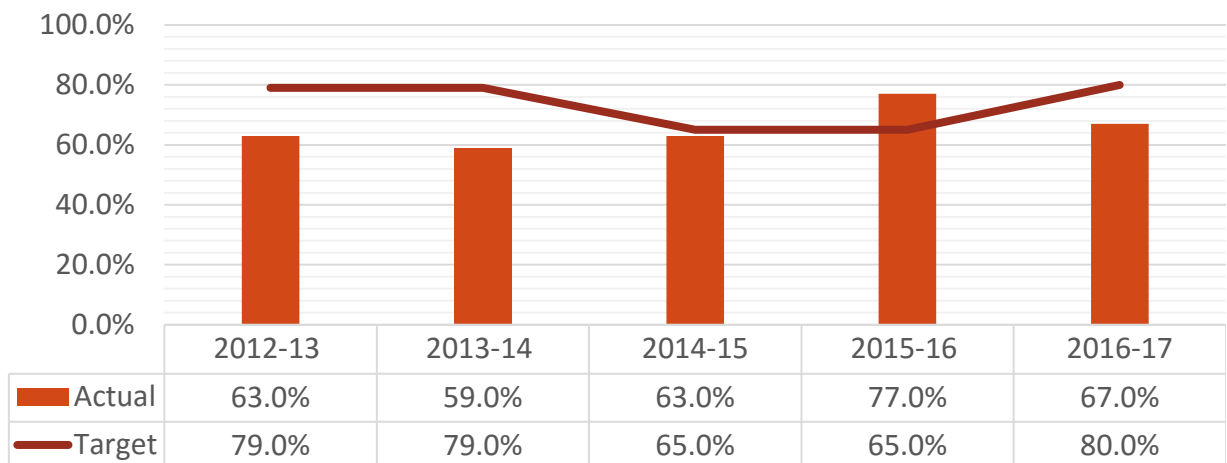
- Guidelines for ALT Leaseholders and Lease Applicants;
- Guidelines for Survivorship Applications in relation to the ALT estate;
- Principles of Consultation for Mining Entry Permits on the ALT estate; and
- Aboriginal Business Suppliers – Aboriginal Lands Trust Estate (*Draft*).

Performance Summary for 2016-17

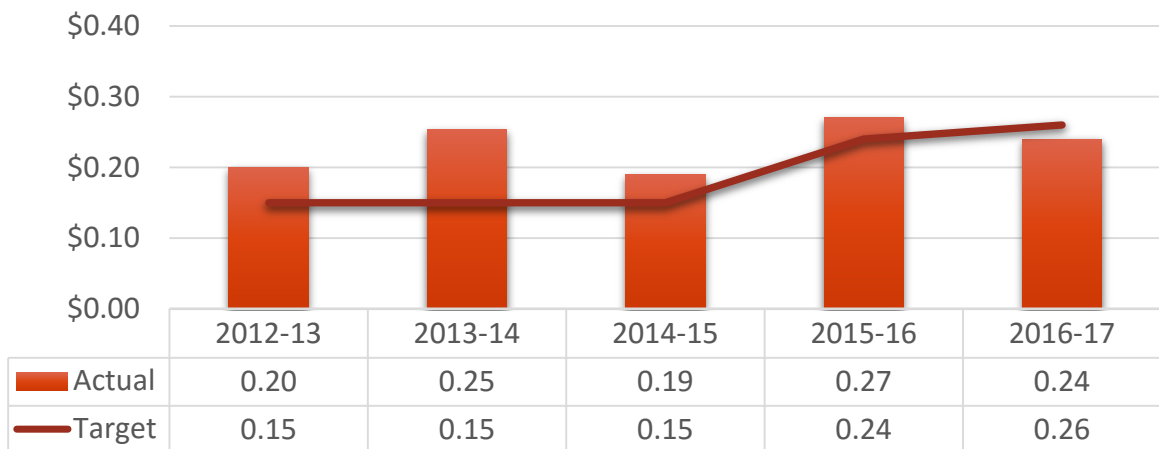
Financial Targets

	2016-17 Budget \$000	2016-17 Actual \$000	Variance \$000	Link
Total Cost of Services (ie endorsed expense limit)	5,307	5,046	261	Page 38
Net Cost of Services (details in the Income Statement)	4,984	4,102	882	Page 38
Total Equity (details in the Statement of Financial Position)	111,903	107,612	4,281	Page 39
Net Increase / Decrease in Cash Held (details in the Statement of Cash Flows)	(949)	(682)	(267)	Page 40
Full Time Equivalent (FTE) Staff Level	0	0	0	

Proportion of stakeholders who found the Authority's management of the land on behalf of Aboriginal people satisfactory



Average cost per hectare of ALT estate



Operational performance

	Target	Result
Transit permits issued	3,000	5,770
Lease applications approved	1	6
Remediation projects on ALT estate	5	19
Stakeholder consultation / engagements	5	25
Infrastructure inspections	3	10
Aboriginal business engaged	3	6
Aboriginal pastoral projects supported	2	6
Submissions to ALT Board	30	105

Disclosures and Legal Compliance

This section of the report contains:

- Auditor General's Opinion on the report on the Financial Statements and the Key Performance Indicators of the Aboriginal Affairs Planning Authority.
- Report on the Key Performance Indicators
- Financial Statements
- 2017-18 Estimates



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

THE ABORIGINAL AFFAIRS PLANNING AUTHORITY

Report on the Financial Statements

Opinion

I have audited the financial statements of The Aboriginal Affairs Planning Authority which comprise the Statement of Financial Position as at 30 June 2017, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of The Aboriginal Affairs Planning Authority for the year ended 30 June 2017 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Authority in accordance with the *Auditor General Act 2006* and the relevant 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 my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Director General for the Financial Statements

The Director General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Director General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director General is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 my 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.
- 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 agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director General.
- Conclude on the appropriateness of the Director General's 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 agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Director General regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by The Aboriginal Affairs Planning Authority. The controls exercised by the Authority are those policies and procedures established by the Director General to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by The Aboriginal Affairs Planning Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2017.

The Director General's Responsibilities

The Director General is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of The Aboriginal Affairs Planning Authority for the year ended 30 June 2017. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of The Aboriginal Affairs Planning Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2017.

The Director General's Responsibility for the Key Performance Indicators

The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Director General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Director General is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of The Aboriginal Affairs Planning Authority for the year ended 30 June 2017 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ACTING DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia

31 August 2017

Key Performance Indicators

CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Aboriginal Affairs Planning Authority's performance, and fairly represent the performance of the Aboriginal Affairs Planning Authority for the financial year ended 30 June 2017.



Maurice Hanrahan
Chief Financial Officer

30 August 2017



Gail McGowan
Director General

Key Performance Indicators

The Aboriginal Affairs Planning Authority contributes to the Government goal of FINANCIAL and ECONOMIC RESPONSIBILITY: managing the State's finances through the efficient and effective delivery of services, encouraging economic activity and reducing regulatory burden on the private sector.

The desired Aboriginal Affairs Planning Authority outcome for Government was that the use and management of land held by the Aboriginal Lands Trust (ALT), or for which the ALT is in any manner responsible, accords with the wishes of the Aboriginal inhabitants of the area so far as that can be ascertained and is practicable.

The Department of Aboriginal Affairs commissioned Advantage Communications-Research, an independent research consultancy, to conduct a survey of key stakeholders to evaluate the Aboriginal Affairs Planning Authority's effectiveness indicators.

