

**Legal Aid** ACT

ANNUAL REPORT 2016-2017

*Promoting a just society in the Australian Capital Territory*

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## Legal Aid Commission (ACT)

### Transmittal Certificate

15 September 2017

Mr Gordon Ramsay, MLA  
Attorney General for the ACT  
ACT Legislative Assembly  
GPO Box 1020  
Canberra ACT 2601

  
Dear Mr Ramsay

This Report has been prepared under Section 6(1) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Report Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Legal Aid Commission (ACT).

We certify that the attached Annual Report, and information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the Legal Aid Commission (ACT) has been included for the period 1 July 2016 to 30 June 2017.

We also certify that fraud prevention has been managed in accordance with the Public Sector Management Standard 2.

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you cause a copy of the Report to be laid before the Legislative Assembly within 4 months of the end of the financial year.

Yours sincerely



Jon Stanhope  
President  
15 September 2017



John Boersig  
Chief Executive Officer  
15 September 2017

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Over the past year I have seen the Commission build relationships with legal and non-legal organisations in Canberra as it seeks to strengthen the delivery of legal services to the community. It is refreshing to see an agency seek out new relationships, and build partnerships, particularly with non-legal support services that have Aboriginal Torres Strait Islander and Culturally and Linguistically Diverse clientele. Building the Commission's capacity to identify and provide services to people in these communities is about opening the doors of the Commission, and providing work environments that are responsive to the unique needs of these communities.

I am also very pleased to see that the Commission continues to build positive and supportive relationships with the other legal service providers in the ACT. The staff development program between the Director of Public Prosecutions and the Commission means that a lawyer from each agency spends up to a year with the other – building the skills and experience of individuals and each agency, promoting collegiality and benefiting the legal sector as a whole. Similarly, the arrangement with the Consumer Law Centre which saw an exchange of staff is well worth highlighting, as it enabled the Commission to draw on the particular expertise of their principal legal office in the Elder Abuse/Rights area while one of our lawyers was placed at their centre. This helps to strengthen the bonds and understanding between legal service organisations. I also understand that we have continued an agreement with the Justice and Community Safety (JaCS) Directorate to provide opportunities for Territory staff to experience legal practice with the Commission, which again I believe is beneficial for the Directorate and the Commission as we improve the understanding of each other's roles and responsibilities. We have three people from JaCS with us at the moment – a lawyer in the General Practice, a trainee in our Cultural Liaison Unit, and our Chief Financial Officer.

In that context, I must also record that the Board of Commissioners held the first meeting outside the offices of the Commission, being the 467<sup>th</sup> meeting on 19 October 2016. The meeting was held at 'the Hub', which is the base for the Community Legal Centres in Canberra; their directors attended the meeting and a very worthwhile discussion ensued. It is important, in these straitened times, that all legal assistance services work cooperatively and develop strong referral pathways.

I also note that the Commission staff play an increasing important role on Law Society Committees – we have members on five committees, and have a staff member on the governing council. The Commission has a key relationship with the private profession, including the Bar, as we jointly see to provide legal aid services to the community.

The Commission is by necessity and dint of its aims, at the forefront of challenging, and sometimes controversial, matters. Often the Commission is required to represent people in courts and tribunals who do not garner the support of the community, either due to the nature of their behavior or the type of offence they have been alleged to have committed. It is crucial that the Commission continues to play an independent role within the legal processes, taking up the interests of the most vulnerable and disadvantaged people who are in need of legal assistance.

Finally, I take this opportunity to acknowledge that we have entered the 40<sup>th</sup> year of the Commission's operations – legislation setting up the Commission was enacted in 1977. The provision of legal aid services to the most vulnerable and disadvantaged within our community remains the steadfast aim of the Commission. For as long as people face legal hardship there will remain a crucial role for legal aid services and although this need is unlikely to change, it is heartening to know that the Commission is doing its utmost to meet that need.

Jon Stanhope

President

## THE COMMISSIONERS DURING 2016-2017

### JON STANHOPE

Jon Stanhope was appointed as President of the Commission on 14 December 2014. Mr Stanhope was appointed as Deputy Administrator of Norfolk Island, Secretary of a major Parliamentary Committee and as President of a number of community organisations prior to his political career. Mr Stanhope is the former Chief Minister of the ACT. He was elected as an Australian Labor Party candidate to the ACT Legislative Assembly in 1998 and was appointed Leader of the Opposition after the election. He remained as leader for over 13 years. Mr Stanhope was elected Chief Minister in 2001, a position he held for nearly a decade. While he was Chief Minister, and concurrent Minister for various portfolios, he sought to change and reform the finances and administration of the Australian Capital Territory. He introduced a number of important reforms, including the introduction of a Human Rights Act, reducing budget expenditure and streamlining the bureaucracy. Mr Stanhope has been Professorial Fellow in Public Sector Engagement in the Australian and New Zealand School of Government at the University of Canberra.

### GAIL KINSELLA

Gail Kinsella was originally appointed to the Commission on 10 May 2010. She is a Chartered Accountant and a director of Kinsella Partners – Chartered Accountants. She is a member of a number of professional advisory boards and committees at the local and national level. Her community activities include holding the position as a board member of Communities@Work.

### WALTER HAWKINS

Walter Hawkins was appointed to the Commission on 10 August 2012. He is the Principal and the Practice Leader of the Canberra office of Maurice Blackburn Lawyers (previously Pamela Coward Higgins Lawyers) specialising in personal injury litigation with over 25 years' experience. Walter is a member of the ACT Law Society Civil Litigation Committee, Chairs the ACT Law Society Access to Justice Committee and is a member of the Law Council of Australia Access to Justice Committee and a member of the Australian Lawyers Alliance. Walter originally worked with the Public Interest Advocacy Centre (PIAC) in Sydney conducting large scale product liability litigation, and then spent six years with a national personal injury firm. For many years Walter was a contributing author to the Lawyers Practice Manual of New South Wales. Walter's previous appointments include President of ACT Labor Lawyers. Walter graduated from Macquarie University in 1985 with a Bachelor of Arts and Bachelor of Laws. In 2007 Walter obtained a Master of Business Administration from the University of Canberra.

#### ALISON PLAYFORD

Alison Playford was appointed to the Commission on 30 June 2014. Ms Playford is currently Director-General in the ACT Justice and Community Safety Directorate. She has previously held the roles of both Deputy Director-General, Justice and Deputy Director-General, Community Safety in that Directorate. Before joining the ACT Government in November 2010 she had over 20 years' experience in the Commonwealth public sector in a range of positions in the Department of Finance, the Department of Prime Minister and Cabinet and the Attorney-General's Department including in the areas of native title, indigenous litigation, family law, administrative law, federal courts and tribunals. Ms Playford was the First Assistant Secretary of the Commonwealth Attorney-General's Department from August 2009 until November 2010. She was also an alternate member of the Council of the National Judicial College of Australia in 2010 (nominated by the Commonwealth Attorney-General).

#### AMANDA TONKIN (TO 15 AUGUST 2016)

Amanda Tonkin was appointed to the Commission on 18 July 2014. Ms Tonkin was called to the Bar as a Barrister in 1994 and has been with Blackburn Chambers continuously for more than 20 years. Prior to that, she was a Prosecutor and an Assistant Parliamentary Counsel for drafting legislation. Ms Tonkin's area of practice is extensive and include family law, civil law, medical negligence and mental health law and mediations. She is an elected member of the ACT Bar Council, the Women Lawyers Association and is a Court Appointed Mediator for the ACT Magistrates Court. She has been a member of the Family Law Section of Law Council of Australia and was also a Director of Chambers from 1998 to 2006.

#### GENEVIEVE BOLTON

Genevieve Bolton was appointed as the Commissioner representing the social services sector. She is the Executive Director/Principal Solicitor of the Canberra Community Legal Centre. She has a long history of service to the community and joined Canberra Community Law in 2003. In December 2015, she was awarded the Australian Human Rights Commissions 2015 Law Award for work spanning two decades for those people facing disadvantage through such issues as disability, family violence and mental health. Genevieve was awarded the Order of Australian in 2016. Her main area of legal expertise is in public housing and the welfare system. Originally from Queensland, she hold a degree in law from the Queensland University of Technology.



#### KYM DUGGAN

Kym Duggan appointed as the Commissioner with special expertise on 20 May 2016. He is a law graduate of the Adelaide University and was admitted to practice as a barrister and solicitor in 1978. He has worked as a lawyer in the Northern Territory, South Australia and in the ACT. He held various positions in the Commonwealth government for over 30 years, including in the Department of the Prime Minister and Cabinet, and spent many years in the Attorney-General's Department where he rose to the position of First Assistant Secretary. His roles within the government included areas such as social security, native title, indigenous justice, legal aid and national security. He currently undertakes a range of consultancies linked to the justice sector at both a commonwealth and state level.

#### MARCUS HASSALL (FROM 28 JANUARY 2017)

Marcus Hassall is a barrister at Henry Parkes Chambers with a diverse practice including criminal law, family law, proceeds of crime, commercial law, administrative law, disciplinary proceedings and other matters. Marcus is a member of the ACT Bar Association's Sub-committees on Criminal Law and Continuing Professional Development. Marcus is also currently a Practice Mentor in Commercial Law with the ANU Legal Workshop Program. Prior to being called to the Bar in 2011 Marcus was a prosecutor with the Commonwealth Director of Public Prosecutors for 13 years, working in its Sydney, Darwin and Canberra Offices. Before that Marcus worked for 2 years as a solicitor with the Canberra Office of the Australian Government Solicitor.

#### JOHN BOERSIG

John Boersig was appointed a Chief Executive Officer of the Commission on 1 December 2013, and holds a position on the Board in that capacity. Dr Boersig commenced as CEO at that time. He brings to the Commission extensive experience in legal aid, legal education and public administration. He commenced in legal aid practice from 1983, initially with the Aboriginal Legal Service and later as a senior lecturer and director of the Newcastle Legal Centre where he ran the clinical and professional program at the University of Newcastle's Faculty of Law. He was a presiding member of the Guardianship Tribunal for many years. In 2004 Dr Boersig joined the Commonwealth Attorney-General's Department as Assistant Secretary of the Indigenous Law & Justice Branch and later as Assistance Secretary of the Human Rights Branch. He moved to the Ministerial & Cabinet Unit and then the Security Coordination Branch immediately prior to joining the Commission. He has a PhD from the University of Sydney.

## ORGANISATIONAL OVERVIEW

The Legal Aid Commission (ACT) (the Commission) is established by the *Legal Aid Act 1977* (the Act). The primary purpose of the Commission is to provide vulnerable and disadvantaged Australians with access to justice through a range of legal aid services provided in accordance with the Act.

## Vision

Our vision is to be a leader in the delivery of legal services that are recognised for their excellence and for the caring, responsive and professional manner in which they are provided.

## Purpose

The purpose of the Commission is to promote a just society in the Australian Capital Territory by:

- ✓ ensuring that vulnerable and disadvantaged people receive the legal services they need to protect their rights and interests;
- ✓ developing an improved community understanding of the law; and
- ✓ seeking reform of laws that adversely affect those we assist.

We achieve this purpose by delivering a range of high quality legal services through our staff and professional partners in a manner that respects diversity and promotes confidence in the legal system.

**Values**

The Commission espouses the following values in its relationships, service delivery, business processes and decision making.

- )] We are committed to helping disadvantaged people achieve justice.
- )] We respect people and their diversity.
- )] We value integrity and ethical conduct.
- )] We are accountable and committed to using learning and innovation to improve the quality of our services and the efficient use of resources.
- )] We work collaboratively with others to meet people's needs.
- )] We value and protect our statutory independence.

The Commission is an independent statutory authority established under the *Legal Aid Act 1977* (the Act) charged with providing legal assistance in the Australian Capital Territory in accordance with the Act. While the Commission is accountable to the Commonwealth Government, and specifically to the ACT Attorney-General for the exercise of its statutory functions, it operates a legal practice with a high degree of autonomy. This is necessary because of the Commission's duty to protect the legal rights and interests of individuals many of whom are parties to actions by, or against, the executive branch of government. While the work of the Commission must be undertaken in the broad context of government justice policy, as set out in the Act and in the ***National Partnership Agreement on Legal Assistance Services 2015-2020***, the Commission's lawyers are required to observe the same rules and standards of professional conduct as private lawyers, and are subject to the same professional duties. This means that their professional duties are owed to the law, the court and clients, rather than to executive branch of government.

### Nature and Scope of Activities

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The Commission seeks to improve access by vulnerable and disadvantaged people to the justice system by providing a range of legal services to through in-house legal and paralegal staff and lawyers in private practice.

The Commission helps people living in the ACT, or involved in proceedings in ACT courts and tribunals, who are in need of legal advice or assistance but who are unable to access private legal services. Our clients are therefore people who are disadvantaged relative to the general population. Disadvantage can take many forms including a lack of financial resources, disability, illness, youth or old age, homelessness, language or cultural barriers.

The services provided by the Commission are wide-ranging and encompass the provision of information and referral, legal advice and legal assistance, advocacy, duty lawyer services, grants of legal assistance, dispute resolution services, Community Legal Education programs and submissions on law reform issues.

Legal assistance services are free of charge, except for grants of financial assistance and Dispute Resolution conferences that are means-tested and may be subject to payment of a contribution.

The Commission also has a responsibility under the Act to make recommendations to the Attorney-General concerning the reform of laws.

Following negotiations between the Territory and Commonwealth Governments a new ***National Partnership Agreement on Legal Assistance Services 2015-2020*** came into force. This NPA has brought a number of changes, and in the light of this agreement the services offered by the Commission are re-described below.

### DISCRETE ASSISTANCE

Discrete Assistance is the provision of unbundled, discrete, legal and non-legal services to Service Users.

These intermittent services differ from Representation Services, where a Service Provider takes carriage of a matter in an ongoing, representative capacity.

Discrete Assistance may be provided at any location (for example, in a Service Provider's office or in an outreach location).

They may also be delivered in a range of modes:

- ) in person;
- ) telephone;
- ) letter;
- ) email, mail or fax;
- ) video conference; or
- ) online chat.

### Information Services

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An Information Service is the provision of information to a Service User in response to an enquiry about:

- ) the law, legal systems and processes; or
- ) legal and other support services to assist in the resolution of legal and related problems.

The information provided is of general application.

An Information Service involves a direct communication and/or a provision of material by a Service Provider to a Service User. Information Services do not include administrative tasks such as booking appointments for legal advice sessions or information obtained from a Service Provider's website.

Information about the law and the legal system is provided by the Commission to individuals and community groups. It is information of general application about legal rights and responsibilities, court and tribunal processes, alternative ways of resolving disputes, the availability of financial assistance and other legal assistance services. It includes referral to other community services appropriate to people's needs.

Information and referral is provided through the Legal Aid Helpdesk and by other Commission staff in person at the Commission's office and at courts, outreach services and by telephone through the Legal Aid Helpline.

Information is also provided through the Commission's website, by dissemination of written materials about common legal issues to individuals and organisations, and by attendance at information hubs and other public events.

If the Commission cannot help a person because their problem is not a legal problem, or because another legal service is better placed to assist them, a referral of the person to an appropriate service is facilitated.

## **Referral**

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A Referral is when a Service Provider determines that a Service User can be assisted by another individual or organisation and provides the User with the contact details to that service.

A Referral may be recorded as either a Simple Referral or a Facilitated Referral.

## **Legal Advice**

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A Legal Advice Service is the provision of fact-specific legal advice to a Service User in response to a request for assistance to resolve specific legal problems.

Legal Advice is specific advice of a legal nature concerning a person's individual circumstances. It includes analysis of the options available to a person to resolve a legal matter. Legal Advice is provided free of charge in face-to-face interviews arranged through the Commission's Legal Aid Helpdesk, at specialist legal aid clinics (such as migration, employment, small business), the Youth Law Centre and at outreach services such as the Prisoners Legal Service and at Communities at Work. Legal Advice services are usually limited to half an hour but may be extended for up to two hours at the discretion of the adviser.

## **Non-Legal Support**

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A Non-Legal Support Service is provided by an appropriately qualified person (either through an internal or external appointment) to a Service User in response to a request for assistance to resolve specific, non-legal problems. Examples include general counselling, financial counselling, trauma-informed counselling, Aboriginal and Torres Strait Islander community liaison, and mental health assessments and support.

Non-Legal Support Services may be recorded as either a Discrete or an Ongoing Non-Legal Support Service.

## **Legal Task**

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A Legal Task is where a Service Provider completes a discrete piece of legal work to assist a Service User to resolve a problem or a particular stage of a problem. Examples of a Legal Task include:

- ) preparation or assistance with the drafting of documents (such as a will);
- ) writing a submission letter to the Police to negotiate charges;
- ) writing a letter to another party asking them to do something or stop doing something; or

- advocating on behalf of a Service User without taking ongoing carriage of the matter.

If a Service Provider takes carriage of a matter in an ongoing, representative capacity, including representing a Service User in court or tribunal proceedings, this is no longer a Legal Task but a Representation Service.

Minor legal assistance is the provision of self-help assistance greater than information and legal advice but short of direct representation that is designed to enable people to progress resolution of identified legal problems. Minor legal assistance includes drafting a simple letter for a person to send to a third party, completing forms, and drafting simple applications or other court or tribunal documents.

Legal advice and minor legal assistance are provided free of charge in relation to a range of legal matters affecting the ordinary citizen, including:

- criminal and traffic charges;
- family separation, parenting and property disputes;
- domestic violence and personal protection;
- mental health;
- victims of crime assistance;
- contract and debt;
- employment; and
- administrative decisions.

Advocacy is an early intervention service that does not require a grant of legal assistance. The service is available to people who are unable to adequately advocate their own case and involves communication with a third party on behalf of the client and may extend to representation at a court or tribunal. Advocacy services include assisting people appearing before the ACT Administrative and Civil Tribunal in mental health proceedings.

#### FACILITATED RESOLUTION PROCESS

Facilitated Resolution Processes include specific processes that are aimed at resolving disputes without going to court. This category is relevant for the process only. The actual representation of a Service User within a Facilitated Resolution Process is defined as a Dispute Resolution Service.

A Facilitated Resolution Process is where a Service Provider conducts an activity (for example a conference) to assist the parties to resolve or narrow issues in dispute. Generally, a facilitated resolution process will involve a screening process and the provision of an independent, suitably qualified professional to facilitate resolution of the issues in dispute.

A Facilitated Resolution Process may be provided:

- in person at any location; or
- by telephone or videoconference.

There are a number of Activity Types within this Service Category, including:

- ) screening;
- ) arbitration;
- ) conferences; and
- ) mediation.

The Commission provides a lawyer-assisted model of alternative dispute resolution in family law and child protection matters with the objective of settling disputes at an early stage without the need for recourse to the courts.

### DUTY LAWYER SERVICES

Duty Lawyer Services are legal services provided by a duty lawyer to a Service User at a court or tribunal.

Duty lawyer services are provided free of charge at courts and tribunals to people who would otherwise be unrepresented in relation to an event or proceeding on that day. The Commission provides duty lawyer services in:

- ) criminal cases at the ACT Magistrates Court and the ACT Children's Court;
- ) domestic violence and personal protection matters at the ACT Magistrates Court; and
- ) family law and family violence related matters at the Canberra Registry of the Family Court and Federal Magistrates Court.

Duty lawyer services consist of advising a person in relation to the proceeding or event and in appropriate circumstances appearing on their behalf. These services can include assistance with bail applications, guilty pleas and representation of applicants for urgent interim protection and restraining orders.

### REPRESENTATION

Representation Services are where a Service Provider takes carriage of a matter in an ongoing, representative capacity.

Grants of legal assistance enable people who would not otherwise be able to afford legal services to obtain legal representation in legal proceedings, dispute resolution, or other legal matters of a substantial and ongoing nature. Grants of legal assistance are provided in criminal, family and civil law matters.

In determining applications for grants of legal assistance the Commission examines whether the application satisfies the eligibility requirements of the *Legal Aid Act 1977* and guidelines set by the Commission under the Act.

There are three service types within this service category.

## Dispute Resolution

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This service is the legal representation of a Service User in a Facilitated Resolution Process, or an alternative dispute resolution process. This service type does not include court or tribunal based alternative dispute resolution, which is incorporated in the definition of Court /Tribunal Services.

A Dispute Resolution Service includes preparation for, and representation at, a Facilitated Resolution Process. It also includes the work involved in recording agreement following a Facilitated Resolution Process.

Assistance provided to self-representing parties preparing to attend Facilitated Resolution Processes are categorised as Legal Task or Duty Lawyer Service as relevant.

## Court/Tribunal Service

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A Court/Tribunal Service relates to any ongoing representation for any matter before a court, tribunal or inquiry where a Service Provider provides legal representation to a Service User and takes carriage of a matter in an ongoing, representative capacity. This includes court or tribunal based alternative dispute resolution.

A Court/Tribunal Service does not include services provided by a duty lawyer or assistance to self-representing parties where a Service Provider does not take carriage of a matter in an ongoing, representative capacity. This type of service is counted as a Legal Task, Legal Advice or Duty Lawyer Service, as appropriate.

## Other Representation

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Other Representation Services relates to any matter where the Service Provider:

- ) takes carriage of a matter in an ongoing, representative capacity, but due to the nature of the matter it does not proceed to a court, tribunal or inquiry; or
- ) is not required to appear before a court, tribunal or inquiry.

Other Representation Services does not include assistance to self-representing parties where a Service Provider does not take carriage of a matter in an ongoing, representative capacity. This type of service is counted as a Legal Task, Legal Advice or Duty Lawyer Service, as appropriate.



### COMMUNITY LEGAL EDUCATION

Community Legal Education (CLE) is provided to the general community, community services, community groups, organisations or schools. These services inform and build individual and community resilience by enhancing:

- ) awareness and understanding about the law and how to identify, prevent and deal with problems; and
- ) awareness of the help available from legal and support services.