Effectiveness Indicators

The Aboriginal Affairs Planning Authority's effectiveness in achieving its outcome was measured in the context of the use and management of the land held by the Aboriginal Lands Trust (ALT).

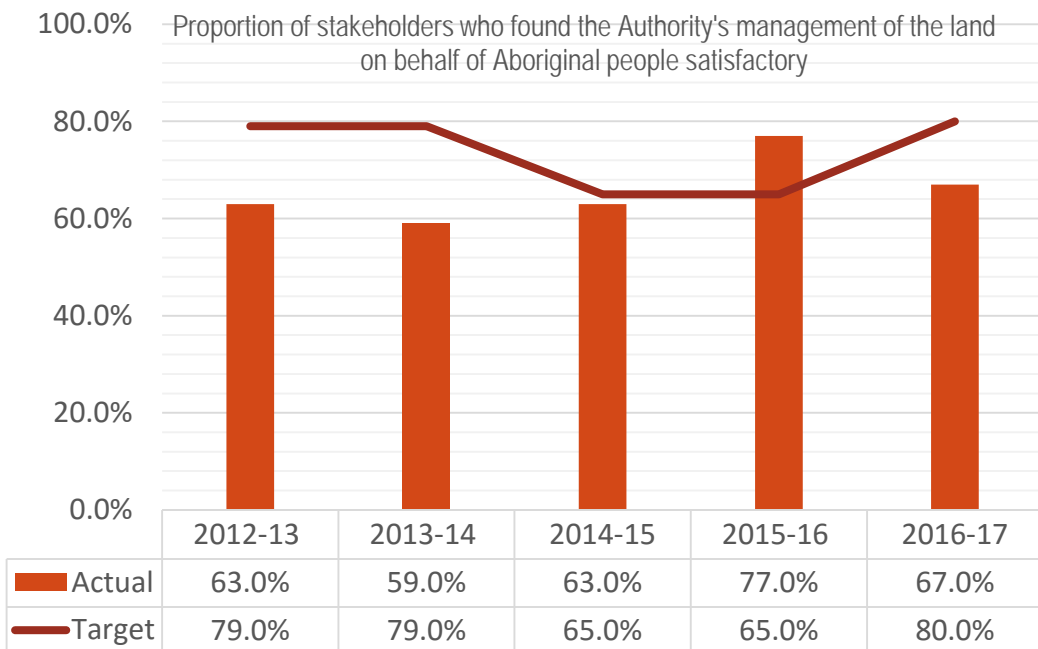
To measure this a survey is conducted on annual basis, using an independent, external research provider to ensure objectivity, as well as relevance and validity of the survey process. Survey responses are sought from direct stakeholders, including other government agencies, key stakeholder committees and key community organisations. Stakeholders are identified as those individuals or organisations that have had substantial interactions with the department and its services during the reporting period. This, coupled with individuals who have opted out or have been uncontactable prior to the survey commencement, results in fluctuations in the number of stakeholders approached from year to year.

In 2016-17, a total of 43 respondents from a database of 47 stakeholders participated in the survey, yielding a 91 percent participation rate that provides a confidence level of 95 percent with a maximum error ratio of +/- 4.1 percent. The survey sample comprised 40 percent from government agencies, 37 percent from Aboriginal organisations, 7 percent from not for profit/community and 16 percent from commercial.

The overall satisfaction level of 67 percent represents a 10 percent decline on the 2015-16 result, and furthermore, a 13 percent negative variance on the increased target.

During the year, the department focussed on increased stakeholder engagement, especially with Aboriginal groups in regional and remote areas, in relation to land tenure reform, leasing, economic development opportunities and the remediation of priority health and safety risks on the Aboriginal Lands Trust estate.

Despite the decrease in the overall satisfaction with the outcome, stakeholders are less dissatisfied, with 18 percent reporting dissatisfaction with the services, compared to 19 percent in 2015-16. The number of respondents recording a neutral response increased by 10 percent compared to 2015-16. Stakeholders recorded increased satisfaction with service delivery related to management of the ALT estate and consistent performance against customer service measures.

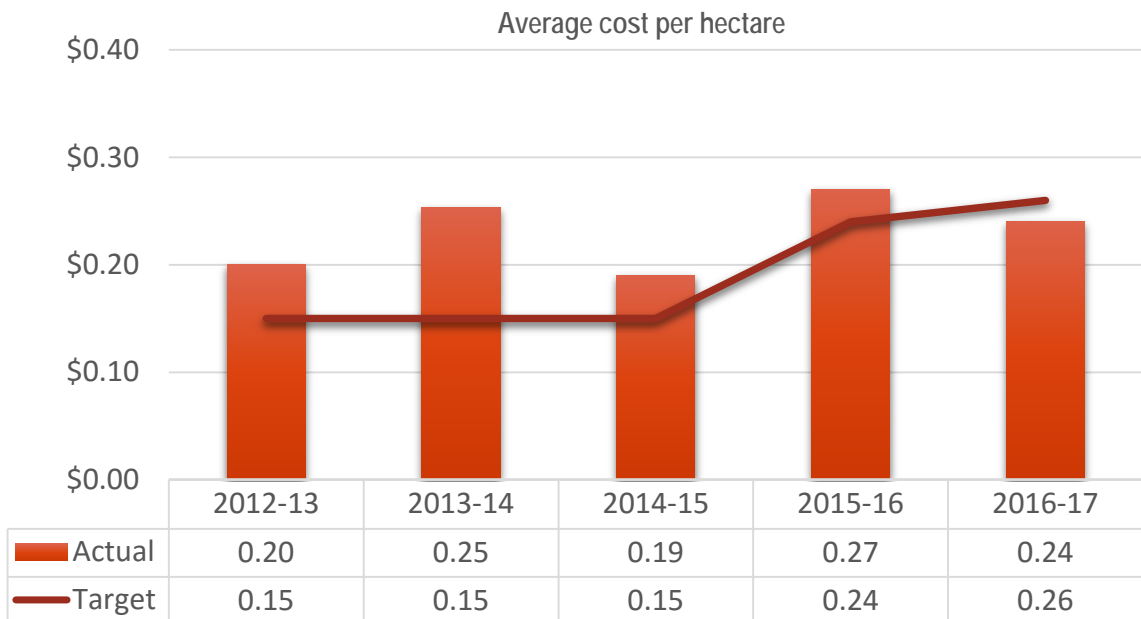


Efficiency Indicators

This efficiency indicator measures the average cost (calculated by the adjusted cost of service) per hectare spent managing and maintaining the estate. Costs include services received free-of-charge from the Department of Aboriginal Affairs for administration of the estate and spending on maintenance of the estate.

The average cost per hectare of \$0.24 represents a decrease of \$0.03 on the 2015-16 result, which is \$0.02 below the 2016-17 target. The 2015-16 results were higher due to expenditure on addressing critical and public health risks across the ALT estate. As a landholder the ALT has a range of statutory responsibilities under State legislation which establish minimum standards for the safety and condition of buildings and land. Relevant legislation includes the *Electricity Act 1945*, the *Building Act 2011*, the *Occupational Safety and Health Act 1984* and the *Contaminated Sites Act 2003*. ALT infrastructure and land management priorities in 2015-16 included the remediation of asbestos contaminated sites; the repair of sewer, plumbing and electrical infrastructure; and the demolition of unsafe structures and uninhabitable houses.

Expenditure on critical and public health risks continued in 2016-17, however, the result is attributed to a more coordinated agency approach, identifying areas of responsibility for the management and maintenance of essential services on the ALT estate. Furthermore, areas of critical risk were targeted and contractors were first sourced at the local/regional level from the Aboriginal Business Directory WA resulting in competitive pricing.



Certification of Financial Statements

ABORIGINAL AFFAIRS PLANNING AUTHORITY

FOR THE YEAR ENDED 30 JUNE 2017

The accompanying financial statements of the Aboriginal Affairs Planning Authority have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2017 and the financial position as at 30 June 2017.

At the date of signing, we are not aware of any circumstances, which would render the particulars included in the financial statements misleading or inaccurate.



Maurice Hanrahan
Chief Finance Officer
Date: 30 August 2017



Gail McGowan
Director General
Date: 30 August 2017

Financial Statements

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Comprehensive Income
For the year ended 30 June 2017

	Note	2017 \$000	2016 \$000
COST OF SERVICES			
Expenses			
Supplies and services	7	3,316	3,367
Depreciation expense	8	910	960
Accommodation expense	9	-	245
Grants and subsidies	10	83	192
Other expenses	11	726	1,109
Total cost of services		<u>5,035</u>	<u>5,873</u>
Income			
Revenue			
Interest revenue	12	33	75
Other revenue	13	900	405
Total Revenue		<u>933</u>	<u>480</u>
Total income other than income from State Government		<u>933</u>	<u>480</u>
NET COST OF SERVICES		4,102	5,393
Income from State Government			
Services received free of charge	14	2,838	2,857
Total income from State Government		<u>2,838</u>	<u>2,857</u>
SURPLUS /(DEFICIT) FOR THE PERIOD		<u><u>(1,264)</u></u>	<u><u>(2,536)</u></u>
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	24	3,548	(4,615)
Total other comprehensive income		<u>3,548</u>	<u>(4,615)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>2,284</u></u>	<u><u>(7,151)</u></u>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Financial Position
As at 30 June 2017

	Note	2017 \$000	2016 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	25	520	242
Restricted cash and cash equivalents	15, 25	1,346	2,306
Receivables	16	86	18
Other current assets	17	129	19
Total Current Assets		<u>2,081</u>	<u>2,585</u>
Non-Current Assets			
Property	18	106,830	104,086
Total Non-Current Assets		<u>106,830</u>	<u>104,086</u>
TOTAL ASSETS		<u>108,911</u>	<u>106,671</u>
LIABILITIES			
Current Liabilities			
Payables	21	45	68
Provisions	22	1,253	1,381
Other current liabilities	23	1	-
Total Current Liabilities		<u>1,299</u>	<u>1,449</u>
TOTAL LIABILITIES		<u>1,299</u>	<u>1,449</u>
NET ASSETS		<u>107,612</u>	<u>105,222</u>
EQUITY			
Contributed equity	24	106	-
Reserves	24	122,818	119,270
Accumulated surplus/(deficit)	24	(15,312)	(14,048)
TOTAL EQUITY		<u>107,612</u>	<u>105,222</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Cash Flows
For the year ended 30 June 2017

	Note	2017 \$000	2016 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Supplies and services		(629)	(450)
Accommodation expenses		-	(245)
Grants and subsidies		(83)	(507)
GST payments on purchases		(149)	(131)
GST payments to taxation authority		(50)	(8)
Other payments		(854)	(256)
Receipts			
Interest received		52	79
Rent received		-	-
Other receipts		840	405
GST receipts on sales		56	8
GST receipts from taxation authority		135	125
Net cash provided by/(used in) operating activities	25	<u>(682)</u>	<u>(980)</u>
Net increase /(decrease) in cash and cash equivalents		(682)	(980)
Cash and cash equivalents at the beginning of the period		2,548	3,528
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	25	<u><u>1,866</u></u>	<u><u>2,548</u></u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Changes in Equity
For the year ended 30 June 2017

	Note	Contributed Equity \$000	Reserves \$000	Accumulated surplus / (deficit) \$000	Total equity \$000
Balance at 1 July 2015	24	-	123,885	(11,512)	112,373
Surplus/(deficit)		-	-	(2,536)	(2,536)
Other comprehensive income		-	(4,615)	-	(4,615)
Total comprehensive income for the period		-	(4,615)	(2,536)	(7,151)
Balance at 30 June 2016		<u>-</u>	<u>119,270</u>	<u>(14,048)</u>	<u>105,222</u>
Balance at 1 July 2016		-	119,270	(14,048)	105,222
Surplus/(deficit)		-	-	(1,264)	(1,264)
Other comprehensive income		-	3,548	-	3,548
Total comprehensive income for the period		-	3,548	(1,264)	2,284
Transactions with owners in their capacity as owners:					
Other contributions by owners		106	-	-	106
Total		<u>106</u>	-	-	<u>106</u>
Balance at 30 June 2017		<u>106</u>	<u>122,818</u>	<u>(15,312)</u>	<u>107,612</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

ABORIGINAL AFFAIRS PLANNING AUTHORITY

Notes to the Financial Statements

For the year ended 30 June 2017

1 Australian Accounting Standards

General

The Authority's financial statements for the year ended 30 June 2017 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Boards (AASB).

The Authority has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by T1 1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of any other Australian Accounting Standards that have been issued or amended (but not operative) by the Authority for the annual reporting period ended 30 June 2017.

2 Summary of significant accounting policies

(a) General Statement

The Authority is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act 2006 and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land and buildings which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Authority's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(c) Reporting Entity

The reporting entity comprises the Authority and bodies included at note 31 'Related body'.

(d) Contributed Equity

AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 Contributions by Owners made to Wholly Owned Public Sector Entities and have been credited directly to Contributed equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Interest

Revenue is recognised as the interest accrues.

Grants and Contributions

Revenue is recognised at fair value when the Authority obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Gains

Realised and unrealised gains are recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property

Capitalisation / Expensing of assets

Items of property costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income.

Initial recognition and measurement

All items of property are initially recognised at cost.

For items of property acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. The authority does not hold any assets other than land and buildings.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use building is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Refer to note 18 'Property' for further information on revaluations.

Derecognition

Upon disposal or derecognition of an item of property, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Land is not depreciated.

Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	50 years
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(g) Impairment of Assets

Property is tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Authority is a not for profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/ amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

Refer to note 20 'Impairment of assets' for outcome of impairment reviews and testing.

(h) Financial Instruments

In addition to cash, the Authority has two categories of financial instrument:

- Loans and Receivables, and
- Financial liabilities measured at amortised cost

Financial instruments have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables

Financial Liabilities

- Payables
- Other current liabilities

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(i) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(j) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(k) Payables

Payables are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

(l) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised. Provisions are reviewed at the end of each reporting period.

Remediation Costs

A provision is recognised where the Authority has a legal or constructive obligation to undertake remediation work. Estimates are based on the present value of expected future cash outflows.

The Authority has a liability under the Contaminated Sites Act 2003 to rehabilitate affected parcels of land. Where contaminated sites have been identified and classified as 'contaminated - remediation required' or it is probable that the site will be classified as 'contaminated - remediation' required and a reliable estimate can be made of the cost of remediation of the site, a provision has been made. See note 22, 'Provisions'.