Community Legal Education (CLE) is the provision of information and education to members of the community (especially vulnerable and disadvantaged people) on an individual or group basis concerning the law and legal processes and the place of these in the structure of society. The 'community' may be defined geographically, by issue or by need. Effective CLE sets out to ensure that people understand and apply the knowledge in ways that benefit their behaviours, decisions and life outcomes. CLE increases the ability of an individual or community to understand and critically assess the impact of the legal system on them and their ability to deal with and use the law and the legal system.

There are two service types within this service category.

#### Community Legal Education Resources

CLE Resources involve the development or substantial amendment of publications and resources that provide information about the law and legal system, about legal and support services and guidance for identifying, preventing or dealing with particular legal problems.

Examples of CLE Resources include booklets, pamphlets, self-help kits, legal information websites and development of CLE Activities (such as modules, workshops or presentations).

CLE Resources may be developed to be delivered via a variety of media including:

- ) printed/hard copy;
- ) audio products;
- ) DVD/video;
- ) web-based; and
- ) workshops or presentations.

## Community Legal Education Activities

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CLE Activities are delivered to raise awareness and educate other service providers, community groups, organisations, schools, or the general community about the law and how to recognise, prevent and deal with legal problems.

CLE Activities may be delivered through a variety of formats, including:

- ) workshops, presentations and meetings in person; and
- ) web-based and electronic media.

The Commission's CLE programs include training the staff of organisations that assist vulnerable and disadvantaged members of the community in how to recognise when their clients have legal problems and where to refer them for help, as well as targeted information sessions on a range of specific legal issues. As well as sessions held on the Commission's premises, CLE sessions are also provided at schools, community centres and community organisations.

## STAKEHOLDERS AND PARTNERSHIPS

Apart from its clients, the Commission's principal stakeholders are its funders; members of the private legal profession who provide legal aid services on the Commission's behalf; community legal centres; and courts, tribunals and other justice agencies in the ACT.

## Community Legal Centres

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Under the NPA a jurisdiction based forum must be established in the ACT. The **ACT Legal Assistance Forum (ACTLAF)** was established in May 2008 to improve coordination between legal assistance services in the ACT and to encourage collaborative service delivery. ACTLAF comprises representatives of all legal assistance providers in the ACT, namely the five Community Legal Centres, the Aboriginal Legal Service, Legal Aid ACT and the ACT Law Society. The Aboriginal Justice Centre and the Justice and Community Safety Directorate are also represented on ACTLAF. ACTLAF meets quarterly in February, May, August and November.

There are five **Community Legal Centres** in the ACT (Tenants' Union, Consumer Law Centre, Environmental Defender's Office, Welfare Rights and Legal Centre and Women's Legal Centre). These centres have an important role in the provision of legal assistance services and specialise in particular areas of the law, or in working with particular client groups. In this way their services are complementary to those of other legal aid providers, including the Commission. There is a high degree of cooperation between all legal assistance services aimed at avoiding unnecessary duplication of services and to ensure that clients are referred to the legal service most suited to their needs. The **Environmental Defenders Office ACT** operates from Commission premises. In addition there is a long-standing partnership between the Commission and the **Aboriginal Legal Service (NSW/ACT) Limited** based on collaboration between the agencies to improve the provision of legal advice and assistance to Aboriginal and Torres Strait Islander people in the Canberra region.

## Private Legal Profession

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The partnership between Legal Aid ACT and the **private legal profession** is fundamentally important to the provision of legal assistance services in the ACT. Many law firms play a vital role in the provision of legal assistance services by handling legally assisted cases, or by providing advice, duty lawyer and other legal assistance services. The Commission publically acknowledges and thanks the many members of private legal profession who contribute to the provision of legal assistance in one or more of these ways.

Private lawyers also participate in the provision of legal assistance in a number of other important ways. These other forms of participation, some of which are remunerated by the Commission and some of which are voluntary and provided *pro bono publico* (for the public good) include:

- ) providing duty lawyer and advice services when Commission lawyers cannot act due to a conflict of interest;
- ) convening family dispute resolution (FDR) conferences;
- ) reviewing decisions of the Commission relating to the provision of legal assistance as members of the review panels established under the Legal Aid Act 1977 ;
- ) providing pro bono advice or other assistance through the Youth Law Centre or to individual Commission lawyers in relation to the handling of legal cases that raise complex or unusual legal issues [1]; and
- ) providing other pro bono assistance such as participation in the preparation of publications and other Community Legal Education activities.

### *Law Students and Volunteers*

Law students can play an important role in the provision of legal aid services, including research, assisting in client services and supporting lawyers and paralegal staff in the provision of minor assistance, information and case work. The Commission accepts students from a number of universities, including the ANU Legal Workshop and UC Law Internship course, as part of a placement, internship or as volunteers.

The Commission also works collaboratively with the ANU's clinical law course to deliver services in the Youth Law Centre, through a migration and employment law clinics, and is a major placement site for the College of Law's Graduate Development Legal Program. In addition, in collaboration with UC and the private legal profession, a Small Business Legal advice clinic is operated each week.

### *Relationships with Justice Agencies and the Law Society ACT*

To help ensure the efficient operation of the legal system in the ACT and to achieve just outcomes for its clients the Commission works cooperatively with ACT courts and tribunals, and other agencies within the ACT Attorney-General's portfolio. The CEO liaises regularly with senior staff of the

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1 Particular support for the YLC is provided by Mr Michael Sassella.

**Justice and Community Safety Directorate** and staff participate in meetings of committees and working groups established to review and improve aspects of the Territory justice system.

The Commission also maintains close working relationships with the **Commonwealth Attorney-General's Department**, and Commonwealth courts and tribunals in the ACT and staff participate in a number of Commonwealth justice system advisory groups including the Family Law Consultative Committee and Family Pathways Network.

The Commission also maintains a close working relationship with **ACT Law Society**. Staff members are represented in a number of committees, including Access to Justice, Criminal law, Diversity, Pro Bono and the Ethics and Complaints. In addition we receive funding annually from the Statutory Interest Account which is administered by the Law Society.

At a national level, the Commission is tied into a range of networks – mainly built into the National Legal Aid structure – and participates in regular workgroups linked to key service areas such as grants and data, family and child support, and criminal law.

The Commission auspices the **Canberra and ACT Regional Family Law Pathways Network (FLPN)** covering the Australian Capital Territory and nearby NSW regions serviced from the Canberra Registry of the Family Court of Australia and the Federal Circuit Court of Australia. The Network's membership continued to increase during the year and numerous seminars and conferences were facilitated. The Network's growth is strongly attributable to the joint participation of the new ACT FLPN Advisory Panel and the Steering Committee members who continue to facilitate planning.

## STRUCTURE

### GOVERNANCE

The Commission is governed by a board of eight Commissioners, seven of whom are part-time and appointed by the Attorney-General upon nomination by the community, the ACT Government and the legal profession. The eighth Commissioner is the Chief Executive Officer who is appointed by the Commission.

The functions of the board under section 15 of the Act are:

- ) to determine the broad policies, priorities and strategies of the Commission for the provision of legal assistance under the Act; and
- ) to ensure that the Commission's affairs are managed in accordance with the Act.

The board meets bi-monthly and additional meetings are held when required.

### MANAGEMENT AND STRUCTURE

The Chief Executive Officer (CEO) manages the operations and affairs of the Commission, assisted by the Deputy Chief Executive Officer (DCEO). Both the CEO and DCEO are appointed statutory office

holders. Under the Act the CEO and DCEO are deemed to be a firm of solicitors practising in partnership and the Commission's Legal Practice operates in a similar way to a private law firm.

The Commission has four functional divisions, each headed by senior managers. As the Commission holds confidential information relating to people's legal cases, there is a strictly enforced information barrier between Client Services and the Legal Practices, and between the Litigation and General Practices.

#### RESPONSIBILITIES OF THE BOARD AND CEO

The Commission is a body corporate established under the *Legal Aid Act 1977*. The Commission's function is to provide legal assistance in the Australian Capital Territory in accordance with the Act. The Commission carries out this function under the name Legal Aid ACT.

The board of the Commission comprises seven part-time Commissioners and the CEO. The functions of the board are to determine broad policies, priorities and strategies for the provision of legal assistance, and to ensure the Commission's affairs are managed in accordance with the Act. The CEO is responsible for the management of the operations and affairs of the Commission. Qualifications for appointment to the board are set out in section 16 of the *Legal Aid Act 1977*.

The board met six times during the year, and attendances were as follows:

Commissioner	No. of meetings attended
Jon Stanhope	5
Walter Hawkins	5
Marcus Hassall	3
Gail Kinsella	6
Allison Playford <sup>1</sup>	0
Genevieve Bolton	6
Kym Duggan	4
John Boersig	6

<sup>1</sup> Officers from the Justice and Community Safety Directorate attended on behalf of Ms Playford

## MANAGEMENT STRUCTURE

The Commission's four divisions and the divisional heads during the year were:

Litigation Practice	Deputy CEO – Louise Taylor
General Practice	Heidi Yates
Client Services	Client Services Manager - Derek Schild
Corporate Services	Sharyn Giles/Hamish Palfreyman/Brett Monger

The CEO, DCEO, CSM and CFO comprise the Commission's Executive Committee. The Legal Practice management committee includes the executive and the Division heads.

## EXECUTIVE REMUNERATION

Remuneration for senior executives (CEO and DCEO) is determined by the ACT Remuneration Tribunal.

## SIGNIFICANT COMMITTEES

A number of internal committees inform the work of the Commission:

- )] The **Executive Committee** is responsible for the oversight of Commission's overall operations. It provides advice and guidance to the CEO on the strategic direction and management of activities.
- )] The **Legal Practice Management Committee** provides advice, oversight and direction about the daily and strategic operation of the legal practices to the CEO and DCEO.
- )] The **Finance Committee** improves financial management by broadening input to the budget process and increasing levels of understanding and scrutiny of financial processes and reporting. The Finance Committee comprises members of the Executive Committee, the Chief Financial Officer and the Financial Accountant.
- )] The **Community Legal Education (CLE) Program Committee** assists in the planning and delivery of CLE programs. The CLE comprises a cross-section of staff.
- )] The **Law Reform Committee** provides focus for the Commission's law reform activities. The committee comprises the DCEO (convenor) and the three practice heads. Law reform issues are referred to specifically convened sub-committees comprising staff interested in the reform topic.

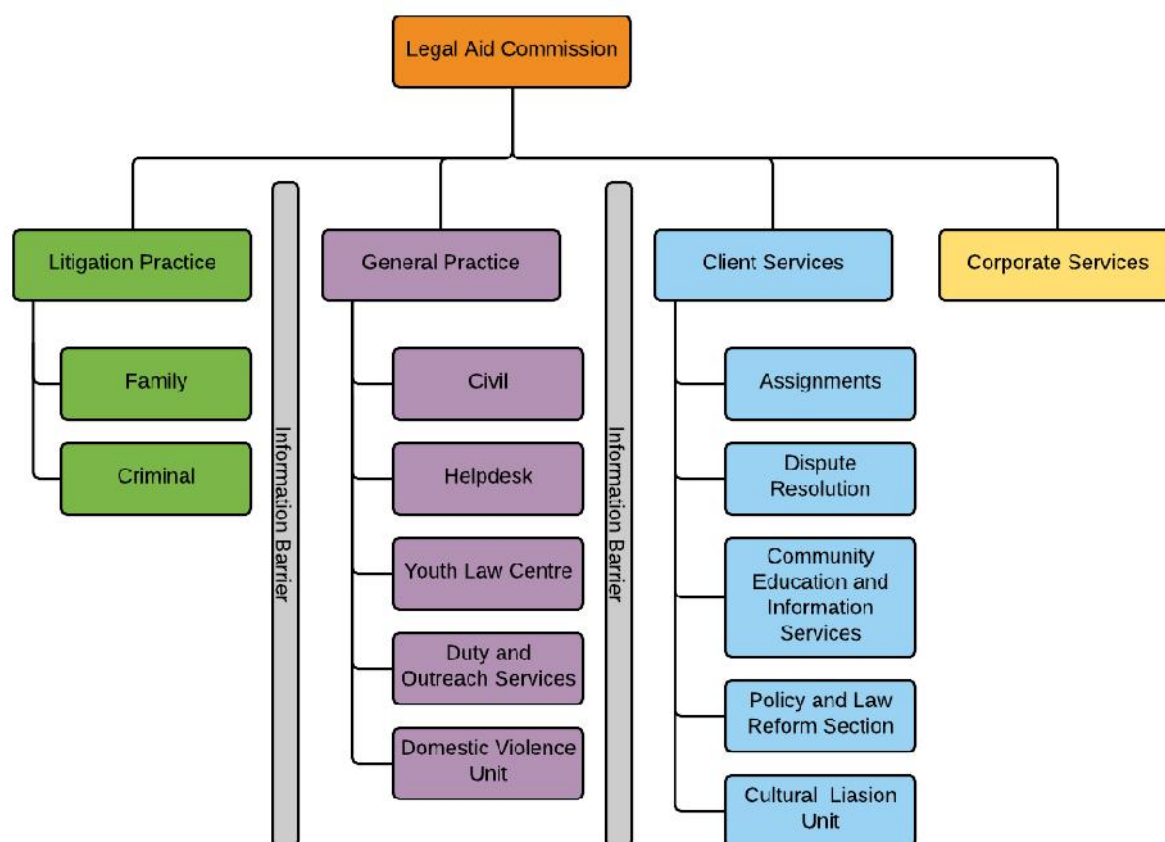
## RECONSIDERATION AND REVIEW OF DECISIONS

Applicants dissatisfied with an initial decision concerning the provision of legal assistance can ask for the decision to be reconsidered. The request for reconsideration must be made in writing within 28

days of receiving notice of the decision. Further information may be provided in support of a request for reconsideration. A different decision maker undertakes the reconsideration of an initial decision.

If, following reconsideration the applicant remains dissatisfied with a decision, they may request the matter be referred to an independent review committee. A request for review must be made in writing within 28 days of receipt of notice of the reconsidered decision and may be accompanied by further information. A review committee is constituted by three members selected from panels appointed by the ACT Attorney-General. The panels include community members and lawyers nominated by the ACT Law Society and ACT Bar Association

## ORGANISATIONAL STRUCTURE OF LEGAL AID COMMISSION (ACT)



### Litigation Practice

The Litigation Practice provides representation in criminal and family law matters.

### General Practice

The General Practice, which combines the civil law section, the Helpdesk, Community Legal Education and the Youth Law Centre, provides advice and representation.

## Client Services

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Client Services is responsible for:

- )] granting legal assistance and managing the assignment of legally assisted cases to the Commission's Legal Practices and private lawyers;
- )] managing the Dispute Resolution Program and contractual arrangements under which private lawyers provide legal assistance services on the Commission's behalf; and
- )] Information and Communication Technology (ICT).

## Corporate Services

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Corporate Services provides financial, human resource, record and facility management services to the organisation and arranges payments to private lawyers for handling legal aid work.

### PLANNING FRAMEWORK

The Commission was operating under its second 5 year strategic plan: *Excellence through Innovation and Collaboration* 2013-2017 until late 2016 when the Board approved the new 3 year Strategic Plan 2017-2020: ***On the Frontline of Legal Services to the Community***<sup>[2]</sup> The Plan provides a 'map' for the organisation and allows the Commission to proactively shape and prioritise activities; and its focus is on enhancing the effectiveness and efficiency of services through improvements in business processes and work practices.

An Operational Plan has also been developed based on these strategic aims. The essential purpose of this is to ensure the Commission's work is fundamentally directed to front line legal services. New staff performance plans are under development, with the aim of linking individual performance to our operational and strategic plans.

### MANAGEMENT CHANGES

There have been no major management changes during the year.

Contact – CEO – (02) 6243 3496

### LEGISLATIVE ASSEMBLY INQUIRIES AND REPORTS

The Commission had NIL inquiries by Legislative Assembly Committees during the reporting year.

Contact – Chief Finance Officer – (02) 6243 3445

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<sup>2</sup> The Strategic Plan is available on the Commission's website; [www.legalaidact.org.au](http://www.legalaidact.org.au).



## FUNDING AND FINANCIAL PERFORMANCE

The Commission receives funding from the ACT Government, as well as from the Commonwealth Government under the ***National Partnership Agreement on Legal Assistance Services 2015-2020*** (NPALAS). Commonwealth funding under the NPALAS is initially paid to the ACT Government who then provides this amount to the Commission as Controlled Recurrent Payments (CRP). The ACT Government pays Territory CRP appropriation on a fortnightly basis and the Commonwealth funding component quarterly in advance.

In addition to the Commonwealth funding under the NPALAS, the Commission also receives direct grant funding from the Commonwealth for specific front line services, as well as direct grant funding from the ACT Law Society's Statutory Interest Account.

Funding received in 2016-17 was:

Commonwealth Government NPA Funding	\$4.741m
Direct Commonwealth Government Funding <sup>3</sup>	\$0.423m
ACT Government Funding <sup>4</sup>	\$8.396m
Specific ACT Government Funding <sup>5</sup>	\$0.060m
Grant from the Statutory Interest Account <sup>6</sup>	\$0.672m
Other Revenue <sup>7</sup>	\$0.453m

The Commission's operating result and cash position has improved in 2016-17. The operating deficit for 2016-17 is \$0.019m compared to an operating deficit of \$1.300m in 2015-16. The cash surplus for 2016-17 is \$0.792m increasing the year-end cash position from \$3.622m reported at 30 June 2016 to \$4.414 at 30 June 2017. The Commission's improved financial position is mainly due to the receipt of additional appropriation in 2016-17 for the Eastman expenditure incurred in 2015-16 through a Section 14 Instrument which was signed in 2015-16 after the last drawdown had occurred.

For a full analysis of the financial position of the Commission see the **Financial Statements** and the **Management Discussion and Analysis**.

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<sup>3</sup> Specific Commonwealth funding is for Family Advocacy Support Services, Family Law Pathways Network and the Community Legal Services Program.

<sup>4</sup> ACT Government funding includes funding for the Eastman matter and Safer Families - Improved Access to Legal Aid.

<sup>5</sup> Specific ACT Government funding includes provision of a report titled Aboriginal and Torres Strait Islander Experience Sentencing Reports & Women's Safety Grant.

<sup>6</sup> The Statutory Interest Account is established under the Legal Profession Act 2006 and administered by the Law Society of the ACT. It consists primarily of interest earned on amounts from solicitors' trust accounts deposited with the Law Society. Grants are made from the account to support the Commission and other legal aid services.

<sup>7</sup> Other revenue includes interest, assisted person contributions, contribution for Youth Law Centre.

## SERVICES TO THE ABORIGINAL AND TORRES STRAIT ISLANDER COMMUNITY

The Commission maintains a strong commitment to the Aboriginal and Torres Strait Islander (ATSI) Community within the ACT, and to members of that broader community who come to the ACT. Over the past year 757 people received assistance, which is an increase over the previous year's figure of 433, and is certainly a trend we would like to see continue.

A significant reason for the increase of services can be attributed to the Cultural Liaison Unit staff. As part of this Unit, the Commission has an Aboriginal and Torres Strait Islander Liaison and Support Officer, which is a dedicated position, and trainee position over the past year within the Cultural Liaison Unit. This non-legal support role operates to ensure that our 'mainstream' organisation better responds to the diverse nature of our community.

The establishment of the Cultural Liaison Unit – which joined the Culturally and Linguistically Diverse (CALD) non-support officer with the ATSI Support Officers – has strengthened the ability of the Commission to deliver services. This team provides a hub for developing service opportunities and improving the capacity of our legal staff to meet the needs of ATSI and CALD clients.

In this context, last year the Commission adopted a policy of providing representation to ATSI people in all criminal and traffic matters. The rationale is that providing representation in these matters, even where incarceration is unlikely, presents an opportunity to ensure that a better outcome in court is achieved. In the past we were only able to provide aid where there was a likelihood of incarceration, dismissal from employment, loss of livelihood or vocation, or where there was particular hardship to the person if they were unrepresented. Introducing this broader policy of representation for ATSI people extends the notion of 'hardship' to more effectively take into account the particular circumstances of ATSI people. This is possible using the discretion of the CEO to grant assistance in matters outside those listed in the Guidelines.

Consequently, we are providing services in criminal and traffic matters on the same basis as used currently by the local Aboriginal Legal Service. Estimates last year showed we already act for up to 40% of ATSI people coming before the courts in the ACT. In relation to the civil law areas in which the ALS does not operate, including domestic violence, family law and care and protection matters, the Commission provides a high level of service to the ATSI community. Indeed, the provision of services to the ATSI community are up 30% over the past 5 years.

## PERFORMANCE ANALYSIS

The performance analysis addresses the indicators (strategic objectives/indicators, output classes and accountability indicators) found in Budget Paper 4. In the first section we specifically respond to the statement of intent, and this is followed by a set of tables setting out and quantifying the data. In the next section an assessment of performance of the Commission's outputs for 2016-2017 is undertaken. In the final section the Commission's priorities, future outlook and emerging issues for 2017-18 are discussed.

## STATEMENT OF INTENT

The Commission is required by section 61 of the *Financial Management Act 1996* to provide a statement of intent to the ACT Treasurer each year. As a result of the 2015 amendments to the *Financial Management Act 1996*, the budget statement of the Legal Aid Commission (ACT) is its Statement of Intent.

In 2016, at the instigation of the Commonwealth, new service definitions and standards were adopted by all legal aid commissions around Australia – and are also to be applied by the other legal aid service providers within the sector. This has led to changes in recording and reporting services, although some service categories were continued. Within the ACT we reached agreement with government to align Commonwealth and Territory reporting indicators.