(m) Assets and Services Received Free of Charge or for nominal cost

Assets or services received free of charge or for nominal cost, that the Authority would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Where assets or services are received from another State Government agency, these are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(n) Support from Department of Aboriginal Affairs

Decision making authority in respect of the Aboriginal land estate effectively resides with the Aboriginal Lands Trust (ALT), a body established under the auspices of the *Aboriginal Affairs Planning Authority Act 1972*.

When the Aboriginal Affairs Department (AAD) - now titled the Department of Aboriginal Affairs (DAA) - was established on 1 November 1994, it effectively took over the operations of its originating agencies, including the Aboriginal Affairs Planning Authority (AAPA). Staff previously employed by the AAPA at that time were transferred to the AAD. As a consequence, administrative support for the AAPA and the ALT is provided by staff employed by the DAA. These expenses were brought to account as Supplies and Services and as Resources Received Free of Charge. See note 7 'Supplies and services' and note 14 'Income from State Government'.

(o) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

3 Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Authority evaluates these judgements regularly.

Contaminated Sites

The provision toward restoration costs of contaminated sites are treated as current liabilities as the Authority has reported these to the Department of Environment Regulation in accordance with the Contaminated Sites Act 2003 and has applied to the Contaminated Sites Management Account (CSMS) for funding to complete restoration works. If funds are provided, restoration works can be completed within 12 months from the reporting date. See note 22 'Provisions' and note 26 'Contingent Liabilities'.

4 Key sources of estimation uncertainty

The Authority makes key estimates and assumptions concerning the future. These estimates and assumptions are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Contaminated Sites

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at reporting date. As the Authority cannot reliably estimate the timing of future cash flows, the provision is based on current costs that are reviewed annually.

5 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Authority has applied the following Australian Accounting Standards effective, or adopted, for annual reporting periods beginning on or after 1 July 2016 that impacted on the Authority.

AASB 1057 Application of Australian Accounting Standards

This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.

AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]

The adoption of this Standard has no financial impact for the Authority as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.

AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]

These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012–2014 Cycle in September 2014, and editorial corrections. The Authority has determined that the application of the Standard has no financial impact.

AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]

This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.

AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]

The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.

AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 & 128

This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. There is no financial impact.

Future impact of Australian Accounting Standards not yet operative

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. By virtue of a limited exemption, the Authority has early adopted AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities. Where applicable, the Authority plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	Financial Instruments	01-January-2018
<p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and, AASB 2014-1 Amendments to Australian Accounting Standards. The Authority has not yet determined the application or the potential impact of the Standard.</p>		
AASB 15	Revenue from Contracts with Customers	01-January-2019
<p>This Standard establishes the principles that the Authority shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p>		

The Authority's income is principally derived from appropriations which will be measured under AASB 1058 Income of Not-for-Profit Entities and will be unaffected by this change. However, the Authority has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Authority has discharged its performance obligations.

AASB 16	Leases	01-January-2019
	<p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.</p> <p>The Authority has not yet determined the application or the potential impact of the Standard.</p>	
AASB 1058	Income of Not-for-Profit Entities	01-January-2019
	<p>This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, a performance obligation (a promise to transfer a good or service), or, an obligation to acquire an asset. The Authority has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]	01-January-2018
	<p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Authority has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2014-1	Amendments to Australian Accounting Standards	01-January-2018
	<p>Part E makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Authority to determine the application or potential impact of the Standard.</p>	
AASB 2014-5	Amendments to Australian Accounting Standards arising from AASB 15	01-January-2018
	<p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Authority has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2014-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	01-January-2018
	<p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Authority has not yet determined the application or the potential impact of the Standard.</p>	

AASB 2015-8	Amendments to Australian Accounting Standards – Effective Date of AASB 15	01-January-2019
	<p>This Standard amends the mandatory effective date (application date) of AASB 15 Revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. For Not-for-Profit entities, the mandatory effective date has subsequently been amended to 1 January 2019 by AASB 2016-7. The Authority has not yet determined the application or the potential impact of AASB 15.</p>	
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	01-January-2017
	<p>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. There is no financial impact.</p>	
AASB 2016-3	Amendments to Australian Accounting Standards – Clarifications to AASB 15	01-January-2018
	<p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Authority has not yet determined the application or the potential impact.</p>	
AASB 2016-4	Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	01-January-2017
	<p>This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Authority has not yet determined the application or the potential impact.</p>	
AASB 2016-7	Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities	01-January-2017
	<p>This Standard amends the mandatory effective date (application date) of AASB 15 and defers the consequential amendments that were originally set out in AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 for not-for-profit entities to annual reporting periods beginning on or after 1 January 2019, instead of 1 January 2018. There is no financial impact.</p>	
AASB 2016-8	Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	01-January-2019
	<p>This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.</p>	
AASB 2017-2	Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle	01-January-2017
	<p>This Standard clarifies the scope of AASB 12 by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5. There is no financial impact.</p>	

Changes in Accounting Estimates

There were no changes in accounting estimates that have an effect in the current period or are expected to have an effect in future periods.

6 Compensation of Key Management Personnel

There are no senior staff employed by the Aboriginal Affairs Planning Authority (AAPA). The AAPA does not employ any staff. The Department of Aboriginal Affairs (DAA) manages the AAPA and the remuneration of senior staff is reported in the DAA statements. See also note 2(n) 'Support from Department of Aboriginal Affairs'.

7 Supplies and services

	2017	2016
	\$000	\$000
Electricity and water	3	12
Services and contracts		
- support from Department of Aboriginal Affairs (a) (b)	2,036	1,938
- support from Landgate (a)	802	919
- other services and contracts	298	377
Consumables	-	1
Repairs and maintenance	8	106
Travel	1	14
Other Supplies & Services	168	-
	<u>3,316</u>	<u>3,367</u>

(a) See also note 2(m) 'Assets and services received free of charge or for nominal cost' and note 14 'Income from State Government'.

(b) See also note 2(n) 'Support from Department of Aboriginal Affairs'.

8 Depreciation expense

	2017	2016
	\$000	\$000
Buildings	910	960
	<u>910</u>	<u>960</u>

9 Accommodation expenses

	2017	2016
	\$000	\$000
Repairs and maintenance	-	1
Other	-	244
	<u>-</u>	<u>245</u>

10 Grants and subsidies

	2017	2016
	\$000	\$000
Grants to organisations from:		
<u>Recurrent Funds</u>		
- general funds	76	-
- mining rents & royalties funds	-	192
- interstate funds	7	-
	<u>83</u>	<u>192</u>

(a) See note 15 'Restricted cash and cash equivalents' for more detail.

Details of significant grants (above \$100,000) paid are as follows.

<u>Mining Rents & Royalties</u>		
Ngaanyatjarra Council	-	162

11 Other expenses

	2017	2016
	\$000	\$000
Building Maintenance	705	233
Other Expenses (a)	21	16
Net gain/(loss) on disposal of non-current assets (b)	-	860
	<u>726</u>	<u>1,109</u>

(a) *Audit Fees, see also note 30, 'Remuneration of the auditor'.*

(b) *The loss on disposal of properties is due to the transfer of land and buildings to Moorditj Koort Aboriginal Corporation.*

12 Interest revenue

	2017	2016
	\$000	\$000
Interest revenue	33	75
	<u>33</u>	<u>75</u>

13 Other revenue

	2017	2016
	\$000	\$000
Other State Government agencies (a)	480	-
Rent	52	111
Intestate receipts	4	3
Royalties Received	321	291
Other	43	-
	<u>900</u>	<u>405</u>

(a) Return of unspent previous years' funding agreement

14 Income from State Government

	2017	2016
	\$000	\$000
Services received free of charge from other State Government agencies during the financial period (a) Determined on the basis of the following estimates provided by the relevant agencies		
- Department of Aboriginal Affairs (b)	2,036	1,938
- Landgate (Land information and valuation) (c)	802	919
	<u>2,838</u>	<u>2,857</u>

(a) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if they were not donated. Where the contribution of assets or services are in the nature of contributions by owners, the Authority makes an adjustment direct to equity.