Significantly, service level goals have either been maintained or exceeded though this slowed in the latter half of the financial year. Additionally, the downward trend in the number of grants of legal assistance has been abated. This turnaround has been achieved notwithstanding that the Commission's revenue has not kept pace with increases in the cost of legally-assisted cases, and the continued diminution of funds from the Statutory Interest Account (we now receive roughly half the allocation that was available 3 years ago). The Commission also received a greater number of applications for legal assistance, which is a positive indication of the community's heightened awareness about our services; however, as our capacity remains limited this has resulted in more reconsiderations and reviews when the initial application is unsuccessful.

In relation to the specific objectives and priorities set out in its 2016-17 **Statement of Intent** the Commission is able to advise as follows:

- )] Support for victims of family and domestic violence through the provision of legal assistance services.

*The Commission provided 1,431 advice and assistance and 159 grants of legal assistance to support victims of family and domestic violence.*

- )] Improve the provision of legal assistance services to the Aboriginal and Torres Strait Islander communities and other Culturally and Linguistically Diverse communities.

*The Commission provided a total of 1,154 services to 757 Aboriginal and Torres Strait Islander clients.*

- )] Develop and implement legal education programs tailored to the needs of people experiencing a high incidence of adverse legal events, and those working in community organisations that assist them.

*The Commission delivered CLE to 5,126 people through 253 events.*

- )] Promote the prevention of legal problems by providing timely information about the law and legal processes and referring people to other legal or non-legal services where necessary to meet their needs.

*The Commission received 62,072 website views, dealt with 15,287 Helpline calls and referred 5,031 number of people to legal and non-legal services.*

- ) Promote the early resolution of legal problems through providing legal advice, tasks, non-legal support and dispute resolution services.

*The Commission provided a total of 7,759 advice, task, non-legal support and dispute resolution services.*

- ) Advise and assist people appearing unrepresented before courts and tribunals, particularly those persons experiencing family violence.

*The Commission provided 3,786 duty lawyer services.*

- ) Provide legal representation to people in need to enable them to assert or defend their legal rights.

*The Commission approved 2,318 of grants of legal assistance.*

## SERVICE AND STATISTICAL DATA

The Commission keeps a comprehensive set of service and statistical data. This information is essential to fulfilling reporting obligations and to demonstrate proper accountability for the expenditure of public funds. Of equal importance is the use of the Commission can make of this information for identifying services needs and gaps, and in particular, to ensure service delivery is consistent with the strategic objectives.

### Early Intervention

#### Community Legal Education

	2016-2017	2015-2016
No. of CLE sessions	253	320
People attending CLE sessions	5,126	6,518

#### Publications

	2016-2017	2015-2016
Publications	5,755	8,351

#### Information and Referral services

	INFORMATION		REFERRAL			LAW TYPE			
	Legal aid services	Other	Legal	Non-Legal	Warm	Criminal	Family	Civil	Non-Legal
2016-2017	78,364	3,945	1,468	888	2,675	4,756	2,785	11,100	68,699
2015-2016	67,292	6,929	1,378	914	716	2,582	5,148	5,221	64,278

#### Notes to above table:

- ) Information figures for 2016-17 include 62,072 website visits.
- ) Information and referral figures include information and referrals provided through the Legal Aid Helpline.

- )] A warm referral is a referral where the Commission staff contact the other service to facilitate the referral in some way.
- )] Law type data includes both information and referrals.
- )] The total number of information and referral services recorded in 2016-17 (including website visits) was 87,340, which is 13% higher than the equivalent figure in 2015-16. Website visits increased 3% from 2015-16. Information services provided face to face or by telephone increased by 44% and referral services increased by 67% compared to 2015-16.

#### Legal Aid Helpline Calls

2016-2017	2015-2016
15,287	15,877

#### Legal Aid Helpline by law type

	2016-2017
Criminal	1,296
Family	2,961
Civil	3,781
Unknown	7,249
<b>Total</b>	<b>15,287</b>

#### Helpline calls from interstate

NSW	QLD	VIC	SA	NT	WA	TAS	Total
399	70	47	8	5	15	7	551

#### Helpline calls by gender

Female	Male	Other
8,275	5,492	1,520
54.13%	35.93%	9.94%

The most common types of inquiries handled by the helpline during the year

Matter	Number of Calls	% of Total Calls
Contact	770	5.04%
Domestic Violence Order and Personal Protection Order	598	3.91%
Other - Civil matter not listed	483	3.16%
Employment	477	3.12%
Other Family Issues	446	2.92%
Dissolution	350	2.29%
Other criminal offence	324	2.12%
Property - Marriage	287	1.88%
Drink Driving	273	1.79%
Traffic / Driving offence	264	1.73%

Advice, Task and Non-Legal Support services

		2016-2017		2015-2016	
		No.	%	No.	%
In-house	Criminal	847	11.30%	755	11.57%
	Family	2,253	30.05%	2,212	33.90%
	Civil	3,419	45.60%	3,442	52.74%
	Non-Legal Support	847	11.30%	0	0.00%
<b>Total</b>	<b>In-house</b>	<b>7,366</b>	<b>98.24%</b>	<b>6,409</b>	<b>98.21%</b>
Referred	Criminal	10	0.13%	6	0.09%
	Family	55	0.73%	37	0.57%
	Civil	67	0.89%	74	1.13%
<b>Total</b>	<b>Referred</b>	<b>132</b>	<b>1.76%</b>	<b>117</b>	<b>1.79%</b>
<b>Grand Total</b>		<b>7,498</b>	<b>100%</b>	<b>6,526</b>	<b>100%</b>

The 10 most common types of legal matters in which legal advice and tasks services were provided during the year.

	Number of services	% of Total services
Domestic Violence Order and Personal Protection Order	1,685	22.47%
Employment	450	6.00%
Motor vehicle accident	351	4.68%
Mental Health	325	4.33%
Traffic / Driving offence	267	3.56%
Contact	255	3.40%
Landlord / Tenant	218	2.91%
Property - Marriage	197	2.63%
Residence	165	2.20%
Tenant	159	2.12%
<b>Total Advice</b>	<b>7,498</b>	

#### Duty Lawyer Services

		2016-2017		2015-2016	
		Number of Duties	%	Number of Duties	%
In-house	Criminal	2,042	53.94%	1,773	57.90%
	Family	1,310	34.60%	1,163	37.98%
	Civil	275	7.26%	43	1.40%
<b>Total</b>	<b>In-house</b>	<b>3,627</b>	<b>95.80%</b>	<b>2,979</b>	<b>97.29%</b>
Referred	Criminal	152	4.01%	79	2.58%
	Family	4	0.11%	2	0.07%
	Civil	3	0.08%	2	0.07%
<b>Total</b>	<b>Referred</b>	<b>159</b>	<b>4.20%</b>	<b>83</b>	<b>2.71%</b>
<b>Grand Total</b>		<b>3,786</b>	<b>100%</b>	<b>3,062</b>	<b>100%</b>

#### Dispute Resolution

	2016-2017	2015-2016
DR Conferences held	261	241
Matters fully settled at conference	72%	72%
Matters partially settled at conference	4%	3%
Matters with a successful outcome	76%	75%

## Dispute Resolution (Continued)

<b>Certificates issued</b>	<b>Number of certificates</b>
Certificate A - person did not attend FDR	0
Certificate B - not appropriate to conduct FDR	0
Certificate C - person attended FDR	86
Certificate D - person did not make genuine effort	1
None Issued	174
<b>Total</b>	<b>261</b>

<b>Parties attending Dispute Resolution conferences</b>	<b>2016-2017</b>
Total number of parties	635
Parties on Grants of assistance	398

## Grants of Legal Assistance

### Applications received

	<b>2016-2017</b>		<b>2015-2016</b>	
	<b>Number of Applications</b>	<b>%</b>	<b>Number of Applications</b>	<b>%</b>
Criminal	1,494	41.43%	1,351	37.87%
Family	1,707	47.34%	1,815	50.88%
Civil	405	11.23%	401	11.24%
<b>Total</b>	<b>3,606</b>	<b>100%</b>	<b>3,567</b>	<b>100%</b>

### Applications approved

	<b>2016-2017</b>		<b>2015-2016</b>	
	<b>Number of Grants</b>	<b>%</b>	<b>Number of Grants</b>	<b>%</b>
Criminal	1,140	49.18%	1,112	42.03%
Family	1,036	44.69%	1,358	51.32%
Civil	142	6.13%	176	6.65%
<b>Total</b>	<b>2,318</b>	<b>100%</b>	<b>2,646</b>	<b>100%</b>

### Grants of legal assistance by gender by law type

	<b>Female</b>	<b>Female %</b>	<b>Male</b>	<b>Male %</b>	<b>Other</b>	<b>Other %</b>
Criminal	276	11.91%	850	36.67%	14	0.60%
Family	623	26.88%	350	15.10%	63	2.72%
Civil	64	2.76%	78	3.36%	0	0.00%
<b>Total</b>	<b>963</b>	<b>41.54%</b>	<b>1,278</b>	<b>55.13%</b>	<b>77</b>	<b>3.32%</b>



## Grants of legal assistance assigned to in-house and private lawyers by law type

		2016-2017		2015-2016	
		Number of Grants	%	Number of Grants	%
In-house	Criminal	836	36.07%	809	30.57%
	Family	444	19.15%	681	25.74%
	Civil	101	4.36%	132	4.99%
<b>Total</b>	<b>In-house</b>	<b>1,381</b>	<b>59.58%</b>	<b>1,622</b>	<b>61.30%</b>
Referred	Criminal	304	13.11%	303	11.45%
	Family	592	25.54%	677	25.59%
	Civil	41	1.77%	44	1.66%
<b>Total</b>	<b>Referred</b>	<b>937</b>	<b>40.42%</b>	<b>1,024</b>	<b>38.70%</b>
<b>Grand Total</b>		<b>2,318</b>	<b>100%</b>	<b>2,646</b>	<b>100%</b>

## Applicant profile

	2016-2017	% Total Applicants	2015-2016	% Total Applicants
Females	1,565	43.40%	1,552	43.51%
Aged under 18 years	424	11.76%	465	13.04%
Aged over 65 years	73	2.02%	73	2.05%
Born overseas	655	18.16%	565	15.84%
Required Interpreter	145	4.02%	120	3.36%
ATSI	276	7.65%	186	5.21%

## People receiving services as a percentage of population

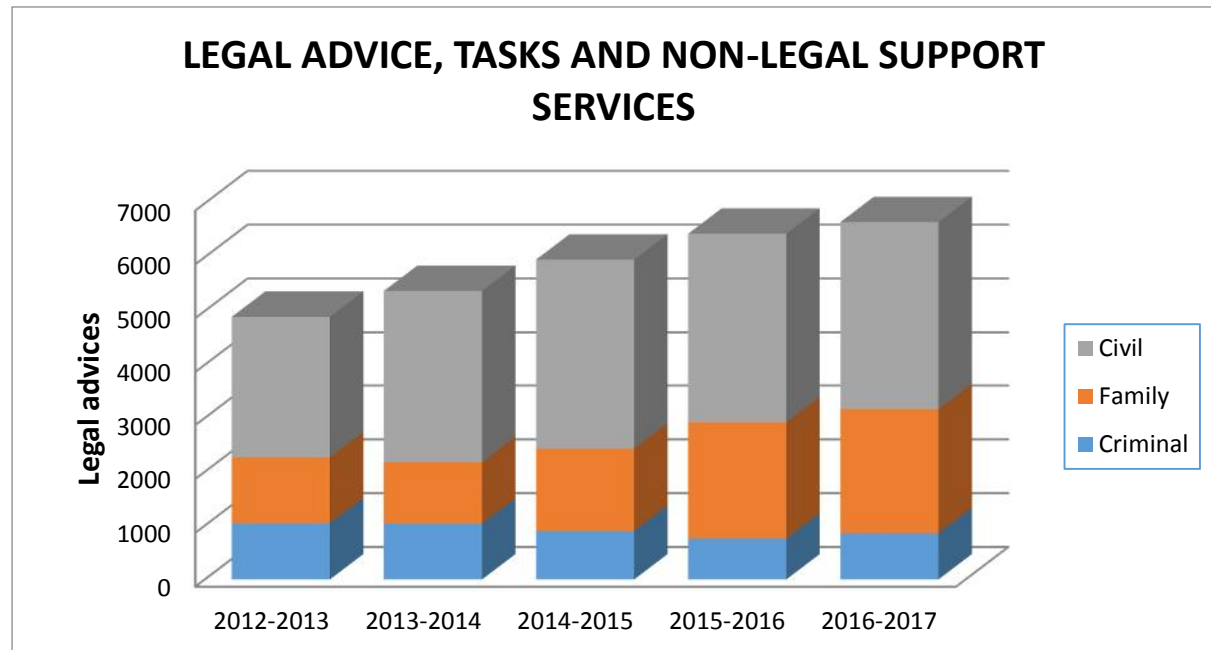
	2016-2017	2016-2017*	2015-2016	2015-2016**
Grants	1,942	0.48%	2,213	0.56%
Legal Advice	4,278	1.05%	4,211	1.07%
Duty Lawyer	2,560	0.63%	2,158	0.55%
Helpline	15,287	3.76%	15,877	4.04%
<b>Total</b>	<b>24,067</b>	<b>5.92%</b>	<b>24,459</b>	<b>6.22%</b>

\* Estimate population of Canberra = 406400. Source: 3101.0 - Australian Demographic Statistics, Dec 2016

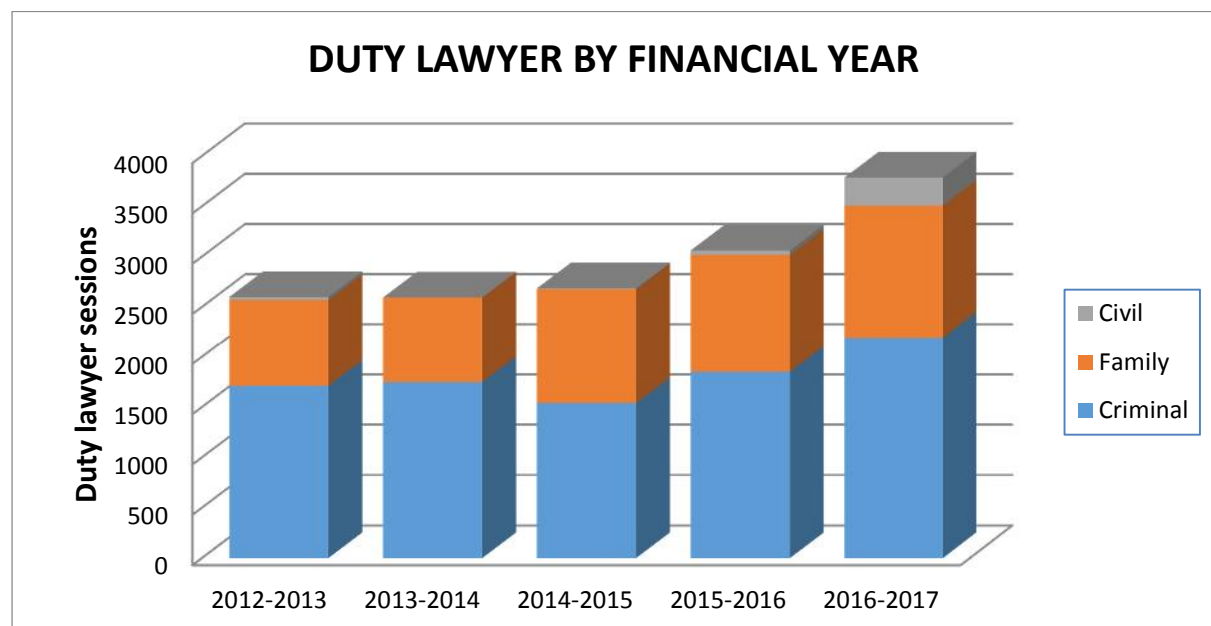
\*\* Estimate population of Canberra = 393000. Source: 3101.0 - Australian Demographic Statistics, Dec 2015

## 5 year trends

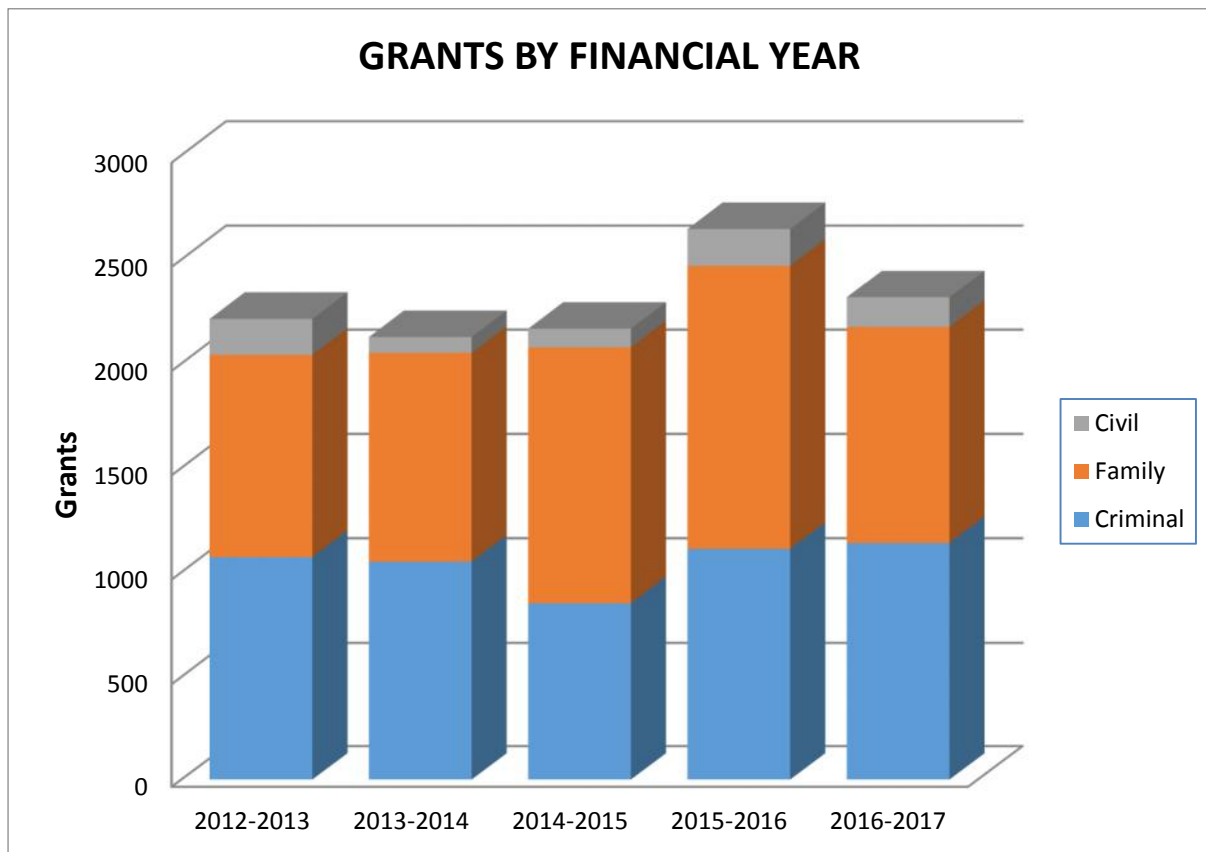
### Legal Advice, Tasks and Non-Legal support services



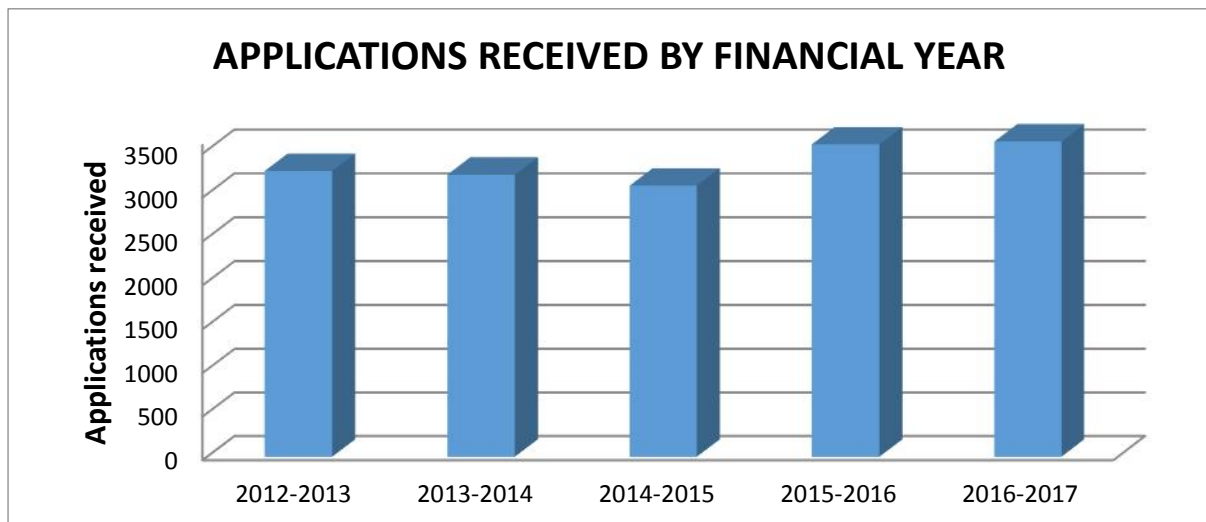
### Duty lawyer



## Grants



## Applications received



## Aboriginal and Torres Strait Islander clients

	2016-2017	2015-2016
Number of Aboriginal and Torres Strait Islanders receiving services	757	433

## Number of services provided to Aboriginal and Torres Strait Islanders

	2016-2017	2015-2016
Grants of Assistance	207	209
Duty Lawyer services	222	204
Information/Referral	542	156
Legal Advice	183	176
Community Legal Education	0	6
<b>Total</b>	<b>1,154</b>	<b>751</b>

## In-house Practice

<b>Criminal Practice</b>	2016-2017	2015-2016
New grants of assistance	836	809
Legal Advice	136	755
Duty Lawyer	1,901	1,773

<b>Family Practice</b>	2016-2017	2015-2016
New grants of assistance	268	533
Legal Advice	98	247
Duty Lawyer	238	167

<b>General Practice</b>	2016-2017	2015-2016
New grants of assistance	277	280
Legal Advice	5,792	5,317
Duty Lawyer	1,290	1,039

<b>Domestic Violence</b>	2016-2017	2015-2016
New grants of assistance	159	154
Legal Advice	1,170	1,239
Duty Lawyer	261	9

<b>Personal Protection Orders</b>	2016-2017	2015-2016
New grants of assistance	36	41
Legal Advice	457	485
Duty Lawyer	52	0

## Reconsideration and Review requests

Reconsideration	Varied	Confirmed	Pending / Withdrawn	Total	% varied of total by Law Type
Criminal	23	20	0	43	53.49%
Family	45	42	0	87	51.72%
Civil	11	17	1	29	37.93%
<b>Total</b>	<b>79</b>	<b>79</b>	<b>1</b>	<b>159</b>	<b>49.69%</b>

Review	Varied	Confirmed	Pending / Withdrawn	Total	% varied of total by Law Type
Criminal	1	5	0	6	16.67%
Family	9	11	1	21	42.86%
Civil	3	7	0	10	30.00%
<b>Total</b>	<b>13</b>	<b>23</b>	<b>1</b>	<b>37</b>	<b>35.14%</b>

## National Partnership Agreement Outcomes

	2016-2017 Targets	2016-2017 Estimated Outcomes	2016-2017 Outcomes	2017-2018 Targets
<b>a. Number of Discrete Assistance services provided</b>	38,000	38,869	37,797	40,000
<b>b. Number of Duty Lawyer services provided</b>	2,900	3,707	3,786	3,800
<b>c. Number of Representation services</b>	2,550	2,550	2,513	2,550
<b>d. Number of Facilitated Resolution Process provided</b>	385	335	344	350
<b>e. Number of Community Legal Education services provided</b>	50	299	269	300

## ASSESSMENT OF PERFORMANCE FOR 2016-17

Under the ***National Partnership Agreement on Legal Assistance Services 2015-2020*** all legal aid commissions are required to consistently report to government on their activities. We have aligned these reporting requirements to ensure a transparent and accountable explanation of our data is available to both the Territory and Commonwealth Governments.