(b) See also note 2(n) 'Support from Department of Aboriginal Affairs'.

(c) The Aboriginal Affairs Planning Authority manages land and building assets totalling \$106,829,000. Landgate provide land information services for maps and aerial photography, land information enterprises and sale of digital data free of charge.

15 Restricted cash and cash equivalents

	2017 \$000	2016 \$000
<u>Current</u>		
Mining rents and royalties (a)	-	306
Community facilities (b)	-	958
Regional Partnership Agreement (RPA)	167	-
Strategic Intervention Package (c)	19	19
Multifunctional Police Facilities (d)	1,142	651
Special Purpose Grants (e)	15	366
Intestate Account (f)	-	3
CL Johnson Bequest (g)	2	2
H Drake-Brockman (h)	1	1
	<u>1,346</u>	<u>2,306</u>

(a) Mining, rents and royalties

Improvements to land held by the Authority, on which mining activity takes place

(b) Community facilities

The provision of facilities, such as swimming pools, in certain regional communities.

(c) WA Strategic Intervention package

This is interest earned on the unspent funds. This will be returned to the Australian Government.

(d) Multifunctional police facilities

Develop police facilities at four remote communities - Burringurrah, Looma, Wingellina and Bidadanga.

(e) Royalties for Regions

Funds received for defined projects including Aboriginal Community Emergency Response Fund.

(f) Intestate Account

Funds received from the Public Trustee for intestate estates.

(g) CL Johnson

Bequest

The purpose of this trust account is to hold funds for the benefit of Aboriginal Missionaries in Western Australia during illness in accordance with the bequest of the late Christian Larsen Johnson to the Department of Native Welfare (now abolished).

(h) H Drake-Brockman

The purpose of this trust account is to hold funds to award a prize in the form of books, apparatus, equipment etc. to the Aboriginal student who achieves the highest Tertiary Entrance Examination (TEE) aggregate results in Western Australia in accordance with the bequest of the late Henrietta Drake-Brockman.

16 Receivables

	2017	2016
	\$000	\$000
<u>Current</u>		
Receivables	60	-
Goods and Services Tax (GST) receivable	26	18
	<u>86</u>	<u>18</u>

The Authority does not hold any collateral as security or other credit enhancements relating to receivables.
See also note 2(j) 'Receivables' and note 29 'Financial instruments'.

17 Other current assets

	2017	2016
	\$000	\$000
Accrued interest	-	19
Prepayments	129	-
	<u>129</u>	<u>19</u>

18 Property

	2017	2016
	\$000	\$000
Land at fair value (a)		
Freehold land (b)	15,982	16,547
Reserve land (c)	42,384	45,291
Pastoral leases (d)	2,733	2,733
Other leases (e)	250	253
	<u>61,349</u>	<u>64,824</u>
Buildings at fair value (a)		
Buildings at market value	13,100	5,134
Accumulated depreciation of buildings at market value	-	-
Buildings at current use	40,272	41,412
Accumulated depreciation of buildings at current use	(7,891)	(7,284)
Total buildings at fair value	53,372	46,546
Total accumulated depreciation of buildings	<u>(7,891)</u>	<u>(7,284)</u>
	<u>45,481</u>	<u>39,262</u>
Total property	<u>106,830</u>	<u>104,086</u>

(a) Land and buildings were revalued as at 1 July 2016 by the Western Australian Land Information Department (Valuation Services). The valuations were performed during the year ended 30 June 2017 and recognised at 30 June 2017. In undertaking the revaluation, fair value was determined by reference to market values for land: \$31,686,150 (2016: \$34,160,300) and buildings: \$13,099,700 (2016: \$5,134,400). For the remaining balance, fair value of land and buildings was determined on the basis of depreciated replacement cost and fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land). See note 2(f) 'Property'.

(b) Freehold land is land that is alienated (removed) from the Crown Estate and granted to an entity. This may be an individual or an organisation (government or non-government).

- (c) Reserve land is Crown Land set aside for public purposes: for example, hospitals, schools, conserving plants and animals, national parks, recreation, and for the use of Aboriginal people. State reserves are created under the Land Administration Act.
- (d) Pastoral leases are Crown Land set aside for grazing stock and all purposes connected with that.
- (e) Other leases are Crown Land designated as general or state leases issued for a particular purpose. For the Aboriginal Affairs Planning Authority a general lease may be for the purpose of the use and benefit of Aboriginal people.

Information on Fair Value measurement is provided in note 19.

Reconciliations of the carrying amounts of property at the beginning and end of the reporting period are set out in the table below.

	Freehold Land \$000	Reserves \$000	Pastoral Leases \$000	Other Leases \$000	Buildings \$000	Total \$000
2017						
Carrying amount at start of year	16,547	45,291	2,733	253	39,262	104,086
Transfers	18	-	-	-	88	106
Disposals	-	-	-	-	-	-
Revaluation increments/(decrements)	(583)	(2,907)	-	(3)	7,041	3,548
Depreciation	-	-	-	-	(910)	(910)
Carrying amount at end of year	<u>15,982</u>	<u>42,384</u>	<u>2,733</u>	<u>250</u>	<u>45,481</u>	<u>106,830</u>
2016						
Carrying amount at start of year	17,048	50,168	1,733	263	41,310	110,522
Additions	-	-	-	-	-	-
Disposals	(730)	-	-	-	(130)	(860)
Revaluation increments/(decrements)	229	(4,877)	1,000	(10)	(958)	(4,616)
Depreciation	-	-	-	-	(960)	(960)
Carrying amount at end of year	<u>16,547</u>	<u>45,291</u>	<u>2,733</u>	<u>253</u>	<u>39,262</u>	<u>104,086</u>

19 Fair value measurements

Assets measured at fair value:

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Fair Value At end of period \$000
2017				
Land (Note 18)	-	31,686	29,662	61,348
Buildings (Note 18)	-	13,100	32,382	45,482
	<u>-</u>	<u>44,786</u>	<u>62,044</u>	<u>106,830</u>
2016				
Land (Note 18)	-	34,160	30,664	64,824
Buildings (Note 18)	-	5,134	34,128	39,262
	<u>-</u>	<u>39,294</u>	<u>64,792</u>	<u>104,086</u>

There were no transfers between Levels 1, 2 or 3 during the current and previous periods.

Valuation techniques to derive Level 2 fair values

Level 2 fair values of Non-current assets held for sale, Land and Buildings (Office Accommodation) are derived using the market approach. Market evidence of sales prices of comparable land and buildings (office accommodation) in close proximity is used to determine price per square metre.

Fair value measurements using significant unobservable inputs (Level 3)

	Land \$000	Buildings \$000
2017		
Fair Value at start of period	30,664	34,128
Additions		
Revaluation increments/(decrements) recognised in Profit or Loss		
Revaluation increments/(decrements) recognised in Other Comprehensive Income	(1,002)	(938)
Transfers from/(to) Level 2		
Disposal		
Depreciation Expense	-	(808)
Fair Value at end of period	29,662	32,382
Total gains or losses for the period included in profit or loss, under 'Other Gains	-	-
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	-	-
	30,664	34,128
2016	\$000	\$000
Fair Value at start of period	26,626	34,730
Additions		
Revaluation increments/(decrements) recognised in Profit or Loss		
Revaluation increments/(decrements) recognised in Other Comprehensive Income	4,038	226
Transfers from/(to) Level 2		
Disposal		
Depreciation Expense	-	(828)
Fair Value at end of period	30,664	34,128
Total gains or losses for the period included in profit or loss, under 'Other Gains	-	-
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	-	-

Valuation processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuation Services) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Restoration costs are estimated for the purpose of returning the site to a vacant and marketable condition and include costs for: building demolition, clearing, re-zoning and an allowance for time factors.

Buildings (Level 3 fair values)

Fair value for existing use specialised buildings and infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Valuation using depreciation replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is estimated by the Western Australian Land Information Authority (Valuation Services). The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

Basis of Valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service

Information about significant unobservable inputs (Level 3) in fair value measurements

Description	Fair value as at 30 June 2017 \$000	Fair value as at 30 June 2016 \$000	Valuation technique(s)	Unobservable inputs
Land	\$29,662	\$30,664	Market approach	Selection of land with similar approximate utility
Buildings	\$32,382	\$34,128	Depreciated Replacement Cost	Consumed economic benefit / obsolescence of asset

Historical cost per square metre floor area (m²)

Reconciliations of the opening and closing balances are provided in Notes 18.

20 Impairment of assets

There were no indications of impairment to property at 30 June 2017.

The Authority held no goodwill nor intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

21 Payables

	2017 \$000	2016 \$000
<u>Current</u>		
Trade Payables	45	68
	<u>45</u>	<u>68</u>

See also note 2(k) 'Payables' and note 29 'Financial instruments'.

22 Provisions

	2017 \$000	2016 \$000
<u>Current</u>		
Contaminated Sites (a)	1,253	1,381
	<u>1,253</u>	<u>1,381</u>

(a) This provision represents liabilities associated with remediation of contaminated land under the Contaminated Sites Act 2003. See note 2(l) 'Provisions', note 3 'Judgements made by management in applying accounting policies' and note 4 'Key sources of estimation uncertainty'.

Movement in provisions

Carrying amount at start of year	1,381	1,389
Additional provisions recognised/(reduced)	(128)	(8)
Carrying amount at end of year	<u>1,253</u>	<u>1,381</u>

23 Other liabilities

	2017 \$000	2016 \$000
<u>Current</u>		
Other Liabilities (a)	1	-
	<u>1</u>	<u>-</u>

(a) This represents unearned income.

24 Equity

The Western Australian Government holds the equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

	2016 \$000	2015 \$000
Balance at start of period	-	-
Contributions by owners		
Transfer of assets from other agencies **	106	-
Balance at end of period	<u>106</u>	<u>-</u>

Reserves

	2017 \$000	2016 \$000
Asset Revaluation Surplus		
Balance at start of year	119,270	123,885
Net revaluation (decrements)/increments:		
Land	(3,493)	(3,657)
Buildings	7,041	(958)
Balance at end of year	<u>122,818</u>	<u>119,270</u>
Accumulated surplus/(deficit)		
Balance at start of year	(14,048)	(11,512)
Result for the period	(1,264)	(2,536)
Balance at end of year	<u>(15,312)</u>	<u>(14,048)</u>
Total equity at end of period	<u>107,612</u>	<u>105,222</u>

** TI 955 designates non-discretionary and non-reciprocal transfers of net assets between state government agencies as contributions by owners in accordance with AASB Interpretation 1038. Where the transferee agency accounts for a non-discretionary and non-reciprocal transfer of net assets as a contribution by owners, the transferor agency accounts for the transfer as a distribution to owners.

25 Notes to the Statement of Cash

Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows :

	2017	2016
	\$000	\$000
Cash and cash equivalents	520	242
Restricted cash and cash equivalents (<i>see note 15</i>)	1,346	2,306
	<u>1,866</u>	<u>2,548</u>

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	2017	2016
	\$000	\$000
Net cost of services	(4,102)	(5,393)
<u>Non-cash items:</u>		
Depreciation expense	910	960
Resources received free of charge	2,838	2,857
Loss on disposal of property		860
<u>(Increase)/decrease in assets:</u>		
Current receivables (a)	(60)	-
Other current assets	(110)	4
<u>Increase/(decrease) in liabilities:</u>		
Current payables (a)	(23)	60
Provisions	(128)	(7)
Other current liabilities	1	(315)
Net GST receipts/(payments) (b)	(8)	(6)
Change in GST receivables/payables (c)		
Net cash used in operating activities	<u>(682)</u>	<u>(980)</u>

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

(c) This reverses out the GST in receivables and payables.

26 Contingent liabilities

In addition to the liabilities included in the financial statements, the Authority has the following contingent liabilities:

Contaminated Sites

Under the Contaminated Sites Act 2003, the Authority is required to report known and suspected contaminated sites to the Department of Environment Regulation (DER). In accordance with the Act, DER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the Authority may have a liability in respect of investigation or remediation expenses.

In addition to the contaminated sites reported at Note 22 'Provisions', during the year the Authority reviewed all sites and determined that the status of only one site, Buruwa (Reserve 9656) has changed, with remediation action completed in March 2017. For all other sites their status remains unchanged from the previous year. There were no additional sites reported to DER this year. These sites will remain as a contingent liability until such time as funding is identified to complete Preliminary Site Investigations, classifications determined and it is practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. While there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the Authority may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

Insurance

Riskcover has advised that due to their change in requirements for coverage, specific information on buildings and contents on the land that is owned or under the ALT's responsibility will be required before full insurance coverage is provided. During the year, work was undertaken to provide Riskcover with the information they require. An assessment was also made on insured values based on known property conditions. Properties are now insured at replacement building value or cost to demolish. Riskcover still require assurances relating to asset management plans for the buildings insured at replacement building value. There is a risk that these buildings will not be fully insured at replacement value however the Authority is continuing to work with Riskcover to address their disclosure requirements. The Authority is also reviewing its insurance cover for other fixed assets on the ALT estate and will report to Riskcover as required.

Water

During the reporting period, Water Corporation brought to the attention of management a contingent liability regarding the supply of water on the ALT estate. It is longstanding Authority policy not to pay outgoing costs on leased or tenanted land (whether recoverable or not from the lessee or tenant); whereas Water Corporation's position is that debt generally reverts to the landowner if it is not recoverable from a lessee or tenant.

Invoices of approximately \$450,000 have been issued by Water Corporation to the ALT during the period under review. Response letters advising that the ALT will seek further advice regarding responsibilities for water debt have been provided to Water Corporation. No provision was raised at 30 June 2017 as there was no present legal or constructive obligation and management does not consider an outflow of resources embodying economic benefits probable.

27 Events occurring after the end of the reporting period

Administrative support for the AAPA and the Aboriginal Lands Trust (ALT) was provided by staff employed by the Department of Aboriginal Affairs (DAA), see Note 14 'Income from State Government'. Under Machinery of Government changes, the DAA was abolished as at 1 July 2017. Its functions pertaining to the support provided to the AAPA and ALT are being transferred to the new Department of Planning, Lands and Heritage. No information has become apparent since the end of the reporting period which materially affects the financial statements.