The Commission now has five key reporting outcomes.

### **Discrete Assistance**

Discrete assistance combines a range of output activities – information, referrals, non-legal support, advices and legal task assistance (but not website page reviews) that were previously counted in other categories. We nearly reached the inaugural target of 38,000 with 37,797 discrete assistance services, confirming the strong demand for services that enable people to either resolve or understand their legal issues. In addition, there were 62,072 website page views.

Almost half of the discrete assistance services (15,287) are delivered through our Helpline telephone services. This service continues an upwards trend, as in 2012-13 we received 9,668 calls (representing an increase of 58% over five years). Our expectation is that demand will continue to grow, and we could well receive over 17,000 calls in the 2017-18 year. The data shows:

- )] 54.1% of women called the Helpline as compared to 53.3% in 2015-2016.
- )] Calls about Domestic Violence and Personal Protection order matters were 4% of all calls received.
- )] Interstate calls accounted for 3.6% of all calls received.

### **Duty Lawyer Services**

Duty lawyer services are provided at the Magistrates (including both criminal and domestic violence) and Family/Federal Courts as well as at ACAT (mostly before the mental health tribunal). At 3,786 we dramatically exceeded our target of 2,900, resulting in a 24% increase over 2015-16. Our duty services role is likely to continue to grow, and the commencement of the Family Violence Advocacy Support Services (FASS) at the Federal/Family Court in March 2017, which assists families dealing with family violence, is indicative of this trend. Indeed the relationship formed between our Domestic Violence Unit (DVU) operating at the Magistrates Court and FASS are a crucial development in the Commissions' capacity to assist people in these difficult situations, particularly victims. The DVU has assisted 141 additional victims in the past year and the services provided increased by 20% compared to 2015-16.

### **Representation Services**

Representation services include both grants of legal assistance and casework that we previously categorized as 'advocacy'. As this was a new category we set an inaugural target of 2,550 matters, and at 2,500 services we are headed in the right direction (the 2017-18 target of 2,500 is realistic given the resourcing available in the out years – this figure is largely driven by the average cost of a grant of

legal assistance). The number of grants of legal assistance this year has dropped 12% as against last year (2,318 as against 2,646).

Grants of legal assistance have, until 2015-16, had been on a steady decline. The Commission has been able to abate the decline, although the increase in the number of grants is not as high as for the previous year. A result of 2,318 grants for this year still compares well to the 2015-16 grant number of 2,646, showing that the efficiencies introduced in the past few years have bolstered the Commission's capacity to deliver more grants notwithstanding very strong cost increase headwinds and the loss of funding received from the Statutory Interest Account (dropping 50% in past 3 years). Current data reflects the increasing demand for our services is increasing:

- )] Applications for grants of legal assistance increased by 1% from 2015-16.
- )] 42% of grants of legal assistance went to women.
- )] 60% of the grants of legal assistance were provided by the in-house practice.

One of the major drivers of cost to the Commission is for Independent Children's Lawyers, which over the past few years, has markedly increased to the point that this year we made 152 grants in these matters (increasing from 112 in 2012-13). Another strong driver is family dispute resolution mediation, and the number of conferences held this year (261 conferences) compares favorably to last year (241), and taking into account preceding years (118, 156, 179, 225) establishes a significant upward trend in pre-trial resolution (the settlement rate is at 76%).

### **Facilitated Resolution Processes**

Facilitated Resolution service is a new category that endeavors to capture all the work associated with running family dispute mediations, including intake screening, and assessment. The inaugural target of 385 has not been met, though the figure of 344 certainly demonstrates the growth of the work we are seeing generally in family law. Conferencing in complex post-litigation family law matters has increased, and overall numbers of conferences and parties involved have increased. We have reset the target at 350 for 2017-18 in the light of this year's results.

### **Community Legal Education**

Community Legal Education services are now reported by resources published and activities delivered rather than by the number of people who received the services. We had estimated 50 but in fact dramatically exceeded that expected outcome at 269; accordingly we have set a more ambitious target of 300 for next year. We also kept a head count of participants and the figure for 2016-17 was 5,126 participants.

### **Delivery of Culturally Appropriate Services**

Interlaced in the provision of services as assessed through these five key outcomes is some further detail about how the Commission meets the needs of the most vulnerable and disadvantaged people in the community. The Commission maintains a strong commitment to the Aboriginal and Torres Strait Islander community.

In the last year services increased (from 751 in 2015-16 to 1,154 in 2016-17); the recruitment of a fulltime liaison and support officer in February 2017 boosted the number of people assisted (we have also supported a 12 month traineeship position). This evidences the important work that non-legal support staff play in the overall delivery of services.

We have seen significant growth in services to the Culturally and Linguistically Diverse (CALD) community over the past 12 months; we provided 347 non-legal support services to members of the CALD community in 2016-17. The added value of the Cultural Liaison Unit enhances the capacity of our staff to positively develop and provide culturally appropriate services within a mainstream organisation.

Overall, significant growth in service delivery has been achieved. The Commission continues to provide the ACT community with high quality services, in accordance with its strategic objectives and its obligations under the NPA.

*Contact – CEO – (02) 6243 3466*

## PRIORITIES

### OUTLOOK AND EMERGING ISSUES

Looking forward towards the horizon of legal aid service delivery, it is not difficult to see the increasing demand for services, a widening justice gap and a variety of practical challenges to service delivery, not the least of which is the capacity for the Commission to respond to changing needs, demographics and financial constraints. Developments in IT, and the move by major institutions such as the courts to electronic document systems are also rushing towards us – getting lawyers to move away from paper into the digital world is an inevitably difficult task!

The core demand for our services continues to be children in family and care proceedings, and people in jeopardy of incarceration in criminal proceeds; but these drivers are becoming more complex given the need to locate our clients within the context of civil and socio-economic disadvantage, and in that sense our service delivery also becomes far more complex. This is perhaps the best illustrated by the increase in dealing with the effects mental illness and drug have on our clients and their families.

The expectation of government seems to be moving the work of the Commission more toward early intervention and duty services. Finding ways of bringing resolution to disputes earlier in proceeding, avoiding litigation, and building up the tasks undertaken by duty services is a very apparent policy direction. Our domestic violence work in the Magistrates Court and the family violence work in the Federal Circuit and Family Court illustrates this trend. This is backed by increasing numbers of people seeking advice or information on the telephone Helpline, attending our clinics and those who just ‘walk-in’ off the street, as well as the growth of our Community Legal Education role.

At the same time applications for grants of legal assistance to pursue litigation are at record levels, but given means and merit tests we are forced to turn an increasing number of people away – often



they must fall back on our duty services or go unrepresented. Our means test is set at about 120% of the Henderson poverty line, though in practice the volume of grants of legal assistance is ultimately tied to government funding levels.

In addition, there is an expectation that legal aid commissions will fine tune strategies to improve access to priority groups – this is set out in the ***National Partnership Agreement on Legal Assistance Services 2015-2020***. In that sense we must put in place strategies to ensure that the most vulnerable and disadvantaged are given a priority for services. The continuing disadvantage of Aboriginal and Torres Strait Islanders – in all sectors of legal services – remains a driver in that regard; but so too the increasingly evident needs of the Culturally and Linguistically Diverse communities within Canberra. Last year we identified a number of emerging issues – children in care and protection, elder rights, the particular needs of ATSI and CALD people, and the needs of primary victims of violence. These issues continue, and will remain a focus for our services.

Given this outlook, the Commission must find innovative and cost effective modes of service delivery. Certainly, much of our legal work will continue to be done in a traditional way – preparing cases and representing people in court. However the new challenge will be, where finances are tight and demand ever-present, to find solutions that will empower people to address and progress their legal needs. In this context, acknowledging that our clients have conjoined issues – criminal/family, civil and even non-legal issues – is crucial to understand how best to meet their needs. Referrals and the utilisation of non-legal support services are an ever increasing component of legal service delivery.

## STRATEGIC OBJECTIVES 2017-2018

Consistent with the ***National Partnership Agreement on Legal Assistance Services 2015-2020*** we have maintained our current key strategic objectives. The following 3 objectives will be used to guide our services for 2017-18:

### Strategic Objective 1

#### Provide services to promote the earlier resolution of legal problems

The Commission provides a range of legal services that promote the identification and early resolution of legal problems. Evidence shows that the most vulnerable and disadvantaged in our community, such as victims of family violence, children, Aboriginal and Torres Strait Islander people, and members of Culturally and Linguistically Diverse communities would particularly benefit from early intervention services.

Investing in the provision of these types of services so that more people have an opportunity to receive assistance before litigation is commenced is a key indicator of improvement in access to justice for those persons most at disadvantage in the community.

## Strategic Objective 2

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### Provide legal information and referral services

The Commission seeks to ensure that people are not prevented, by disadvantage, from obtaining the legal services they need to protect their rights and interests. Enhancing the capacity of people to assist themselves when faced with legal problems, improves the chances of resolution and appropriate referral to social support services.

Growth in the number of people receiving information and advice, and where appropriate referral for preventative and early intervention services, is a strong indicator that targeting this type of assistance is meeting the needs of the most disadvantaged members of the community.

## Strategic Objective 3

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### Provide efficient and cost-effective legal aid services

The Commission has well-developed systems to determine applications for grants of legal assistance and to reduce the administrative costs of providing legal assistance.

Increasing the number of people assisted by improving the efficiency and timeliness of service provision is an indicator that services are reaching those people most in need of legal aid services and that community understanding of the law and the legal system operating in the Territory is improving.

### **Priorities**

To achieve the strategic outcomes sought in the three key objectives the Commission will continue to focus its major efforts on the provision of **front-line** services.

Accordingly, the Commission will maintain the current priorities so that for 2017-18 we will:

- )] Support victims of family and domestic violence through the provision of legal assistance services.
- )] Improve the provision of legal assistance services to the Aboriginal and Torres Strait Islander communities and other Culturally and Linguistically Diverse communities.
- )] Develop and implement legal education programs tailored to the needs of people experiencing a high incidence of adverse legal events, and those working in community organisations that assist them.
- )] Promote the prevention of legal problems by providing timely information about the law and legal processes and referring people to other legal or non-legal services where necessary to meet their needs.
- )] Promote the early resolution of legal problems through providing legal advice, advocacy, minor legal assistance and dispute resolution services.
- )] Advise and assist people appearing unrepresented before courts and tribunals, particularly those persons experiencing family violence.
- )] Provide legal representation to people in need to enable them to assert or defend their legal rights.

During 2017-18 the Commission will focus resources on a range of activities to deliver on these priorities. We will utilise our core service functions as the primary way in which will achieve our goals, and in this context we will continue to consolidate front-line services by:

- )] Promoting a front-line service to enhance access by the public to advice and legal task assistance, and also as an opportunity for 'warm' referral to non-legal support services by consolidating part of the General Practice (as well as the Youth Law Centre) to the ground floor of the Commission's offices;
- )] Improving outreach services, particularly to the Aboriginal and Torres Strait Islanders and Culturally and Linguistically Diverse communities;
- )] Developing positive relationships with Community Legal Centres (CLCs) through the ACT Legal Assistance Forum and by collaboration on joint projects and support services;
- )] Consolidate services in family violence related matters, particularly through the Domestic and Family Violence Unit but also through Community Legal Education;
- )] Improving ICT support by developing the functionality of the intake forms, reporting in accordance with the NPA data manual, and using s a new grants management system; and
- )] Improve the efficiency of work practices with a comprehensive skills training program and individualised Development and Performance Plans.

## SCRUTINY

The ACT Auditor-General undertakes an annual end-of-year audit of the Commission in accordance with the Australian Auditing Standards. The Auditor-General provided an unqualified audit report for the Commission's 2016-17 audited financial statements.

In the 2015-16 Audit Management Report there were no audit findings raised in respect of the 2015-16 audit. Further the report indicated that one previously raised audit issue from the 2014-15 Audit Management Report had not been resolved by the Commission. This matter was resolved in 2016-17.

The Commission appeared before the Standing Committee which scrutinised the Commission's 2015-16 Annual Report and the 2017-18 Budget Statements.

No inquiries or reports were undertaken by the ACT Ombudsman in relation to the Commission.

*Contact – Chief Finance Officer – (02) 6243 3445*

### RISK MANAGEMENT PLAN/REGISTER

The Commission has a Risk Management Plan/Register that documents the risk management practices and strategies of the Commission as well as outlining key risks, their sources, impacts and current mitigation strategies. In addition, the Commission has a Fraud Control Register which mitigates the risk of fraud and corruption across the organisation. The Commission also has a Business Continuity Plan and a Disaster Recovery Plan which assist in reducing major risks faced by the Commission.

*Contact – Chief Finance Officer – (02) 6243 3445*

## INTERNAL AUDIT

### INTERNAL AUDIT COMMITTEE

The Commission has an Audit, Performance and Risk Committee which provides independent assurance and assistance to the Commission on the Commission's risk, control and compliance framework, and its external accountability responsibilities. The Committee met three times during the reporting period, in July, February and May.

Audit, Performance and Risk Committee Members and Observers are outlined in the table below:

Name of Member / Observer	Position	Duration	Meetings Attended
David Fox	Independent Chair	Full Year	1, 2, 3
Gail Kinsella, Commissioner	Member	Full Year	1, 2, 3
Louise Taylor, Deputy Chief Executive Officer	Member	Full Year	1, -, 3
Paul Ogden	Member	Full Year	1, 2, 3
Dan Ticehurst	Member	Full Year	-, 2, 3
John Boersig, Chief Executive Officer	Observer	Full Year	1, 2, 3
Hamish Palfreyman, Chief Finance Officer	Observer	Part Year	1, -, -
Brett Monger, Chief Finance Officer	Observer	Part Year	-, 2, 3
Chinthaka Leelarathna, Financial Accountant	Observer	Full Year	1, 2, 3
Katie Stuart, Finance Administrator and Committee Secretariat	Observer	Full Year	1, 2, 3
Derek Schild, Client Services Manager	Observer	Full Year	-, -, 3
Karen Muga	Observer	Full Year	1, 2, 3

During the year, the Audit, Performance and Risk Committee undertook the following activities:

Monitored the:

- )] Progress on the LAGrants implementation;
- )] Client Services Unit review of Grants Management;
- )] Legal Aid delegations;
- )] Progress on the Aurion (payroll) system;
- )] Business Continuity Plan;
- )] Review of the Chief Executive Financial Instructions;
- )] Progress of the Internal Review of the Criminal Law Practice; and
- )] External audit of the Financial Statements for the year ended 30 June 2016.

Reviewed the:

- )] Induction booklets;
- )] Internal Audit Charter;
- )] Audit, Performance and Risk Committee questionnaire;
- )] 2015-16 Financial Statements and Management Discussion & Analysis;
- )] 2016-17 Shell Financial Statements; and
- )] Ernst & Young Cash Reserve Analysis of Legal Aid ACT.

#### INTERNAL CONTROLS AND INTERNAL AUDITS

The Commission held regular Finance Committee meetings where year-end and monthly financial data, full year forecasts, outstanding debtor reports, and financial policies and procedures were reviewed. The Committee also monitored Commonwealth grants, legal payments, and the external budget process.

The Commission continued regular communications between senior management and the ACT Auditor-General's Office and the ACT Chief Minister, Treasury and Economic Development Directorate. This has resulted in greater assurance that the Commission is complying with relevant legislation, directives and guidelines.

*Contact – Chief Finance Officer – (02) 6243 3445*

#### FRAUD PREVENTION

The Commission managed Fraud Prevention through the Fraud Control Plan. This is linked to the Chief Executive Financial Instructions and complements the Commission's policies and procedures.

Due to the small size of the Commission, senior management work closely with staff and are often directly involved in office activities. This potentially provides an additional means for safeguarding against fraud and corruption.

No fraudulent activity or unethical financial behaviour was reported or identified during 2016-17.

*Contact – Chief Finance Officer - (02) 6243 3445.*

## WORK HEALTH AND SAFETY

The Commission is committed to promoting, achieving and maintaining the highest level of safety, health and wellbeing for staff, family and visitors by supporting a healthy work life balance with flexible working conditions and entitlements.

The Commission maintains a contract with Davidson and Trahaire Corpsych, as the employee assistance provider. The Commission encourages staff to take advantage of these services through appropriate awareness campaigns and induction.

The Commission incorporated Health and Safety responsibilities into induction booklets for 'workers' such as employees, Commissioners, student placements/volunteers and external committee members.

The Commission has a low injury occurrence rate with no serious workplace injuries in the reporting period. No incidents required reporting to ACT Workcover in accordance with section 38 of the **Work Health and Safety Act 2011**.

The Commission has one Health and Safety Representative.

## HUMAN RESOURCES MANAGEMENT

Commission staff are employed under the *Legal Aid ACT 1977* ('the Act'). Terms of employment are determined by the Commission under the Act and are set out in the **Legal Aid Commission (ACT) Enterprise Agreement 2013 - 2017**. It is anticipated a new Agreement will be negotiated and in place for the next reporting period.

As at 30 June 2017 the Commission employed 94 staff of which there are 41 practising lawyers, including two Executive.

The HR priorities for the reporting period involved:

- )] Reviewing and designing a new Development and Performance Process for staff;
- )] Training of new staff in HR, records management and facilities management; and
- )] Embedding and upgrading the functionality of our HR system, Aurion.
  - Creating support documentation for staff;
  - Encouraging appropriate personal record keeping;
  - Supporting Community Legal Centres; and
  - Implementing a new version, Aurion 11.

## STAFFING PROFILE

### FTE & headcount by gender

	Female	Male	Total
<b>Full Time Equivalent</b>	54.6	27	81.6
<b>Headcount</b>	66	28	94
<b>% of Workforce (headcount)</b>	70	30	100

### Headcount by classifications and gender

Classification group	Female	Male	Total
Executive	1	1	2
Senior Officers	1	3	4
Legal Officers	26	13	39
Administrative Service Officers	38	11	49
<b>TOTAL</b>	<b>66</b>	<b>28</b>	<b>94</b>

### Headcount by employment category and gender

Employment Category	Female	Male	Total
Casual	3		3
Permanent Full-time	20	11	31
Permanent Part-time	6		6
Temporary Full-time	28	15	43
Temporary Part-time	9	2	11
<b>TOTAL</b>	<b>66</b>	<b>28</b>	<b>94</b>

### FTE and headcount by division/branch

Branch/Division	FTE	Headcount
General Practice	23.9	27
Client Services	16.7	21
Corporate Services	6.3	8
Executive	3.6	4
Litigation Practice	31.1*	34*
) Criminal	(18.6)	(21)
) Family	(11.5)	(12)
<b>Total</b>	<b>81.6</b>	<b>94</b>

\*The Legal Support Manager oversees both Criminal and Family Practice functions.



### Headcount by division/branch and employment type

Branch/Division	Permanent	Temporary	Casual
General Practice	13	14	
Client Services	6	15	
Corporate Services	3	4	1
Executive	1	3	
Litigation Practice	14*	18	2
) Criminal	(9)	(10)	(2)
) Family	(4)	(8)	
<b>Total</b>	<b>37</b>	<b>54</b>	<b>3</b>

\*The Legal Support Manager oversees both Criminal and Family Practice functions.