28 Explanatory statement

All variances between estimates (original budget) and actual results for 2017, and between the actual results for 2017 and 2016 are shown below. Narratives are provided for key variations selected from observed major variances, which are generally greater than:

- 5% and \$106,000 for the Statements of Comprehensive Income and Cash Flows; and,
- 5% and \$2.1 million for the Statement of Financial Position.

		Estimate 2017	Actual 2017	Actual 2016	Variance between estimate and actual	Variance between actual results for 2017 and 2016
		\$000	\$000	\$000	\$000	\$000
Statement of Comprehensive Income						
Expenses						
		3,316	3,316	3,367	-	(51)
		1,155	910	960	245	(50)
	1	459	-	245	459	(245)
	2 A	355	83	192	272	(109)
	3 B	22	726	1,109	(704)	(383)
	2 A	<u>5,307</u>	<u>5,035</u>	<u>5,873</u>	<u>272</u>	<u>(838)</u>
Income						
		323	933	480	(610)	453
	4 C	<u>323</u>	<u>933</u>	<u>480</u>	<u>(610)</u>	<u>453</u>
NET COST OF SERVICES						
		<u>4,984</u>	<u>4,102</u>	<u>5,393</u>	<u>882</u>	<u>(1,291)</u>
Income from State Government						
		2,880	2,838	2,857	42	(19)
		<u>2,880</u>	<u>2,838</u>	<u>2,857</u>	<u>42</u>	<u>(19)</u>
SURPLUS / (DEFICIT) FOR THE PERIOD						
		<u>(2,104)</u>	<u>(1,264)</u>	<u>(2,536)</u>	<u>(840)</u>	<u>1,272</u>

Statement of Financial Position

ASSETS

Current Assets

Cash and cash equivalents	4	-	520	242	520	278
Restricted cash and cash equivalents	4	1,419	1,346	2,306	(73)	(960)
Receivables		-	86	18	86	68
Other current assets		-	129	19	129	110
Total Current Assets		1,419	2,081	2,585	662	(504)

Non-Current Assets

Property		111,997	106,830	104,086	(5,167)	2,744
Total Non-Current Assets		111,997	106,830	104,086	(5,167)	2,744

TOTAL ASSETS

		113,416	108,911	106,671	(4,505)	2,240
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LIABILITIES

Current Liabilities

Payables		1	45	68	44	(23)
Provisions		1,387	1,253	1,381	(134)	(128)
Other current liabilities		125	1	-	(124)	1
Total Current Liabilities		1,513	1,299	1,449	(214)	(150)

TOTAL LIABILITIES

		1,513	1,299	1,449	(214)	(150)
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NET ASSETS

		111,903	107,612	105,222	(4,291)	2,390
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EQUITY

Contributed equity		-	106	-	106	-
Reserves		127,656	122,818	119,270	(4,838)	3,548
Accumulated surplus/(deficit)		(15,753)	(15,312)	(14,048)	441	(1,264)
TOTAL EQUITY		111,903	107,612	105,222	(4,291)	2,284

Statement of Cash Flow

Utilised as follows:

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Supplies and services	2	A	(855)	(629)	(450)	(226)	179
Accommodation	2	A	(40)	-	(245)	(40)	(245)
Grants and subsidies	3	B	(355)	(83)	(507)	(272)	(424)
GST payments on purchases			(121)	(149)	(131)	28	18
GST payments to taxation authority				(50)	(8)	50	42
Other payments	2	A	(22)	(854)	(256)	832	598

Receipts

Interest received			14	52	79	38	(27)
Other receipts	4	C	309	840	405	531	435
GST receipts on sales			-	56	8	56	48
GST receipts from taxation authority			121	135	125	14	10
Net cash used in operating activities			(949)	(682)	(980)	1,011	634

Net increase/(decrease) in cash and cash equivalents			(949)	(682)	(980)	(267)	298
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Cash and cash equivalents at the beginning of the period			2,368	2,548	3,528	(180)	(980)
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CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD			1,419	1,866	2,548	(447)	(682)
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Major Estimate and Actual (2017) Variance Narratives

- 1 Lower actual depreciation expense than estimate stems from the overly optimistic increase in property evaluation estimates. Although, there has been an increase in property valuations for 2017, it did not approximate the increase set in the estimates.
- 2 The variances posted against accommodation and other expenses are the results of classifying transactions as supplies and services or other expenses for 2017 actuals.
- 3 Grants and subsidies' lower actual figure is due to grant payment change of process to more accurately set budget targets. The new process approximates grant actual figures more precisely and eliminates fluctuations / variances between actual and estimates.
- 4 Return of unspent monies to AAPA of previous years multi-function police facilities project funding agreement was recognised as revenue in the current year. This resulted in increased cash assets balances as compared to the estimates. Furthermore, a review of cash balances resulted in identifying funds under the right classifications, i.e. restricted or non-restricted cash.

Major Actual (2017) and Comparative (2016) Variance Narratives

- A 2017 actuals have been charged to supplies and services expense codes as opposed to 2016 and estimates figures.
- B Grants and subsidies' lower actual figure is due to the change in the timing of payment to the second half of the calendar year that coincides with the next financial year. The new payment schedule assists in setting the budget estimate more precisely, which will eliminate significant variances between actual and estimates in future reporting periods.
- C Majority of the variances in revenue and other receipts are due to the return of previous years' expenses that was received in 2017.

29 Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Authority are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority.

The maximum exposure to credit risk at the end of reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in Note 29 (c).

Credit risk associated with the Authority's financial assets is minimal because the main receivable is the amount receivable for services (holding account). For receivables, the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that it trades with organisations with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Provision for impairment of financial assets is calculated based on past experience and current and expected changes in client credit ratings. Refer note 16 'Receivables'.

Liquidity Risk

The Authority is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority has appropriate procedures to manage cash by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks. The Authority does not borrow money to fund any of its operations. Other than as detailed in the interest rate sensitivity analysis table below, the Authority is not exposed to interest rate risk. All funds held by the Authority are in interest bearing accounts.

(b) Categories of Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2017 \$000	2016 \$000
Financial Assets		
Cash and cash equivalents	520	242
Restricted cash and cash equivalents	1,346	2,306
Receivables (a)	60	-
Financial Liabilities		
Payables	45	68

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

(c) Financial Instrument Disclosures

Credit Risk

The following table discloses the Authority's maximum exposure to credit risk and the ageing analysis of financial assets. The Authority's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Authority.

The Authority does not hold any collateral as security or other credit enhancement relating to the financial assets it holds.