### Headcount by age group and gender

Age Group	Female	Male	Total
<20			
20-24	15	6	21
25-29	15	6	21
30-34	14	5	19
35-39	4	2	6
40-44	5	2	7
45-49	5	2	7
50-54	2	3	5
55-59	5	1	6
60-64	1	1	2
65-69			
70+			

### Headcount by length of service, generation and gender

Length of Service (years)	Pre-Baby Boomers		Baby Boomers		Generation X		Generation Y		Generation Z		Total	
	F	M	F	M	F	M	F	M	F	M	F	M
0-2			2	1	6		25	9	8	5	41	15
2-4					1	2	4	1			5	3
4-6				1	1		6	2			7	3
6-8						3	3				3	3
8-10			1	1	3		1	1			5	2
10-12			1			1					1	1
12-14			1			1					1	1
14 plus			2		1						3	

Generation	Birth years covered	Generation	Birth years covered
Pre-Baby Boomers	prior to 1946	Generation X	1965 to 1979 inclusive
Baby Boomers	1946 to 1964 inclusive	Generation Y	1980 to 1993 inclusive
		Generation Z	From 1994 and onwards

### Average length of service by gender (headcount)

	Female	Male	Total
Average years of service	3.5	3.4	3.5

### Headcount by diversity group

	Headcount	% of Total Staff
Aboriginal and Torres Strait Islander	3	3.2%
Culturally & Linguistically Diverse (CALD)	7	7.4%
People with a disability	1	1.0%

The statistics exclude board members, staff not paid by the Commission and people on leave without pay. Staff members who had separated from the Commission, but received a payment have been included.

### Specific Initiative Reporting

The Commission is an independent statutory agency and not part of the ACT Public Service. Commission staff participate in whole of government learning and development initiatives when these programs match developmental needs.

All legal staff continued to meet their mandatory Continuing Professional Development (CPD) in order to remain eligible for practising certificates. These mandatory core areas are:

- ⌋ Legal ethics and professional responsibility
- ⌋ Practice management and business skills
- ⌋ Professional skills
- ⌋ Substantive law and procedural law.

The purpose of CPD is to ensure the ongoing competence of practitioners, including ensuring that practitioners' knowledge and skills remain current.

The Commission is committed to ensuring that staff have access to and undertake appropriate professional development to meet their needs and to ensure that staff are skilled in their roles.

No staff sought approval as a student under the Studies Assistance Guidelines in the current reporting year.

The Commission supported workplace transfers into and out of the Commission during the reporting period with the ACT Director of Public Prosecutions, ACT Government Solicitors, ACT/NSW Aboriginal Legal Service and the ACT Human Rights Commission.

### Workplace Relations

DESCRIPTION	No. of Individual SEAs	No. of Group SEAs	Total employees covered by Group SEAs	TOTAL
	A	B	C	(A+C)
<b>SEAs</b>				
Number of SEAs as at 30 June 2017	1	0	0	1
Number of SEAs entered into during period	0	0	0	0
Number of SEAs terminated during period	0	0	0	0
The number of SEAs providing for privately plated vehicles as at 30 June 2017	0	0	0	0
Number of SEAs for employees who have transferred from AWAs during period	0	0	0	0

	Classification Range	Remuneration as at 30 June 2017
<b>Individual SEAs</b>	Legal 3	\$140,752
<b>AWAs (includes AWAs ceased during period)</b>	N/A	N/A

Contact – Human Resources Manager – (02) 6243 3426

## ECOLOGICALLY SUSTAINABLE DEVELOPMENT

Indicator as at 30 June	Unit	Current FY	Previous FY	Percentage change
<b>Directorate/ public sector body staff and area</b>				
Directorate/public sector body staff	FTE	81.6	72.9	12%
Workplace floor area	Area (m <sup>2</sup> )	2,018.5	2,018.5	0%
<b>Stationary energy usage</b>				
Electricity use	Kilowatt hours	151,523	136,610	11%
Natural gas use	Megajoules	0	0	0%
Diesel	Kilolitres	0	0	0%
<b>Transport fuel usage</b>				
Electric vehicles	Number	0	0	0%
Hybrid vehicles	Number	0	0	0%
Other vehicles (that are not electric or hybrid)	Number	2	2	0%
Total number of vehicles	Number	2	2	0%
Total kilometres travelled	Kilometres	12,323	12,142	1%
Fuel use – Petrol	Kilolitres	0.7	0.6	11%
Fuel use – Diesel	Kilolitres	0	0	0%
Fuel use – Liquid Petroleum Gas (LPG)	Kilolitres	0	0	0%
Fuel use – Compressed Natural Gas (CNG)	Cubic Metres (Cm <sup>3</sup> )	0	0	0%
<b>Water usage</b>				
Water use	Kilolitres	n/a	n/a	n/a

Indicator as at 30 June	Unit	Current FY	Previous FY	Percentage change
<b>Resource efficiency and waste</b>				
Reams of paper purchased	Reams	25	3,000	-99%
Recycled content of paper purchased	Percentage	0	100	-100%
Waste to landfill	Litres	10,009	10,009	0%
Co-mingled material recycled	Litres	35,015	35,015	0%
Paper & Cardboard recycled (incl. secure paper)	Litres	37,470	37,470	0%
Organic material recycled	Litres	0	0	0%
<b>Greenhouse gas emissions</b>				
Emissions from stationary energy use	Tonnes CO <sub>2</sub> -e	143.9	129.8	11%
Emissions from transport	Tonnes CO <sub>2</sub> -e	1.5	1.4	9%
Total emissions	Tonnes CO <sub>2</sub> -e	145.5	131.2	11%

Contact – Chief Finance Officer – (02) 6243 3445



**Legal Aid** ACT

# Management Discussion and Analysis

## Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

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#### Objectives

The Legal Aid Commission (ACT) (the Commission), established by the *Legal Aid Act 1977* (the Act), provides a range of legal assistance services in accordance with the Act.

The services provided by the Commission are wide-ranging and encompass the provision of information and referrals, legal advice and minor legal assistance, advocacy, duty lawyer services, grants of legal assistance, dispute resolution services, community legal education programs and submissions on law reform issues.

The objective of the Commission is to maximise access to justice in the ACT by providing legal assistance services through its staff, and through private legal practitioners paid by the Commission. The Commission's services are available to residents of the ACT and others who are involved in legal transactions or proceedings in the ACT.

#### Financial Performance

The following financial information is based on audited Financial Statements for 2015-16 and 2016-17, and the budget estimates contained in the 2016-17 Statement of Intent (in the Budget Papers).

#### Total Expenditure

##### 1. Components of Expenditure

**Figure 1** below shows the components of the Commission's expenditure for 2016-17 with the largest components of expenditure being Employee Expenses, which represents **45 percent** of total expenditure or **\$6.688 million** and Supplies and Services at **37 percent** of total expenditure or **\$5.419 million**.



# Management Discussion and Analysis

## Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

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#### 2. Comparison to Budget

##### *Expenditure*

Total expenditure of **\$14.765 million** exceeded the 2016-17 Budget by **\$0.355 million, (2.46 percent)** due principally to the following factors:

- ) Employee Expenses were below the budget by **\$0.383 million (5.41 percent)** due to less staff being employed throughout 2016-17 than originally budgeted. The average 2016-17 staffing level of 75.63 was less than the budgeted 78 Full Time Equivalent (FTE) staff.
- ) Supplies and Services exceeding the budget by **\$0.621 million (12.93 percent)** due mainly to a high number of cases being managed externally in 2016-17. As a result of lower staff numbers, more of the complex Family Law cases were referred to private legal practitioners during 2016-17 than expected.
- ) Other Expenses exceeding the budget by **\$0.099 million (321.07 percent)** due to the derecognition of eGrants (the online grant management system) during 2016-17 which was not anticipated in the budget. The Commission now uses a new online grants management system (LAGrants), which was completed in late 2016. eGrants was subsequently written off as no further future economic benefit was expected from its use in 2016-17.
- ) Depreciation and Amortisation exceeding the budget by **\$0.066 million (16.96 percent)** due mainly to the derecognition of eGrants in 2016-17 rather than in 2015-16 as expected.

#### 3. Comparison with 2015-16 Actual Expenditure

Total expenditure was **\$1.432 million (10.74 percent)** higher than the 2015-16 actual result due principally to the following factors:

- ) An increase in employee expenses of **\$0.448 million (7.19 percent)** resulting from higher average FTE staff levels in 2016-17 than the average 70.33 FTE level in 2015-16. The increased average FTE for 2016-17 of 75.63 is part of the Commission's plan to provide additional services to the community and increase the number of grants of legal assistance.
- ) An increase in Supplies and Services of **\$0.898 million (19.86 percent)** due mainly to increased expenditure on referrals to private legal practitioners of **\$0.597 million** and higher legal disbursements of **\$0.276 million**. The increase in referrals to private legal practitioners is due to less cases being undertaken in-house and an increase in cases being undertaken externally during 2016-17. Legal disbursements increased due mainly to an increase in the costs incurred for counsel (external legal expertise working to Legal Aid) for the Eastman Retrial and related proceedings in 2016-17 when compared to counsel costs incurred in the Eastman Stay Application which occurred in 2015-16. Counsel costs were lower in 2015-16 due to a lower work level resulting from the Eastman Stay Application only taking part of the 2015-16 financial year compared to the higher work level undertaken for the Eastman Retrial and related proceedings in 2016-17 financial year.



# Management Discussion and Analysis

## Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

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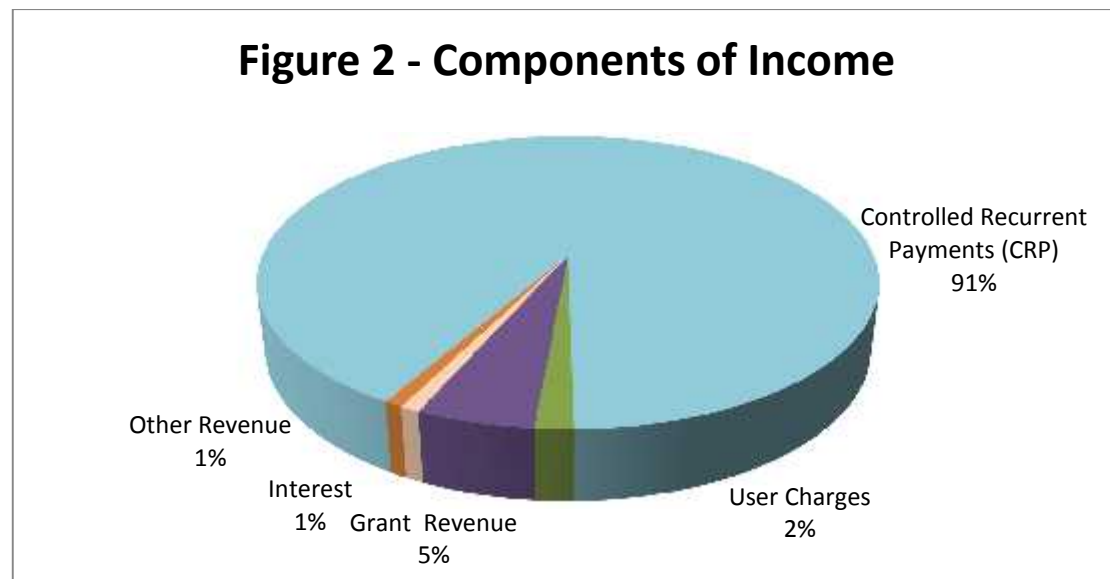
#### 4. Future Trends

Total expenditure for 2017-18 is budgeted to increase by **\$0.431 million (2.92 percent)** from the actual amount of **\$14.765 million** in 2016-17 to **\$15.196 million** in 2017-18, due mainly to higher budgeted employee expenses (**\$0.328 million**) resulting from the full year impact of additional staff employed in the later part of 2016-17. Expenses are also expected to increase due to higher supplies and services resulting from the continuing Eastman Retrial and related proceedings costs in 2017-18.

#### Total Income

##### 1. Components of Income

**Figure 2** below shows that for the financial year ended 30 June 2017, the Commission received **91 percent** of its total income of **\$14.746 million** from Controlled Recurrent Payments (this appropriation includes Commonwealth funding for legal assistance services under the *National Partnership Agreement on Legal Assistance Services*) and **5 percent** from Grant Revenue. The balance comprises User Charges (contributions made by assisted persons), Interest, and Other Revenue.



##### 2. Comparison to Budget

###### Income

Income for the financial year ended 30 June 2017 of **\$14.746 million** exceeded the 2016-17 Budget of **\$13.970 million** by **\$0.776 million (5.55 percent)** due principally to the following factors:

- ) Controlled Recurrent Payments (CRP) exceeded the budget by **\$0.781 million** due to higher than anticipated revenue of **\$0.840 million** for the Eastman Retrial

## Management Discussion and Analysis

### Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

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and related proceedings and **\$0.341 million** in Commonwealth funding to support Family Advocacy and Support Services. This was offset by **\$0.400 million** not being utilised for the Eastman Retrial and related proceedings in 2016-17 due to delays in the estimated timing of the Retrial.

- ) Grant Revenue exceeding the budget by **\$0.096 million (14.25 percent)** due mainly to higher funding from the Commonwealth Government for an increased delivery of family law matters involving allegations of family violence, offset by lower revenue from the Statutory Interest Account.
- ) User Charges being lower than budget by **\$0.034 million (12.03 percent)** mainly due to the Commission receiving fewer Reassessed Assisted Persons Contributions and Recovered Costs than estimated in the budget.
- ) Other Revenue being lower than budget by **\$0.035 million (22.34 percent)** mainly due to the actual lease incentive payment revenue being offset against Lease Expenses in 2016-17 rather than being included in Other Revenue as expected in the original budget. This was slightly offset by revenue received from the Justice and Community Safety Directorate for the provision of an Aboriginal and Torres Strait Islander Experience Sentencing Report that was not anticipated in the budget.

### 3. Comparison to 2015-16 Actual Income

Total income was **\$2.713 million (22.54 percent)** higher than the 2015-16 actual result due principally to the following factors:

- ) Additional appropriation of **\$0.840 million** that related to expenses from the Eastman Stay Application and related proceedings in 2015-16. The Commission was not able to drawdown this amount in 2015-16 due to the timing of the funding.
- ) An increase in CRP of **\$1.707 million** was provided to cover the additional costs of the Eastman Retrial and related proceedings in 2016-17 (only **\$1.307 million** of this was drawn down in 2016-17). This income did not occur in the prior period.
- ) An increase in CRP of **\$0.341 million** for the Commonwealth Government initiative - Family Advocacy and Support Services, which did not occur in the prior period.
- ) Additional CRP of **\$0.313 million** for the 'Safer Families – Improved access to Legal Aid' initiative to address family and domestic violence, which did not occur in the prior period.
- ) This was partially offset by a decrease in Grant Revenue of **\$0.287 million** mainly due to the lower revenue received from the Statutory Interest Account as a result of lower interest rates compared to the prior period.

### 4. Future Trends

Total income for 2017-18 is budgeted to increase by **\$0.030 million (0.2 percent)** from the actual amount of **\$14.746 million** in 2016-17 to **\$14.776 million** in 2017-18. This reflects higher CRP of **\$0.178 million**, partially offset by lower Grant Revenue of

# Management Discussion and Analysis

## Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

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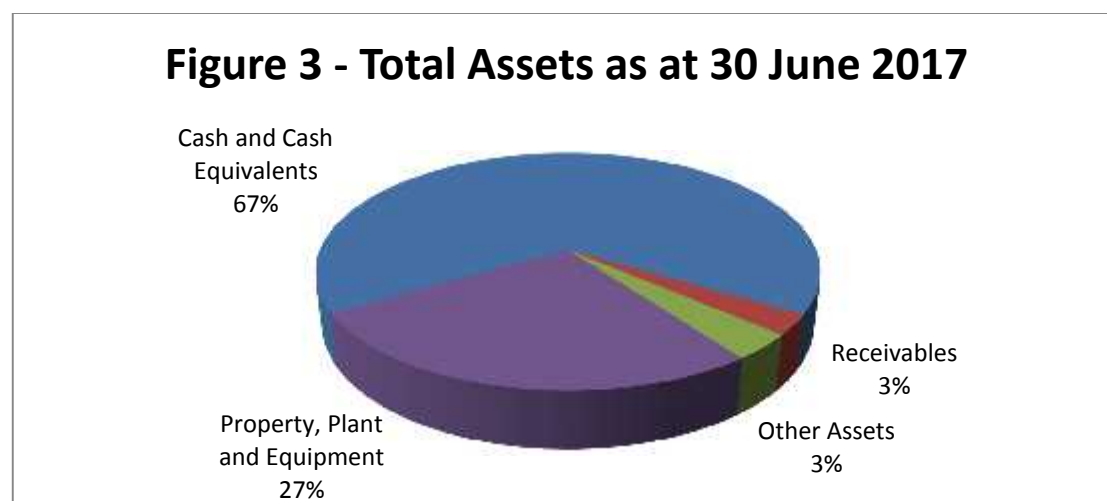
**\$0.096 million** (due to an estimated reduction in the amount received from the ACT Law Society's Statutory Interest Account, and the cessation of two one-off specific funding grants provided in 2016-17). Additionally, it is affected by the cessation of the one-off **\$0.050 million** revenue from the Justice and Community Safety Directorate for the provision of an Aboriginal and Torres Strait Islander Experience Sentencing Report.

## Financial Position

### Total Assets

#### 1. Components of Total Assets

**Figure 3** below shows that at 30 June 2017, the Commission held **67 percent** of its assets in Cash and Cash Equivalents and **27 percent** in Property, Plant and Equipment.



#### 2. Comparison to Budget

The total asset position as at 30 June 2017 is **\$6.599 million** which exceeded the 2016-17 Budget of **\$6.192 million** by **\$0.407 million (6.57 percent)**. Cash and Cash Equivalents exceeded the budget amount by **\$0.248 million** mainly due to additional revenues from the Commonwealth and ACT Governments. In addition, the Commission prepaid some expenses during 2016-17 which was not anticipated at the time of the budget. This resulted in Other Assets exceeding budget by **\$0.139 million**.

#### 3. Comparison to 2015-16 Actuals

The Commission's total asset position at 30 June 2017 is **\$0.310 million (4.93 percent)** higher than the actual result of **\$6.290 million** at 30 June 2016 largely due to an increase in Cash and Cash Equivalents (**\$0.792 million**). This is due to higher operating cash inflows in 2016-17 from appropriation received for the Eastman Retrial and related proceedings and additional revenues from the Commonwealth and ACT Governments. This was offset by a reduction in Property, Plant and Equipment due to Depreciation and Amortisation.

# Management Discussion and Analysis

## Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

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#### 4. Liquidity

Liquidity is the ability of the Commission to satisfy its short-term debts as they fall due. A common indicator for liquidity is the current ratio, which compares the ability to fund current liabilities from current assets. A ratio of less than 1:1 may indicate a reliance on the next financial year's funding to meet short-term debts. **Table 1** indicates the liquidity position of the Commission.

**Table 1 – Current Ratio**

Description	Prior Year Actual \$'000s 2015-16	Current Year Budget \$'000s 2016-17	Current Year Actual \$'000s 2016-17	Forward Year Budget \$'000s 2017-18	Forward Year Budget \$'000s 2018-19	Forward Year Budget \$'000s 2019-20
Current Assets	3,957	4,508	4,829	4,286	4,040	3,762
Current Liabilities	2,026	2,368	2,487	2,135	2,231	2,327
Current Ratio	1.95:1	1.90:1	1.94:1	2.01:1	1.81:1	1.62:1

The current ratio was **1.94:1** at 30 June 2017 which compares with the budgeted current ratio of **1.90:1**. The Commission expects the current ratio to slightly increase in 2017-18, and steadily decline over the forward estimates. The actual and forecast current ratio suggest that the Commission will be able to pay its debts as and when they fall due.

#### Total Liabilities

##### 1. Components of Total Liabilities

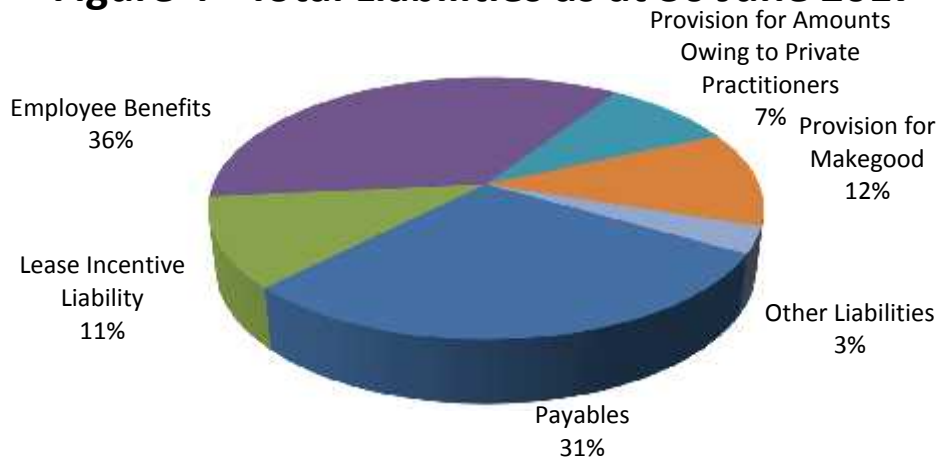
**Figure 4** below shows that at 30 June 2017, **36 percent** of the liabilities of the Commission were represented by Employee Benefits, **31 percent** by Payables, **12 percent** by the Provision for Make Good, **11 percent** by Lease Incentive Liabilities, **7 percent** by the Provision for Amounts Owing to Private Legal Practitioners, and **3 percent** by Other Liabilities.