Ageing analysis of financial assets

	Carrying Amount	Not past due and not impaired	Up to 1 month	Past due but not impaired				Impaired financial assets
				1 - 3 months	3 months to 1 year	1 - 5 years	More than 5 years	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
2017								
Cash assets	520	520	-	-	-	-	-	-
Restricted cash assets	1,346	1,346	-	-	-	-	-	-
Receivables (a)	60	60	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-
	1,926	1,926	-	-	-	-	-	-
2016								
Cash assets	242	242	-	-	-	-	-	-
Restricted cash assets	2,306	2,306	-	-	-	-	-	-
Receivables (a)	-	-	-	-	-	-	-	-
Accrued interest	19	19	-	-	-	-	-	-
	2,567	2,567	-	-	-	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

Liquidity Risk and interest rate exposure

The following table details the Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposures and maturity analysis of financial assets and financial liabilities

	Weighted average effective interest rate	Carrying Amount	Interest rate exposure				Maturity date				
			Fixed interest rate	Variable interest rate	Non-interest bearing	Nominal amount	Up to 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	More than 5 years
	%	\$000	\$000	\$000	\$000	\$000	\$000	\$000			
2017											
<u>Financial Assets</u>											
Cash assets	1.98	520	-	520	-	520	520	-	-	-	-
Restricted cash assets	1.98	1,346	-	1,346	-	1,346	1,346	-	-	-	-
Receivables (a)	-	60	-	-	60	60	60	-	-	-	-
		<u>1,926</u>	<u>-</u>	<u>1,866</u>	<u>60</u>	<u>1,926</u>	<u>1,926</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Financial Liabilities</u>											
Payables	-	45	-	-	45	45	45	-	-	-	-
		<u>45</u>	<u>-</u>	<u>-</u>	<u>45</u>	<u>45</u>	<u>45</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2016											
<u>Financial Assets</u>											
Cash assets	2.27	242	-	242	-	242	242	-	-	-	-
Restricted cash assets	2.27	2,306	-	2,306	-	2,306	2,306	-	-	-	-
Accrued interest	-	19	-	-	19	19	19	-	-	-	-
		<u>2,567</u>	<u>-</u>	<u>2,548</u>	<u>19</u>	<u>2,567</u>	<u>2,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Financial Liabilities</u>											
Payables	-	68	-	-	68	68	68	-	-	-	-
Other current liabilities		-									
		<u>68</u>	<u>-</u>	<u>-</u>	<u>68</u>	<u>68</u>	<u>68</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable)

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

2017	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
<u>Financial Assets</u>					
Cash and cash equivalents	520	(5)	(5)	5	5
Restricted Cash and cash equivalents	1,346	(13)	(13)	13	13
Total Increase/(Decrease)		(18)	(18)	18	18

2016	Carrying amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
<u>Financial Assets</u>					
Cash and cash equivalents	242	(2)	(2)	2	2
Restricted Cash and cash equivalents	2,306	(23)	(23)	23	23
Total Increase/(Decrease)		(25)	(25)	25	25

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

30 Remuneration of the auditor

Remuneration paid or payable to the Auditor General in respect of the audit for the current reporting period is as follows:

	2017 \$000	2016 \$000
Auditing the accounts, financial statements and key performance indicators	16	16

The expense is included at note 11 'Other expenses'.

31 Related body

The Aboriginal Lands Trust (ALT) was deemed a related body by the Treasurer by virtue of Section 3(c) of the Financial Management Act 2006. The revenue, expenditures, assets and liabilities of the ALT have been included within the financial statements of the Authority.

32 Special Purpose Accounts

Special Purpose Account section 16(1)(c) FMA

C L Johnson Bequest Trust Account

The purpose of this trust account is to hold funds for the benefit of Aboriginal Missionaries in Western Australia during illness in accordance with the bequest of the late Christian Larsen Johnson to the Department of Native Welfare (now abolished).

	2017	2016
	\$000	\$000
Balance at start of period	2	2
Receipts	-	-
Payments	-	-
Balance at end of period	<u>2</u>	<u>2</u>

Henrietta Drake-Brockman Trust Account

The purpose of this trust account is to hold funds to award a prize in the form of books, apparatus, equipment etc. to the Aboriginal student who achieves the highest Tertiary Entrance Examination aggregate results in Western Australia in accordance with the bequest of the late Henrietta Drake-Brockman.

	2017	2016
	\$000	\$000
Balance at start of period	1	1
Receipts	-	-
Payments	-	-
Balance at end of period	<u>1</u>	<u>1</u>

Intestate Trust Account

The purpose of this trust account is to hold funds received from the Public Trustee two years after the death of an Aboriginal person who dies intestate. These funds are used for the betterment of Aboriginal people.

	2017	2016
	\$000	\$000
Balance at start of period	3	1
Receipts	4	2
Payments	(7)	-
Balance at end of period	<u>-</u>	<u>3</u>

33 Supplementary financial information

Write-Offs

	2017	2016
	\$000	\$000
Bad Debts written off under the authority of the Accountable Authority	-	-
	<u>-</u>	<u>-</u>

Losses Through Theft, Defaults and Other Causes

	2017	2016
	\$000	\$000
Losses of public moneys and, public and other property through theft or default	-	-
Amounts recovered	-	-
	<u>-</u>	<u>-</u>

Gifts of Public Property

	2017	2016
	\$000	\$000
Gifts of public property provided by the Authority	-	-

34 Related party transactions

The Authority is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Authority is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to State.

Related parties of the Authority include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements;
- associates and joint ventures, that are included in the whole of government consolidated financial statements.

Significant transactions with government related entities include transactions \$50,000 or greater:

- services received free of charge from Department of Aboriginal Affairs (\$2.036M) and Landgate (\$0.802M) (note 14); and
- repair and demolition works on community structures by Housing Authority (\$0.170M) (note11).

All other transactions (including general citizen type transactions) between the Authority and Ministers or their close family members or their controlled (or jointly controlled) entities are not material for disclosure.

Estimates

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Comprehensive Income
Estimates for the year ending 30 June 2018

	\$000
COST OF SERVICES	
Expenses	
Supplies and services	4,567
Depreciation expense	1,155
Accommodation expense	105
Grants and subsidies	385
Other expenses	23
Total cost of services	<u>6,235</u>
Income	
Revenue	
Interest revenue	12
Grants and subsidies	1,700
Other revenue	309
Total Revenue	<u>2,021</u>
Total income other than income from State Government	<u>2,021</u>
NET COST OF SERVICES	4,214
Income from State Government	
Services received free of charge	2,880
Total income from State Government	<u>2,880</u>
SURPLUS /(DEFICIT) FOR THE PERIOD	<u><u>(1,334)</u></u>
OTHER COMPREHENSIVE INCOME	
Items not reclassified subsequently to profit or loss	
Changes in asset revaluation surplus	-
Total other comprehensive income	<u>-</u>
TOTAL ESTIMATED COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>(1,334)</u></u>

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Financial Position
Estimates as at 30 June 2018

\$000

ASSETS

Current Assets

Cash and cash equivalents	-
Restricted cash and cash equivalents	1,419
Receivables	38
Total Current Assets	1,457

Non-Current Assets

Property	106,595
Total Non-Current Assets	106,595

TOTAL ASSETS	108,052
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LIABILITIES

Current Liabilities

Payables	67
Provisions	1,381
Total Current Liabilities	1,448

TOTAL LIABILITIES	1,448
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NET ASSETS	106,604
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EQUITY

Contributed Equity	
Reserves	124,089
Accumulated surplus/(deficit)	(17,485)
TOTAL EQUITY	106,604

ABORIGINAL AFFAIRS PLANNING AUTHORITY
Statement of Cash Flows
Estimates for the year ending 30 June 2018

\$000

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Supplies and services	(1,941)
Accommodation expenses	(10)
Grants and subsidies	(305)
GST payments on purchases	(119)
GST payments to taxation authority	
Other payments	(23)

Receipts

Interest received	12
Rent received	
Grants and subsidies	1,700
Other receipts	388
GST receipts from taxation authority	119

Net cash provided by/(used in) operating activities (179)

Net increase / (decrease) in cash and cash equivalents **(179)**

Cash and cash equivalents at the beginning of the period **1,598**

CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD **1,419**

**Aboriginal Affairs Planning Authority
Department of Planning, Lands and Heritage
Gordon Stephenson House
140 William Street, Perth**