# Management Discussion and Analysis

## Legal Aid Commission (ACT)

### For the Year Ended 30 June 2017

**Figure 4 - Total Liabilities as at 30 June 2017**



## 2. Comparison to Budget

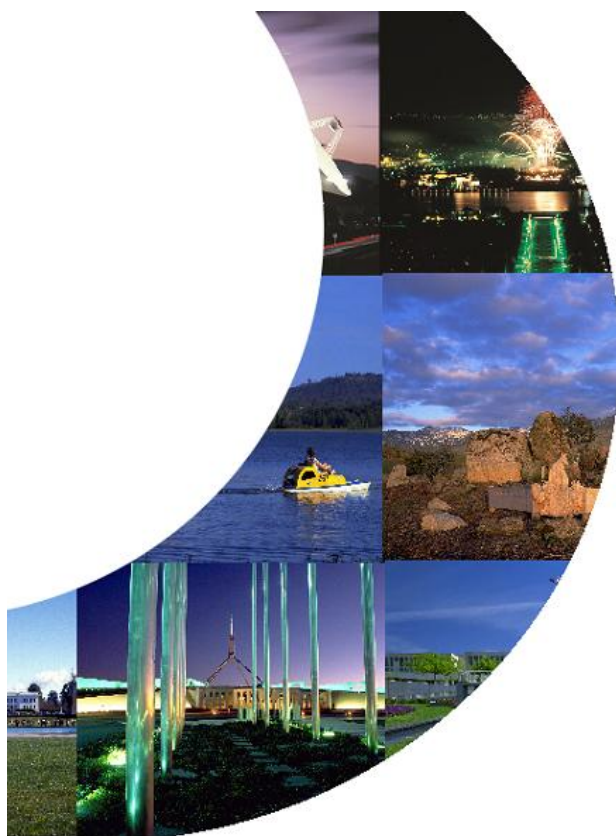
The Commission's liabilities at 30 June 2017 of **\$4.257 million** exceeded the 2016-17 Budget of **\$4.155 million** by **\$0.102 million (2.47 percent)** mainly due to:

- ) Payables being higher than the 2016-17 budget by **\$0.272 million** mainly due to the timing of invoices for the Eastman Retrial and related proceedings, and private legal practitioners invoices.
- ) Employee Benefits being below the budget by **\$0.269 million** reflecting a lower accrued salaries than budgeted, and lower than budgeted provision for annual and long service leave.

## 3. Comparison to 2015-16 Actuals

Total liabilities at 30 June 2017 of **\$4.257 million** are **\$0.329 million (8.38 percent)** higher than the actual result at 30 June 2016 of **\$3.928 million** mainly due to:

- ) An increase in the Current Payables of **\$0.294 million**, mainly due to the timing of invoices received for the Eastman Retrial and related proceedings in 2016-17 compared to 2015-16.
- ) An increase in the Provision for Amounts Owing to Private Legal Practitioners of **\$0.056 million**, which is related to the increased number of matters referred to private legal practitioners.
- ) An increase in Other Liabilities of **\$0.105 million**, which is due to the receipt of money from the Commonwealth Government for the creation of a self-service portal to improve access to Legal Aid services. This work will commence in 2017-18.



**Legal Aid** ACT

## INDEPENDENT AUDIT REPORT

### LEGAL AID COMMISSION (ACT)

#### To the Members of the ACT Legislative Assembly

##### Audit opinion

I am providing an **unqualified audit opinion** on the financial statements of the Legal Aid Commission (ACT) (the Commission) for the year ended 30 June 2017. The financial statements comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation and accompanying notes.

In my opinion, the financial statements:

- (i) are presented in accordance with the *Financial Management Act 1996* and *Legal Aid Act 1977*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Commission and results of its operations and cash flows.

##### Basis for the audit opinion

The audit was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the audit to provide a basis for the audit opinion.

##### Responsibility for preparing and fairly presenting the financial statements

The Chief Executive Officer of the Commission is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and *Legal Aid Act 1977* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Commission to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

##### Responsibility for the audit of the financial statements

Under the *Financial Management Act 1996* and *Legal Aid Act 1977*, the Auditor-General is responsible for issuing an audit report that includes an independent audit opinion on the financial statements of the Commission.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud and implemented procedures to address these risks so that sufficient evidence was obtained to form an audit opinion. The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls;
- obtained an understanding of internal controls to design audit procedures for forming an audit opinion;
- evaluated accounting policies and estimates used to prepare the financial statements and disclosures made in the financial statements;
- evaluated the overall presentation and content of the financial statements, including whether they present the underlying transactions and events in a manner that achieves fair presentation;
- reported the scope and timing of the audit and any significant deficiencies in internal controls identified during the audit to the Chief Executive Officer; and
- assessed the going concern\* basis of accounting used in the preparation of the financial statements.

(\*Where the auditor concludes that a material uncertainty exists which cast significant doubt on the appropriateness of using the going concern basis of accounting, the auditor is required to draw attention in the audit report to the relevant disclosures in the financial statements or, if such disclosures are inadequate, the audit opinion is to be modified. The auditor's conclusions on the going concern basis of accounting are based on the audit evidence obtained up to the date of this audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.)

### **Limitations on the scope of the audit**

An audit provides a high level of assurance about whether the financial statements are free from material misstatements, whether due to fraud or error. However, an audit cannot provide a guarantee that no material misstatements exist due to the use of selective testing, limitations of internal control, persuasive rather than conclusive nature of audit evidence and use of professional judgement in gathering and evaluating evidence.

An audit does not provide assurance on the:

- reasonableness of budget information included in the financial statements;
- prudence of decisions made by the Commission;
- adequacy of controls implemented by the Commission; or
- integrity of audited financial statements presented electronically or information hyperlinked to or from the financial statements. Assurance can only be provided for the printed copy of the audited financial statements.



Ajay Sharma  
Acting Director, Financial Audits  
9 August 2017

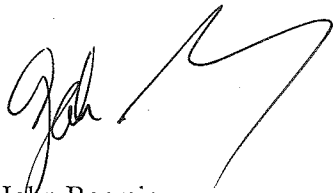


**Legal Aid Commission (ACT)**  
**Financial Statements**  
**For the Year Ended 30 June 2017**

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**Statement of Responsibility**

In my opinion, the financial statements are in agreement with the Commission's accounts and records and fairly reflect the financial operations of the Commission for the year ended 30 June 2017 and the financial position of the Commission on that date.



John Boersig  
Chief Executive Officer  
Legal Aid Commission (ACT)  
17 July 2017

**Legal Aid Commission (ACT)**  
**Financial Statements**  
**For the Year Ended 30 June 2017**

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**Statement by the Chief Finance Officer**

In my opinion, the financial statements have been prepared in accordance with the Australian Accounting Standards, and are in agreement with the Commission's accounts and records and fairly reflect the financial operations of the Commission for the year ended 30 June 2017 and the financial position of the Commission on that date.



Brett Monger  
Chief Finance Officer  
Legal Aid Commission (ACT)  
17 July 2017

**Legal Aid Commission (ACT)**  
**Operating Statement**  
**For the Year Ended 30 June 2017**

	<b>Note No.</b>	<b>Actual 2017 \$</b>	<b>Original Budget 2017 \$</b>	<b>Actual 2016 \$</b>
<b>Income</b>				
<i>Revenue</i>				
Controlled Recurrent Payments	4	13,478,000	12,697,000	10,446,000
User Charges - Non-ACT Government	5	250,715	285,000	270,115
Grant Revenue	6	768,873	673,000	1,055,839
Interest		127,761	160,000	165,494
Other Revenue	7	120,376	155,000	95,515
<i>Total Revenue</i>		<u>14,745,726</u>	<u>13,970,000</u>	<u>12,032,963</u>
<i>Gains</i>				
Other Gains		-	-	106
<i>Total Gains</i>		<u>-</u>	<u>-</u>	<u>106</u>
<b>Total Income</b>		<u><b>14,745,726</b></u>	<u><b>13,970,000</b></u>	<u><b>12,033,069</b></u>
<b>Expenses</b>				
Employee Expenses	8	6,688,431	7,071,000	6,239,933
Superannuation Expenses	9	1,094,754	1,053,000	996,111
Supplies and Services	10	5,418,618	4,798,000	4,520,782
Depreciation and Amortisation	11	452,653	387,000	509,086
Borrowing Costs		24,504	25,000	23,315
Lease Expenses	12	955,497	1,045,000	955,497
Other Expenses	13	130,531	31,000	88,444
<b>Total Expenses</b>		<u><b>14,764,987</b></u>	<u><b>14,410,000</b></u>	<u><b>13,333,168</b></u>
<b>Operating (Deficit)</b>		<u><b>(19,261)</b></u>	<u><b>(440,000)</b></u>	<u><b>(1,300,099)</b></u>
<b>Total Comprehensive (Deficit)</b>		<u><u><b>(19,261)</b></u></u>	<u><u><b>(440,000)</b></u></u>	<u><u><b>(1,300,099)</b></u></u>

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

The Legal Aid Commission (ACT) (the Commission) has one output class and therefore the above Operating Statement is also the Commission's Operating Statement for the Legal Aid Services Output Class. The Legal Aid Services Output Class includes the provision of a full range of legal assistance services to the community provided by the Commission's staff and by private legal practitioners on behalf of the Commission. As a result, a separate output class Operating Statement and Summary of Agency Output Classes have not been included in these financial statements.

**Legal Aid Commission (ACT)**  
**Balance Sheet**  
**As at 30 June 2017**

	<b>Note No.</b>	<b>Actual 2017 \$</b>	<b>Original Budget 2017 \$</b>	<b>Actual 2016 \$</b>
<b>Current Assets</b>				
Cash and Cash Equivalents	16	4,413,543	4,166,000	3,621,861
Receivables	17	182,613	248,000	237,886
Other Assets	18	232,535	94,000	97,753
<b>Total Current Assets</b>		<b>4,828,691</b>	<b>4,508,000</b>	<b>3,957,500</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	19	1,770,659	1,684,000	2,102,924
Intangible Assets	20	-	-	182,608
Capital Works in Progress	21	-	-	46,532
<b>Total Non-Current Assets</b>		<b>1,770,659</b>	<b>1,684,000</b>	<b>2,332,064</b>
<b>Total Assets</b>		<b>6,599,350</b>	<b>6,192,000</b>	<b>6,289,564</b>
<b>Current Liabilities</b>				
Payables	22	608,278	336,000	314,537
Lease Incentive Liability	23	89,615	90,000	89,615
Employee Benefits	24	1,347,250	1,601,000	1,340,399
Provision for Amounts Owing to Private Legal Practitioners	25	305,225	310,000	249,693
Other Liabilities	27	137,011	31,000	32,041
<b>Total Current Liabilities</b>		<b>2,487,379</b>	<b>2,368,000</b>	<b>2,026,284</b>
<b>Non-Current Liabilities</b>				
Payables	22	713,212	713,000	724,468
Lease Incentive Liability	23	380,862	380,000	470,477
Employee Benefits	24	173,320	189,000	213,327
Provision for Make Good	26	502,680	505,000	493,850
<b>Total Non-Current Liabilities</b>		<b>1,770,074</b>	<b>1,787,000</b>	<b>1,902,122</b>
<b>Total Liabilities</b>		<b>4,257,454</b>	<b>4,155,000</b>	<b>3,928,406</b>
<b>Net Assets</b>		<b>2,341,897</b>	<b>2,037,000</b>	<b>2,361,158</b>
<b>Equity</b>				
Accumulated Funds		2,341,897	2,037,000	2,361,158
<b>Total Equity</b>		<b>2,341,897</b>	<b>2,037,000</b>	<b>2,361,158</b>

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

**Legal Aid Commission (ACT)**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2017**

	Accumulated Funds Actual 2017 \$	Original Budget 2017 \$	Accumulated Funds Actual 2016 \$
<b>Balance at the Beginning of the Reporting Period</b>	<b>2,361,158</b>	<b>2,477,000</b>	<b>3,661,257</b>
<b>Comprehensive (Deficit)</b>			
Operating (Deficit)	(19,261)	(440,000)	(1,300,099)
<b>Total Comprehensive (Deficit)</b>	<b>(19,261)</b>	<b>(440,000)</b>	<b>(1,300,099)</b>
<b>Balance at the End of the Reporting Period</b>	<b>2,341,897</b>	<b>2,037,000</b>	<b>2,361,158</b>

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

**Legal Aid Commission (ACT)**  
**Cash Flow Statement**  
**For the Year Ended 30 June 2017**

	<b>Note No.</b>	<b>Actual 2017 \$</b>	<b>Original Budget 2017 \$</b>	<b>Actual 2016 \$</b>
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
Controlled Recurrent Payments		13,478,000	12,697,000	10,446,000
User Charges		244,845	255,000	229,491
Grants Received		768,873	673,000	1,055,839
Interest Received		127,761	160,000	165,494
Goods and Services Tax Input Tax Credits from the Australian Taxation Office		584,126	400,000	475,088
Goods and Services Tax Collected from Customers		113,125	110,000	106,446
Other		225,346	65,000	96,222
<b>Total Receipts from Operating Activities</b>		<b>15,542,076</b>	<b>14,360,000</b>	<b>12,574,580</b>
<b>Payments</b>				
Employees		(6,711,165)	(6,968,000)	(6,259,359)
Superannuation		(1,105,174)	(1,053,000)	(1,026,954)
Supplies and Services		(6,213,965)	(5,857,000)	(5,669,269)
Goods and Services Tax Paid to Suppliers		(655,993)	(510,000)	(592,017)
<b>Total Payments from Operating Activities</b>		<b>(14,686,297)</b>	<b>(14,388,000)</b>	<b>(13,547,599)</b>
<b>Net Cash Inflows/(Outflows) from Operating Activities</b>	32	<b>855,778</b>	<b>(28,000)</b>	<b>(973,019)</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts</b>				
Proceeds from the Sale of Property, Plant and Equipment		-	-	21,531
<b>Total Receipts from Investing Activities</b>		<b>-</b>	<b>-</b>	<b>21,531</b>
<b>Payments</b>				
Purchase of Property, Plant and Equipment		(64,098)	(50,000)	(400,074)
<b>Total Payments from Investing Activities</b>		<b>(64,098)</b>	<b>(50,000)</b>	<b>(400,074)</b>
<b>Net Cash (Outflows) from Investing Activities</b>		<b>(64,098)</b>	<b>(50,000)</b>	<b>(378,543)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>791,682</b>	<b>(78,000)</b>	<b>(1,351,562)</b>
Cash and Cash Equivalents at the Beginning of the Reporting Period		3,621,861	4,244,000	4,973,423
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	32	<b>4,413,543</b>	<b>4,166,000</b>	<b>3,621,861</b>

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

**Legal Aid Commission (ACT)**  
**Statement of Appropriation**  
**For the Year Ended 30 June 2017**

	Original Budget 2017 \$	Total Appropriated 2017 \$	Appropriation Drawn 2017 \$	Appropriation Drawn 2016 \$
Controlled Recurrent Payments	12,697,000	13,878,000	13,478,000	10,446,000
Capital Injections	-	-	-	-
<b>Total Appropriation</b>	<b>12,697,000</b>	<b>13,878,000</b>	<b>13,478,000</b>	<b>10,446,000</b>

The above Statement of Appropriation should be read in conjunction with the accompanying notes.

**Column Heading Explanations**

The *Original Budget* column shows the amount that appears in the Cash Flow Statement in the Statement of Intent. This amount also appears in the Cash Flow Statement of the Commission.

The *Total Appropriated* column includes all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* column is the total amount of appropriations received by the Commission during the year. These amounts appear in the Cash Flow Statement of the Commission.

**Variances between 'Original Budget', 'Total Appropriated' and 'Appropriation Drawn'**

Reconciliation of Appropriation for 2016-17	Controlled Recurrent Payments \$	Capital Injections \$
Original Appropriation for 2016-17	12,697,000	-
Rollover of Undisbursed Appropriation (FMA s.16B) <sup>1</sup>	840,000	-
Additional Appropriations (FMA s.19B) <sup>2</sup>	341,000	-
Total Appropriated	13,878,000	-
Appropriations not drawn down in 2016-17 <sup>3</sup>	(400,000)	-
<b>Controlled Appropriation Drawn</b>	<b>13,478,000</b>	<b>-</b>

The difference between the Original Budget and the Total Appropriated is due to the:

<sup>1</sup> rollover of \$840,000 from 2015-16 to 2016-17 under section 16B of the *Financial Management Act 1996* for the Eastman Stay Application and related proceedings; and

<sup>2</sup> Commission receiving \$341,000 as additional funding from the Commonwealth Government for the provision of duty lawyer and family violence support services (Family Advocacy Support Services).

<sup>3</sup> The difference between the Total Appropriated and the Appropriation Drawn of \$400,000 is for monies related to the Eastman Retrial and related proceedings that were not used during 2016-17. This resulted from a delay in the estimated timing of when the Retrial is to commence.

## LEGAL AID COMMISSION (ACT) NOTE INDEX

Note 1	Objectives of the Legal Aid Commission (ACT)
Note 2	Significant Accounting Policies (See Appendices A, B and C)
Note 3	Change in Accounting Estimates (See Appendix D)

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Note 6	Grant Revenue
Note 7	Other Revenue

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Note 9	Superannuation Expenses
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Note 13	Other Expenses
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Note 15	Auditor's Remuneration

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Note 17	Receivables
Note 18	Other Assets
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Note 20	Intangible Assets
Note 21	Capital Works In Progress

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Note 23	Lease Incentive Liability
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Note 26	Provision for Make Good
Note 27	Other Liabilities

### Other Notes

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Note 29	Commitments
Note 30	Third Party Monies
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Note 32	Cash Flow Reconciliation
Note 33	Budgetary Reporting

Appendix A - Basis of Preparation of the Financial Statements

Appendix B - Significant Accounting Policies

Appendix C - Impact of Accounting Standards Issued But Yet to Be Applied

Appendix D - Change in Accounting Estimates



**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 1. OBJECTIVES OF THE LEGAL AID COMMISSION (ACT)**

**Operations and Principal Activities**

The Legal Aid Commission (ACT) (the Commission), established by the *Legal Aid Act 1977* (the Act), provides a range of legal assistance services in accordance with the Act.

The services provided by the Commission are wide-ranging and encompass the provision of information and referrals, legal advice and minor legal assistance, advocacy, duty lawyer services, grants of legal assistance, dispute resolution services, community legal education programs and submissions on law reform issues.

The objective of the Commission is to maximise access to justice in the ACT by providing legal assistance services through its staff and through private legal practitioners paid by the Commission. Commission services are available to residents of the ACT and others who are involved in legal transactions or proceedings in the ACT.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (See Appendices A, B and C)**

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information.

Appendix A - Basis of Preparation of the Financial Statements

Appendix B - Significant Accounting Policies

Appendix C - Impact of Accounting Standards Issued But Yet to Be Applied

**NOTE 3. CHANGE IN ACCOUNTING ESTIMATES (See Appendix D)**

Refer to Appendix D - Change in Accounting Estimates.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**              **\$**

**NOTE 4. CONTROLLED RECURRENT PAYMENTS**

Controlled Recurrent Payments (CRP) are revenue received from the ACT Government to fund the costs of delivering outputs. A component of the CRP is Commonwealth Government funding. Commonwealth funding under the *National Partnership Agreement on Legal Assistance Services* is paid to the ACT Government who then provide this amount to the Commission as CRP. The ACT Government provides CRP appropriation on a fortnightly basis.

Commonwealth funding is primarily provided for legal assistance services for Commonwealth matters.

**Revenue from the ACT Government**

Controlled Recurrent Payments <sup>1</sup>	13,478,000	10,446,000
<b>Total Controlled Recurrent Payments</b>	<b>13,478,000</b>	<b>10,446,000</b>

<sup>1</sup>The increase in Controlled Recurrent Payments of \$3,032,000 is mainly due to additional CRP appropriation of \$1,307,000 received to cover the additional costs of the Eastman Retrial and related proceedings in 2016-17 and the rollover of \$840,000 from 2015-16 to 2016-17 under section 16B of the *Financial Management Act 1996* for the Eastman Stay Application and related proceedings. The Commission also received additional Controlled Recurrent Payments of \$341,000 as the Commonwealth Government provided funding for Family Advocacy Support Services and \$313,000 from the ACT Government for the Safer Families - Improved Access to Legal Aid initiative to address family and domestic violence.

**NOTE 5. USER CHARGES - NON-ACT GOVERNMENT**

User charges revenue is derived by providing legal assistance services to the public. It is paid by users of the legal assistance services and legally retained by the Commission. This revenue is driven by consumer demand, and is not appropriated.

Assisted persons who can afford to do so are required to pay a contribution towards the services that they receive. When a service is provided by Commission staff, the initial contribution is payable directly to the Commission. When a service is provided by a Private Legal Practitioner, the initial contribution is payable directly to that practitioner and the same amount is withheld from the first payment made by the Commission to that Practitioner. Recovered Costs arise when the Commission is successful in a matter and the Court orders the losing party to pay costs.

**User Charges - Non-ACT Government**

Assisted Person Contributions and Recovered Costs	250,715	270,115
<b>Total User Charges - Non-ACT Government</b>	<b>250,715</b>	<b>270,115</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**              **\$**

**NOTE 6. GRANT REVENUE**

The Commission receives most of its grant revenue from the ACT Law Society. The amount of the grant received from the ACT Law Society is based on interest generated on trust funds which are held in the ACT Law Society Statutory Interest Account.

**Grant Revenue from ACT Government Entities**

Grant from the Community Services Directorate	14,900	9,250
<b>Total Grant Revenue from ACT Government Entities</b>	<b>14,900</b>	<b>9,250</b>

**Grant Revenue from Non-ACT Government Entities**

Grant from the ACT Law Society <sup>1</sup>	671,568	897,089
Commonwealth Grants		
- Family Law Pathways Network in the ACT	49,500	49,500
- Data Standardisation Reporting <sup>2</sup>	-	100,000
- Community Legal Services Program <sup>3</sup>	32,905	-
<b>Total Grant Revenue from Non-ACT Government Entities</b>	<b>753,973</b>	<b>1,046,589</b>
<b>Total Grant Revenue</b>	<b>768,873</b>	<b>1,055,839</b>

<sup>1</sup>The decrease in the Grant from the ACT Law Society of \$225,521 is due to a reduction in the amount of interest earned by the ACT Law Society on their Statutory Interest Account. This resulted in a lower amount of grant funding the Law Society was able to provide to the Commission.

<sup>2</sup>The decrease in the Data Standardisation Reporting of \$100,000 is due to the Commonwealth Government providing the Commission with one-off funding in 2015-16 to assist in transitioning to the data standardisation requirements under the *National Partnership Agreement on Legal Assistance Services*.

<sup>3</sup>The increase in the Community Legal Services Program of \$32,905 is due to the Commonwealth Government providing the Commission with one-off funding in 2016-17 to increase the capacity to deliver family law matters involving allegations of family violence.

**NOTE 7. OTHER REVENUE**

Other Revenue arises from the core activities of the Commission. Other Revenue is distinct from Other Gains, as Other Gains are items that are not part of the core activities of the Commission.

**Revenue from ACT Government Entities**

Revenue from Justice and Community Safety Directorate <sup>1</sup>	45,455	-
<b>Total Other Revenue from ACT Government Entities</b>	<b>45,455</b>	<b>-</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
<b>NOTE 7. OTHER REVENUE - CONTINUED</b>		
<b>Revenue from Non-ACT Government Entities</b>		
Contribution to Youth Law Centre	64,120	63,027
Rent - Environmental Defender's Office	1,658	6,631
Other	9,144	25,857
<b>Total Other Revenue from Non-ACT Government Entities</b>	<b>74,922</b>	<b>95,515</b>
<b>Total Other Revenue</b>	<b>120,376</b>	<b>95,515</b>

<sup>1</sup>The increase of \$45,455 in the Revenue from the Justice and Community Safety Directorate line item is due to the revenue received for the provision of a report titled *Aboriginal and Torres Strait Islander Experience Sentencing Reports*.

**NOTE 8. EMPLOYEE EXPENSES**

Wages and Salaries <sup>1</sup>	6,466,445	5,865,551
Annual Leave Expense	52,991	82,103
Long Service Leave Expense <sup>2</sup>	31,079	163,196
Commissioners' Remuneration	27,351	24,850
Workers' Compensation Insurance Premium	110,564	104,233
<b>Total Employee Expenses</b>	<b>6,688,431</b>	<b>6,239,933</b>

<sup>1</sup>The increase in Wages and Salaries of \$600,894 is mainly due to higher average Full Time Equivalent (FTE) staff in 2016-17 (75.63) exceeding average FTE in 2015-16 (70.33). The Commission increased its FTE to provide additional services to the community in 2016-17 compared to 2015-16.

<sup>2</sup>The decrease in Long Service Leave Expense of \$132,117 is mainly due to the decrease in the rate used to estimate the present value of the future payments for long service leave from 114.7% in 2015-16 to 103.4% in 2016-17. This resulted in a decrease of approximately \$99,500 to the long service leave expense.

**NOTE 9. SUPERANNUATION EXPENSES**

Superannuation Contributions to the Territory Banking Account	336,178	351,291
Productivity Benefit	40,684	42,257
Superannuation Payment to ComSuper (for the PSSap) <sup>1</sup>	408,252	372,119
Superannuation to External Providers <sup>1</sup>	309,640	230,444
<b>Total Superannuation Expenses</b>	<b>1,094,754</b>	<b>996,111</b>

<sup>1</sup>The increase in Superannuation Payment to ComSuper (for the PSSap) of \$36,133 and Superannuation to External Providers of \$79,196 is due to more staff in these schemes than in the prior year.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
<b>NOTE 10. SUPPLIES AND SERVICES</b>		
Financial and Other Audit Fees	62,028	51,111
Referrals to Private Legal Practitioners <sup>1</sup>	3,018,554	2,421,670
Legal Disbursements <sup>2</sup>	1,384,930	1,108,664
Community Legal Education Expenses	986	1,156
Transportation	31,015	18,932
Office Requisitions	80,187	83,926
Postage and Telephone Services	83,678	86,615
Office Services	131,101	127,259
Library	26,552	31,775
Computer Services	364,270	351,963
Contractors and Consultants	26,700	35,636
Other Services	208,617	201,799
Other	-	276
<b>Total Supplies and Services</b>	<b>5,418,618</b>	<b>4,520,782</b>

<sup>1</sup>The increase in Referrals to Private Legal Practitioners of \$596,885 is due to a higher number of matters referred to private legal practitioners in 2016-17 than in 2015-16.

<sup>2</sup>The increase in Legal Disbursements of \$276,266 is due to the increased costs incurred for counsel for the Eastman Retrial and related proceedings in 2016-17 when compared to counsel costs incurred in the Eastman Stay Application and related proceedings in 2015-16. The work level was more extensive for the Eastman Retrial and related proceedings than in the Eastman Stay Application and related proceedings.

**NOTE 11. DEPRECIATION AND AMORTISATION**

**Depreciation**

Office and Computer Equipment	98,848	84,547
Leasehold Improvements	228,228	220,410
Motor Vehicles	1,767	1,975
Furniture and Fittings	51,846	51,569
<b>Total Depreciation</b>	<b>380,689</b>	<b>358,501</b>

**Amortisation**

Intangible Assets <sup>1</sup>	71,963	150,585
<b>Total Amortisation</b>	<b>71,963</b>	<b>150,585</b>
<b>Total Depreciation and Amortisation</b>	<b>452,653</b>	<b>509,086</b>

<sup>1</sup>The decrease in Amortisation of \$78,622 is due to the derecognition of eGrants, the software used to process grants of legal assistance online, in December 2016. The replacement software did not exceed the asset threshold (\$50,000) and therefore has not been recognised as an Intangible Asset.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
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**NOTE 12. LEASE EXPENSES**

In 2009-10, the Commission entered into an agreement to lease office space at 2 Allsop Street, Canberra City ACT. The Lease Expenses were calculated to include a 3.7% annual increase, which was apportioned across the lease period to present a straight line payment schedule. See Note 22: *Payables*.

Lease Expense - office accommodation	955,497	955,497
<b>Total Lease Expenses</b>	<b>955,497</b>	<b>955,497</b>

**NOTE 13. OTHER EXPENSES**

Waivers, Impairment Losses and Write-offs <sup>1</sup>	130,531	88,444
<b>Total Other Expenses</b>	<b>130,531</b>	<b>88,444</b>

<sup>1</sup>See Note 14: *Waivers, Impairment Losses and Write-offs* for the variance explanation.

**NOTE 14. WAIVERS, IMPAIRMENT LOSSES AND WRITE-OFFS**

The impairment losses and write-offs listed below have occurred during the reporting period for the Commission.

	2017 No.	2016 No.		
<b>Impairment Losses</b>				
<i>Impairment Loss from Receivables</i>				
Assisted Person Contributions and Recovered Costs Receivable	219 <sup>1</sup>	53	19,886	24,686
<i>Total Impairment Loss from Receivables</i>			19,886	24,686
<b>Total Impairment Losses</b>			<b>19,886</b>	<b>24,686</b>
<b>Write-offs</b>				
Derecognition of Leasehold Improvements <sup>2</sup>	-	1	-	63,758
Derecognition of Intangible Assets <sup>3</sup>	1	-	110,646	-
<b>Total Write-offs</b>			<b>110,646</b>	<b>63,758</b>
<b>Total Impairment Losses and Write-Offs</b>			<b>130,531</b>	<b>88,444</b>

There were no waivers during the reporting period (Nil in 2015-16).

<sup>1</sup>The increase in the number of Assisted Person Contributions and Recovered Costs Receivable of 166 is due to the impairment of a large number of receivables with a small outstanding value, compared with some large value receivables in 2015-16

<sup>2</sup>The decrease in the Derecognition of Leasehold Improvements of \$63,758 is due to the renovation in 2015-16 that involved demolishing existing leasehold improvements to reconfigure office space with new leasehold improvements. Similar renovation work did not occur in 2016-17.

<sup>3</sup>The increase in Derecognition of Intangible Assets of \$110,646 is due to the derecognition of eGrants in 2016-17, the software used to process grants of legal assistance online. eGrants was written off as it ceased to be used by the Commission. The online grants management system was replaced with LAGrants.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**              **\$**

**NOTE 15. AUDITOR'S REMUNERATION**

Auditor's remuneration consists of financial audit services provided to the Commission by the ACT Audit Office.

**Audit Services**

Audit Fees Paid or Payable to the ACT Audit Office	48,123	46,361
<b>Total Audit Fees</b>	<b>48,123</b>	<b>46,361</b>

No other services were provided by the ACT Audit Office.

**NOTE 16. CASH AND CASH EQUIVALENTS**

The Commission held one bank account with Westpac throughout the 2016-17 financial year. The operating bank account with Westpac earned a weighted average interest rate of 2.37% in 2016-17 (2.82% in 2015-16).

Funds from the Westpac operating account can be withdrawn upon request.

Cash at Bank <sup>1</sup>	4,413,203	3,621,521
Cash on Hand	340	340
<b>Total Cash and Cash Equivalents</b>	<b>4,413,543</b>	<b>3,621,861</b>

<sup>1</sup>The increase in 'Cash at Bank' of \$791,682 is mainly due to the \$840,000 appropriation received under section 16B of the *Financial Management Act 1996* for payments made in 2015-16 related to the Eastman Stay Application and related proceedings.

**NOTE 17. RECEIVABLES**

**Current Receivables**

Assisted Person Contributions and Recovered Costs Receivable	176,246	195,878
Less: Allowance for Impairment Losses	(129,360)	(134,977)
	46,886	60,901
Net GST Receivable	135,472	176,730
Other Trade Receivables	255	255
<b>Total Current Receivables</b>	<b>182,613</b>	<b>237,886</b>
<b>Total Receivables</b>	<b>182,613</b>	<b>237,886</b>

All receivables above are with Non-ACT Government entities.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 17. RECEIVABLES - CONTINUED**

**Ageing of Receivables**

	Not Overdue \$	Overdue			Total \$
		Less than 30 Days \$	30 to 60 Days \$	Greater than 60 Days <sup>3</sup> \$	
<b>2017</b>					
<b>Not Impaired<sup>1</sup></b>					
Receivables	135,727	15,837	3,750	27,299	182,613
<b>Impaired<sup>2</sup></b>					
Receivables	-	-	-	129,360	129,360
<b>2016</b>					
<b>Not Impaired<sup>1</sup></b>					
Receivables	176,986	20,426	10,105	30,369	237,886
<b>Impaired<sup>2</sup></b>					
Receivables	-	-	-	134,977	134,977

<sup>1</sup> Not Impaired' refers to Net Receivables (that is, Gross Receivables less Impaired Receivables).

<sup>2</sup> Impaired' refers to all debts impaired in accordance with Note 2 Appendix B - Note 17 Receivables.

<sup>3</sup> The receivables greater than 60 days are for Assisted Person Contributions and Recovered Costs Receivable.

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>Reconciliation of the Allowance for Impairment Losses</b>		
Allowance for Impairment Losses at the Beginning of the Reporting Period	134,977	116,723
Additional Allowance Recognised During the Reporting Period	19,886	24,686
Reduction in Allowance from Amounts Written-off During the Reporting Period	(25,502)	(6,432)
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>129,360</b>	<b>134,977</b>

**NOTE 18. OTHER ASSETS**

**Current Other Assets**

Prepayments <sup>1</sup>	232,535	97,753
<b>Total Current Other Assets</b>	<b>232,535</b>	<b>97,753</b>
<b>Total Other Assets</b>	<b>232,535</b>	<b>97,753</b>

<sup>1</sup> The increase in Prepayments of \$134,782 is mainly due to additional licences purchased in 2016-17 for Virtual Desktop Infrastructure software and payment of the July 2017 lease expense for office accommodation.



**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
<b>NOTE 19. PROPERTY, PLANT AND EQUIPMENT</b>		
Property, plant and equipment includes the following classes of assets - motor vehicles, office and computer equipment, leasehold improvements and furniture and fittings.		
<i>Motor Vehicles</i> are the motor vehicles available to Commission staff for business use.		
<i>Office and Computer Equipment</i> includes desktop personal computers, servers and network equipment, photocopiers, telephones, facsimile machines, printers and portable computing equipment.		
<i>Leasehold Improvements</i> represents capital expenditure incurred in relation to leased assets. The Commission has an office fit out.		
<i>Furniture and Fittings</i> includes desks, chairs, workstations and other furniture.		
<b>Motor Vehicles</b>		
Motor Vehicles at Cost	15,901	15,901
Less: Accumulated Depreciation	(4,009)	(2,242)
<b>Total Written Down Value of Motor Vehicles</b>	<b>11,892</b>	<b>13,659</b>
<b>Office and Computer Equipment</b>		
Office and Computer Equipment at Cost	678,206	649,758
Less: Accumulated Depreciation	(437,397)	(338,549)
<b>Total Written Down Value of Office and Computer Equipment</b>	<b>240,808</b>	<b>311,209</b>
<b>Leasehold Improvements</b>		
Leasehold Improvements at Cost	2,493,419	2,461,947
Add: Make Good Provision	353,503	369,177
	2,846,922	2,831,124
Less: Accumulated Depreciation	(1,517,940)	(1,289,712)
<b>Total Written Down Value of Leasehold Improvements</b>	<b>1,328,981</b>	<b>1,541,412</b>
<b>Furniture and Fittings</b>		
Furniture and Fittings at Cost	521,520	517,341
Less: Accumulated Depreciation	(332,543)	(280,697)
<b>Total Written Down Value of Furniture and Fittings</b>	<b>188,977</b>	<b>236,644</b>
<b>Total Written Down Value of Property, Plant and Equipment</b>	<b>1,770,659</b>	<b>2,102,924</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 19. PROPERTY, PLANT AND EQUIPMENT - CONTINUED**

**Leasehold Improvement**

The Commission has capitalised the cost of returning the premises to a similar condition to that which existed prior to occupancy. Further information is at Note 26: *Provision for Make Good*.

**Reconciliation of Property, Plant and Equipment**

The following table shows the movement of Property, Plant and Equipment during 2016-17.

	Leasehold Improvements	Motor Vehicles	Office and Computer Equipment	Furniture and Fittings	Total
	\$	\$	\$	\$	\$
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>1,541,412</b>	<b>13,659</b>	<b>311,209</b>	<b>236,644</b>	<b>2,102,924</b>
Additions	31,471	-	28,448	4,179	64,098
Disposals	-	-	-	-	-
Depreciation	(228,228)	(1,767)	(98,848)	(51,846)	(380,689)
Other Movements	(15,674)	-	-	-	(15,674)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>1,328,981</b>	<b>11,892</b>	<b>240,808</b>	<b>188,977</b>	<b>1,770,659</b>

**Reconciliation of Property, Plant and Equipment**

The following table shows the movement of Property, Plant and Equipment during 2015-16.

	Leasehold Improvements	Motor Vehicles	Office and Computer Equipment	Furniture and Fittings	Total
	\$	\$	\$	\$	\$
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>1,650,432</b>	<b>37,060</b>	<b>159,922</b>	<b>288,213</b>	<b>2,135,627</b>
Additions	162,669	-	235,834	-	398,503
Disposals	(63,758)	(21,426)	-	-	(85,184)
Depreciation	(220,410)	(1,975)	(84,547)	(51,569)	(358,501)
Other Movements	12,479	-	-	-	12,479
<b>Carrying Amount at the End of the Reporting Period</b>	<b>1,541,412</b>	<b>13,659</b>	<b>311,209</b>	<b>236,644</b>	<b>2,102,924</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 20. INTANGIBLE ASSETS**

The Commission has externally purchased software which is represented by the financial reporting system, Finance One.

<b>Computer Software</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<i>Internally Generated Software</i>		
Computer Software at Cost	673,129	673,129
Less: Accumulated Amortisation	(562,483)	(506,386)
Less: Derecognition	(110,646)	-
<i>Total Internally Generated Software<sup>1</sup></i>	<b>-</b>	<b>166,743</b>
<i>Externally Purchased Software</i>		
Computer Software at Cost	160,906	160,906
Less: Accumulated Amortisation	(160,906)	(145,041)
<i>Total Externally Purchased Software<sup>2</sup></i>	<b>-</b>	<b>15,865</b>
<b>Total Computer Software</b>	<b>-</b>	<b>182,608</b>
<b>Total Intangible Assets</b>	<b>-</b>	<b>182,608</b>

<sup>1</sup>The decrease in Internally Generated Software of \$166,743 is due to the derecognition of eGrants in 2016-17, the software used to process grants of legal assistance online. The costs of the replacement software (LAGrants) did not exceed \$50,000 and therefore is not recognised as an Intangible Asset.

<sup>2</sup>The decrease in Externally Purchased Software is due to the full depreciation related to the financial reporting system, Finance One.

**Reconciliation of Intangible Assets**

The following table shows the movement of each class of Intangible Assets distinguishing between internally generated and externally purchased intangibles during 2016-17.

	<b>Internally Generated Software \$</b>	<b>Externally Purchased Software \$</b>	<b>Total \$</b>
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>166,743</b>	<b>15,865</b>	<b>182,608</b>
Amortisation	(56,098)	(15,865)	(71,963)
Derecognition	(110,646)	-	(110,646)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Reconciliation of Intangible Assets**

The following table shows the movement of each class of Intangible Assets distinguishing between internally generated and externally purchased intangibles during 2015-16.

	<b>Internally Generated Software \$</b>	<b>Externally Purchased Software \$</b>	<b>Total \$</b>
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>300,572</b>	<b>32,621</b>	<b>333,193</b>
Amortisation	(133,829)	(16,756)	(150,585)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>166,743</b>	<b>15,865</b>	<b>182,608</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
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**NOTE 21. CAPITAL WORKS IN PROGRESS**

Capital Works in Progress are assets being constructed over periods of time in excess of the present reporting period. These assets often require extensive installation work or integration with other assets, and contrast with simpler assets that are ready for use when acquired, such as motor vehicles and equipment. Capital works in progress are not depreciated as the Commission is not currently deriving any economic benefits from them.

Software Works in Progress <sup>1</sup>	-	46,532
<b>Total Capital Works in Progress</b>	<b>-</b>	<b>46,532</b>

<sup>1</sup>The decrease in Software Works in Progress is due to expensing of work in 2016-17 related to internally developed software (LAGrants).

**Reconciliation of Capital Works in Progress**

The following table shows the movement of Software Works in Progress during 2016-17 and 2015-16.

<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>46,532</b>	<b>-</b>
Additions	-	46,532
Capital Works in Progress Completed and Expensed during the Year	(46,532)	-
<b>Carrying Amount at the End of the Reporting Period</b>	<b>-</b>	<b>46,532</b>

**NOTE 22. PAYABLES**

Private Legal Practitioner Payables include invoices received from private legal practitioners that were unpaid at 30 June 2017.

The Commission holds an operating lease for its tenancy at 2 Allsop Street, Canberra City. The Deferred Rent Payable represents the difference between the lease expense and the amount due, for the period from the commencement of the lease to the end of the reporting period. See Note 12: *Lease Expenses*.

**Current Payables**

Trade Payables	60,742	50,237
Other Payables	24,328	3,029
Private Legal Practitioner Payables <sup>1</sup>	144,155	32,513
Accrued Expenses <sup>2</sup>	379,053	228,758
<b>Total Current Payables</b>	<b>608,278</b>	<b>314,537</b>

**Non-Current Payables**

Deferred Rent Payable - 2 Allsop Street	713,212	724,468
<b>Total Non-Current Payables</b>	<b>713,212</b>	<b>724,468</b>
<b>Total Payables</b>	<b>1,321,490</b>	<b>1,039,005</b>

<sup>1</sup>The increase in Private Legal Practitioner Payables of \$111,642 is mainly due to the receipt of high value invoices relating to the Eastman Retrial and related proceedings in 2016-17.

<sup>2</sup>The increase in Accrued Expenses of \$150,295 is mainly due to costs incurred for the Eastman Retrial and related proceedings in June 2017, which an invoice was not received until after the end of the reporting period and receipt of higher number of invoices from private legal practitioners relating to work done up to 30 June 2017.

In relation to the ageing of payables, all payables included above are not overdue.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**              **\$**

**NOTE 22. PAYABLES - CONTINUED**

**Classification of ACT Government/Non-ACT Government Payables**

**Payables with ACT Government Entities**

Accrued Expenses	48,123	47,075
<b>Total Payables with ACT Government Entities</b>	<b>48,123</b>	<b>47,075</b>

**Payables with Non-ACT Government Entities**

Trade Payables	60,742	50,237
Other Payables	24,328	3,029
Private Legal Practitioner Payables	144,155	32,513
Accrued Expenses	330,930	181,683
Deferred Rent Payable - 2 Allsop Street	713,212	724,468
<b>Total Payables with Non-ACT Government Entities</b>	<b>1,273,367</b>	<b>991,930</b>

<b>Total Payables</b>	<b>1,321,490</b>	<b>1,039,005</b>
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**NOTE 23. LEASE INCENTIVE LIABILITY**

The Commission has an agreement to lease the tenancy of 2 Allsop Street, Canberra City which commenced on 1 April 2010. When the Commission entered into this lease, it took advantage of a cash payment in lieu of a rent free period from the landlord. The Commission has recognised the lease incentive based on a proportionate basis of the rent.

Lease Incentive Liability - Current	89,615	89,615
Lease Incentive Liability - Non Current	380,862	470,477
<b>Total Lease Incentive Liability</b>	<b>470,477</b>	<b>560,092</b>

**The Present Value of the Lease Incentive Liability is as follows:**

Within one year	89,615	89,615
Later than one year but not later than five years	358,459	358,459
Later than five years	22,404	112,018
<b>Total Present Value of Lease Incentive Liability</b>	<b>470,477</b>	<b>560,092</b>

The movement of \$89,615 in the Lease Incentive Liability in 2016-17 is due to the recognition of the cash payment in lieu of a rent free period as per the lease agreement.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
<b>NOTE 24. EMPLOYEE BENEFITS</b>		
<b>Current Employee Benefits</b>		
Annual Leave	518,331	572,590
Long Service Leave	737,171	721,632
Accrued Salaries <sup>1</sup>	91,749	46,177
<b>Total Current Employee Benefits</b>	<b>1,347,250</b>	<b>1,340,399</b>
<b>Non-Current Employee Benefits</b>		
Long Service Leave <sup>2</sup>	173,320	213,327
<b>Total Non-Current Employee Benefits</b>	<b>173,320</b>	<b>213,327</b>
<b>Total Employee Benefits</b>	<b>1,520,571</b>	<b>1,553,726</b>
<b>Estimate of When Leave is Payable</b>		
<b>Estimated Amount Payable within 12 Months</b>		
Annual Leave	275,229	188,537
Long Service Leave	64,329	55,707
Accrued Salaries	91,749	46,177
<b>Total Employee Benefits Payable within 12 months</b>	<b>431,307</b>	<b>290,421</b>
<b>Estimated Amount Payable after 12 Months</b>		
Annual Leave	243,102	384,053
Long Service Leave	846,162	879,252
<b>Total Employee Benefits Payable after 12 Months</b>	<b>1,089,264</b>	<b>1,263,305</b>
<b>Total Employee Benefits</b>	<b>1,520,571</b>	<b>1,553,726</b>

The average FTE staff for 2016-17 was 75.63 compared to 70.33 in 2015-16.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**              **\$**

**NOTE 25. PROVISION FOR AMOUNTS OWING TO PRIVATE LEGAL PRACTITIONERS**

The Provision for Amounts Owing to Private Legal Practitioners is an estimate of the cost of services provided by private legal practitioners, prior to the end of the reporting period, for which the Commission has not been invoiced. The Commission has made a commitment to the private legal practitioners that this work will be paid for on completion. Invoices from private legal practitioners received by the Commission after year end that relate to work done up to 30 June 2017 are included in accrued expenses in Note 22: *Payables*.

<b>Provision for Amounts Owing to Private Legal Practitioners</b>	<b>305,225</b>	<b>249,693</b>
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**Reconciliation of the Provision for Amounts Owing to Private Legal Practitioners**

Provision for Amounts Owing to Private Legal Practitioners at the Beginning of the Reporting Period	249,693	309,507
Add: Amount Transferred to Accrued Expenses in the Previous Reporting Period	47,753	27,707
Increase/(Decrease) in Provision for the Reporting Period	85,355	(39,768)
Reduction in Provision due to Transfer to Accrued Expenses	(77,576)	(47,753)
<b>Provision for Amounts Owing to Private Legal Practitioners at the End of the Reporting Period</b>	<b>305,225</b>	<b>249,693</b>

**NOTE 26. PROVISION FOR MAKE GOOD**

The Commission has recorded a liability and corresponding asset for the estimated cost of restoring the Commission's leased office space - 2 Allsop Street, Canberra City. Under the terms of the lease, the Commission may be required to restore the premises to a similar condition which existed prior to the occupancy, unless an option to extend the initial term of the lease is exercised. This cost will be borne on exiting the premises. The estimate is based on an independent valuation performed in 2010 by Mark Mikolajczak, Commercial Manager - ISIS Group Australia Pty Ltd.

<b>Provision for Make Good</b>	<b>502,680</b>	<b>493,850</b>
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**Reconciliation of the Provision for Make Good**

Provision for Make Good at the Beginning of the Reporting Period	493,850	458,056
Increase in Provision due to Unwinding of Discount	24,504	23,315
(Decrease)/Increase in Provision due to a Change in Accounting Estimates	(15,674)	12,479
<b>Provision for Make Good at the End of the Reporting Period</b>	<b>502,680</b>	<b>493,850</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**                      **\$**

**NOTE 27. OTHER LIABILITIES**

Revenue Received in Advance for the 2016-17 financial year relates to monies received from the Commonwealth Government for the creation of streamlined online self-service portal and another from the Australian National University for the Youth Law Centre.

**Current Other Liabilities**

Revenue Received in Advance <sup>1</sup>	137,011	32,041
<b>Total Current Other Liabilities</b>	<b>137,011</b>	<b>32,041</b>
<b>Total Other Liabilities</b>	<b>137,011</b>	<b>32,041</b>

<sup>1</sup>The increase in Other Liabilities is due to the receipt of money from the Commonwealth Government for the creation of streamlined online self-service portal. This is to improve access to justice for residents of the Australian Capital Territory by directing users to legal services and resources and assisting them to address their legal problems independently. This project will commence in 2017-18.



**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

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**NOTE 28. FINANCIAL INSTRUMENTS**

Details of significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2 (see Appendix B - *Significant Accounting Policies*).

**Interest Rate Risk**

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A significant portion of financial assets but no financial liabilities are held in floating interest rate arrangements. This means that the Commission is not exposed to movements in interest payable, however, it is exposed to movements in interest receivable. There are no unrecognised financial assets or liabilities.

Interest rate risk for financial assets is managed by the Commission by only holding cash in bank accounts with Australian banks which have been assessed as low risk. The Commission received a lower amount of interest revenue in 2016-17 when compared to 2015-16 partly due to a reduction in interest rates as well as a reduction in the amount of cash held in the Commission's bank account during the first 9 months of the reporting period.

The maximum exposure of the Commission to interest rate risk is the interest received on its Cash and Cash Equivalent holdings. The details of Cash and Cash Equivalents at the end of the reporting period together with the weighted average interest rate paid during the reporting period are given in the tables provided later in this note. There have been no changes in risk exposure or processes for managing risk since the previous financial reporting period.

*Sensitivity Analysis*

A sensitivity analysis has not been undertaken for the interest rate risk of the Commission as it has been determined that the possible impact on income and expense or total equity from fluctuations in interest rates is immaterial.

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's credit risk is limited to the amount of financial assets it holds net of any allowance for impairment. The Commission expects to collect all financial assets that are not past due or impaired.

The Commission minimises concentrations of credit risk in relation to accounts receivable by calculating contributions in accordance with a set means test which takes into account the assisted persons' income, assets and liabilities. In matters where the assisted person's financial position changes and the Commission reassesses the contribution to substantial amounts, the Commission may impose a caveat as a security over the assisted person's land holding. The Commission's exposure to credit risk for receivables is disclosed in the tables provided later in this note.

The Commission holds a bank account with Westpac. The Commission considers the risk that Westpac will fail to discharge its obligations and cause the Commission to incur a financial loss is negligible.

There have been no changes in credit risk exposure or processes for managing risks since last year.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

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**NOTE 28. FINANCIAL INSTRUMENTS - CONTINUED**

**Liquidity Risk**

Liquidity Risk is the risk that the Commission will encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Commission's financial obligations relate to the purchases of supplies and services. Another source of liquidity risk is the Commission's obligation related to employee salaries, which is the largest expenditure of the Commission.

The main sources of cash to pay these obligations are quarterly grant payments received from the ACT Government under the agreement with the Commonwealth; fortnightly payments of appropriation from the ACT Government and two payments from the ACT Law Society from the Statutory Interest Account (generally in the second half of the financial year). The Commission regularly monitors its financial position to determine whether there are any significant variances from the budget which may affect the Commission's ability to meet its emerging financial liabilities. Liquidity risk is managed by forecasting appropriation drawdown requirements to enable payment of anticipated obligations. As such, the Commission ensures it has a sufficient amount of current financial assets to meet its current financial liabilities.

The Commission's exposure to liquidity risk and the management of this risk has not changed since the previous reporting period.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 28. FINANCIAL INSTRUMENTS - CONTINUED**

**Fair Value of Financial Assets and Liabilities**

The carrying amounts and fair values of financial assets and liabilities at the end of the reporting period are:

	Carrying Amount 2017 \$	Fair Value 2017 \$	Carrying Amount 2016 \$	Fair Value 2016 \$
<b>Financial Assets</b>				
Cash and Cash Equivalents	4,413,543	4,413,543	3,621,861	3,621,861
Receivables <sup>1</sup>	47,141	47,141	61,156	61,156
<b>Total Financial Assets</b>	<b>4,460,684</b>	<b>4,460,684</b>	<b>3,683,017</b>	<b>3,683,017</b>
<b>Financial Liabilities</b>				
Payables <sup>1</sup>	1,321,490	1,321,490	1,039,005	1,039,005
<b>Total Financial Liabilities</b>	<b>1,321,490</b>	<b>1,321,490</b>	<b>1,039,005</b>	<b>1,039,005</b>

<sup>1</sup>In the table above Receivables and Payables exclude Net GST Receivables/Payables.

**Fair Value Hierarchy**

All financial assets and liabilities are measured at amortised cost subsequent to initial recognition and as such no Fair Value Hierarchy disclosures have been made.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 28. FINANCIAL INSTRUMENTS - CONTINUED**

The following table sets out the Commission's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2017. Except for non-current payables, financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Floating Interest Rate \$	Fixed Interest Maturing In:			Non-Interest Bearing \$	Total \$
				1 Year or Less \$	Over 1 Year to 5 Years \$	Over 5 Years \$		
Financial Instruments								
Financial Assets								
Cash and Cash Equivalents	16	2.37%	4,413,203	-	-	-	340	4,413,543
Receivables <sup>1</sup>	17		-	-	-	-	47,141	47,141
Total Financial Assets			4,413,203	-	-	-	47,481	4,460,684
Financial Liabilities								
Payables <sup>1</sup>	22		-	-	-	-	1,321,490	1,321,490
Total Financial Liabilities			-	-	-	-	1,321,490	1,321,490
Net Financial Assets/(Liabilities)			4,413,203	-	-	-	(1,274,009)	3,139,194

<sup>1</sup>In the table above Receivables and Payables exclude Net GST Receivables/Payables. As such, the Receivables included in the above table of \$47,141 are calculated by taking the Net GST Receivables of \$135,472 from Total Receivables of \$182,613 included in Note 17.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 28. FINANCIAL INSTRUMENTS - CONTINUED**

The following table sets out the Commission's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2016. Except for non-current payables, financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

	Note No.	Weighted Average Interest Rate	Floating Interest Rate \$	Fixed Interest Maturing In:			Non-Interest Bearing \$	Total \$
				1 Year or Less \$	Over 1 Year			
					to 5 Years \$	Over 5 Years \$		
Financial Instruments								
Financial Assets								
Cash and Cash Equivalents	16	2.82%	3,621,521	-	-	-	340	3,621,861
Receivables <sup>1</sup>	17		-	-	-	-	61,156	61,156
Total Financial Assets			3,621,521	-	-	-	61,496	3,683,017
Financial Liabilities								
Payables <sup>1</sup>	22		-	-	-	-	1,039,005	1,039,005
Total Financial Liabilities			-	-	-	-	1,039,005	1,039,005
Net Financial Assets/(Liabilities)			3,621,521	-	-	-	(977,509)	2,644,012

<sup>1</sup>In the table above Receivables and Payables exclude Net GST Receivables/Payables. As such, the Receivables included in the above table of \$61,156 are calculated by taking the Net GST Receivables of \$176,730 from Total Receivables of \$237,886 included in Note 17.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

	2017 \$	2016 \$
<hr/>		
<b>NOTE 28. FINANCIAL INSTRUMENTS - CONTINUED</b>		
<b>Carrying Amount of Each Category of Financial Asset and Financial Liability</b>		
<b>Financial Assets</b>		
Loans and Receivables Measured at Amortised Cost	47,141	61,156
<b>Financial Liabilities</b>		
Financial Liabilities Measured at Amortised Cost	1,321,490	1,039,005

The Commission does not have any financial assets in the 'Available for Sale' category or the 'Held to Maturity' category and as such these categories are not included above. Also, the Commission does not have any financial assets or liabilities in the 'Financial Assets/Liabilities at Fair Value through the Profit and Loss' categories and, as such, these categories are not included above.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**2017**      **2016**  
**\$**           **\$**

**NOTE 29. COMMITMENTS**

**Operating Leases**

The Commission has an operating lease for office accommodation. The lease has defined terms, escalation clauses and renewal rights. There are conditions in the lease that may require the Commission to make-good the site. The Commission negotiated a 12.5 year lease which terminates in September 2022, with an option for a further term of 5 years, which if exercised would enable the Commission to avoid the make-good obligation. See also Note 26: *Provision for Make Good*.

At the end of 2016-17 the Commission also held a non-cancellable operating lease for a motor vehicle. The term of the operating lease is 34 months.

Contingent rental payments have not been included in the commitments below.

Non-cancellable operating lease commitments are payable as follows:

Within one year	1,054,544	1,056,293
Later than one year but not later than five years	4,204,185	4,207,683
Later than five years	262,762	1,313,808
<b>Total Operating Lease Commitments</b>	<b>5,521,490</b>	<b>6,577,784</b>

All amounts shown in the Commitments note are inclusive of GST.

**NOTE 30. THIRD PARTY MONIES**

The Commission holds money in trust on behalf of clients, whilst awaiting instructions for disbursement of those funds. Section 9(5) of the *Legal Aid Act 1977* states that the provisions of the *Legal Profession Act 2006* concerning keeping and auditing of accounts do not apply in relation to money held by the Commission on trust. Nevertheless, the Commission follows as closely as possible the trust account rules as better practice for the administration of its trust account.

**Third Party Monies held by the Commission**

<b>Balance at the Beginning of the Reporting Period</b>	<b>429,278</b>	<b>159,722</b>
Cash Receipts	338,778	2,195,113
Cash Payments	(507,214)	(1,925,557)
<b>Balance at the End of the Reporting Period</b>	<b>260,842</b>	<b>429,278</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 31. RELATED PARTY DISCLOSURES**

A related party is a person that controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Commission, directly or indirectly.

KMP of the Commission are the Chief Executive Officer, Deputy Chief Executive Officer, and the members of the Board of Commissioners. The Commissioners of the Legal Aid Commission (ACT) who held office during the financial year, and their period since appointment were:

Gail Kinsella	7 years, 2 months
Walter Hawkins	4 years, 11 months
John Boersig	3 years, 7 months
Amanda Tonkin	2 years, 1 month (finished 15 August 2016)
Alison Playford	3 years
Jon Stanhope	2 years, 7 months
Genevieve Bolton	1 year, 11 months
Kym Duggan	1 year, 1 month
Marcus Hassall	6 months (commenced 28 January 2017)

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of the Commission.

This note does not include typical citizen transactions between the KMP and the Commission that occur on terms and conditions no different to those applying to the general public.

**(A) CONTROLLING ENTITY**

The Legal Aid Commission (ACT) is an independent statutory authority within the ACT, established under the *Legal Aid Act 1977* and is an ACT Government controlled entity.

**(B) KEY MANAGEMENT PERSONNEL**

**Compensation of Key Management Personnel**

Compensation of all Cabinet Ministers is disclosed in the note on related party disclosures included in the ACT Executive's financial statements for the year ended 30 June 2017.

Compensation of the Head of Service is included in the note on related party disclosures included in the Chief Minister, Treasury and Economic Development Directorate's (CMTEDD) financial statements for the year ended 30 June 2017.

Compensation by the Commission to KMP is set out below.

	<b>2017</b>
	<b>\$</b>
Short-term employee benefits	561,091
Post employment benefits	88,281
Other long-term benefits	38,461
Termination benefits	-
Board member fees	27,331
<b>Total Compensation by the Commission to KMP</b>	<b><u>715,164</u></b>



**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 31. RELATED PARTY DISCLOSURES - CONTINUED**

**Transactions with Key Management Personnel**

There were no transactions with KMP that were material to the financial statements of the Commission.

**Transactions with parties related to Key Management Personnel**

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of the Commission.

**(C) TRANSACTIONS WITH OTHER ACT GOVERNMENT CONTROLLED ENTITIES**

All transactions with ACT Government controlled entities are disclosed in the relevant notes to the financial statements of the Commission.

	2017	2016
	\$	\$

**NOTE 32. CASH FLOW RECONCILIATION**

**(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement to the Equivalent Items in the Balance Sheet.**

Total Cash and Cash Equivalents Recorded in the Balance Sheet	4,413,543	3,621,861
<b>Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement</b>	<b>4,413,543</b>	<b>3,621,861</b>

**(b) Reconciliation of the Operating (Deficit) to the Net Cash Inflows/(Outflows) from Operating Activities**

Operating (Deficit)	(19,261)	(1,300,099)
<b>Add/(Less) Non-Cash Items</b>		
Depreciation of Property, Plant and Equipment	380,690	358,501
Amortisation of Intangibles	71,962	150,585
Derecognition of Leasehold Improvements	-	63,758
Derecognition of Intangible Assets	110,646	-
Capital Works in Progress Expensed	46,532	-
<b>Add/(Less) Items Classified as Investing or Financing</b>		
Net (Gain) on Disposal of Non-Current Assets	-	(106)
<b>Cash Before Changes in Operating Assets and Liabilities</b>	<b>590,569</b>	<b>(727,361)</b>
<b>Changes in Operating Assets and Liabilities</b>		
Decrease/(Increase) in Receivables	55,273	(26,421)
(Increase) in Other Assets	(134,782)	(3,426)
Increase/(Decrease) in Payables	282,485	(40,134)
(Decrease) in Employee Benefits	(33,155)	(50,269)
Increase in Provision for Make Good	24,504	23,315
(Decrease) in Lease Incentive	(89,615)	(89,615)
Increase/(Decrease) in Provision for Amounts Owing to Private Legal Practitioners	55,532	(59,815)
Increase in Other Liabilities	104,970	707
<b>Net Changes in Operating Assets and Liabilities</b>	<b>265,210</b>	<b>(245,658)</b>
<b>Net Cash Inflows from Operating Activities</b>	<b>855,778</b>	<b>(973,019)</b>

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

**NOTE 33. BUDGETARY REPORTING**

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met:

(a) The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and

(b) The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

	<b>Actual 2016-17 \$</b>	<b>Original Budget<sup>1</sup> 2016-17 \$</b>	<b>Variance \$</b>	<b>Variance %</b>	<b>Variance Explanation</b>
<b>Operating Statement Line Items</b>					
Supplies and Services	5,418,618	4,798,000	620,618	12.93%	Supplies and Services exceeded the budget mainly due to higher external legal expenses due to a higher than expected number of grants undertaken by private legal practitioners in 2016-17.
<b>Balance Sheet Line Items</b>					
Current Payables	608,278	336,000	272,278	81.04%	Current Payables exceeded the budget amount mainly due to Private Legal Practitioner Payables being higher than originally estimated in the budget. This is due to the receipt of higher than anticipated accounts payable relating to the Eastman Retrial and related proceedings in June 2017.  Current Payables also exceeded the budget due to higher than anticipated Accrued Expenses resulting from the receipt of a higher number of invoices from private legal practitioners relating to work done up to 30 June 2017.
Current Employee Benefits	1,347,250	1,601,000	(253,750)	(15.85%)	Current Employee Benefits was below the budget amount mainly due to the lower than anticipated Accrued Salaries and Provision for Annual Leave. The lower Provision for Annual Leave is mainly due to a number of employees taking a significant amount of annual leave in 2016-17.

<sup>1</sup>Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2016-17 Statement of Intent). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

**Legal Aid Commission (ACT)**  
**Notes to and Forming Part of the Financial Statements**  
**For the Year Ended 30 June 2017**

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**NOTE 33. BUDGETARY REPORTING - CONTINUED**

	<b>Actual</b>	<b>Original</b>			
	<b>2016-17</b>	<b>Budget<sup>1</sup></b>	<b>Variance</b>	<b>Variance</b>	<b>Variance Explanation</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>	

**Statement of Changes in Equity Line Items**

These line items are covered in other financial statements.

**Cash Flow Statement Line Items**

Purchase of Property, Plant and Equipment	64,098	50,000	14,098	28.20%	Purchase of Property, Plant and Equipment exceeded the budgeted amount due mainly to the purchase of more Computer Equipment than budgeted. In addition, the Commission undertook a renovation to its server room and level one accommodation which was not included in the budget because the decision to undertake this renovation was made after the budget was prepared.
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<sup>1</sup>Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (2016-17 Statement of Intent). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

**Legal Aid Commission (ACT)**  
**Appendix A - Basis of Preparation of the Financial Statements**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Basis of Preparation of the Financial Statements**

**LEGISLATIVE REQUIREMENT**

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government agencies.

The FMA and the *Financial Management Guidelines* issued under the FMA, requires an agency's financial statements to include:

- (i) an Operating Statement for the reporting period;
- (ii) a Balance Sheet at the end of the reporting period;
- (iii) a Statement of Changes in Equity for the reporting period;
- (iv) a Cash Flow Statement for the reporting period;
- (v) a Statement of Appropriation for the reporting period;
- (vi) an Operating Statement for each class of output for the reporting period;
- (vii) the significant accounting policies adopted for the reporting period; and
- (viii) such other statements as are necessary to fairly reflect the financial operations of the Commission during the year and its financial position at the end of the reporting period.

These general-purpose financial statements have been prepared to comply with Australian Accounting Standards as required by the FMA. The financial statements have been prepared in accordance with:

- (i) Australian Accounting Standards;
- (ii) ACT Accounting and Disclosure Policies.

**ACCRUAL ACCOUNTING**

The financial statements have been prepared using the accrual basis of accounting, which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention.

**CURRENCY**

These financial statements are presented in Australian dollars, which is the Commission's functional currency.

**INDIVIDUAL REPORTING ENTITY**

The Commission is an individual reporting entity.

**REPORTING PERIOD**

These financial statements state the financial performance, changes in equity and cash flows of the Commission for the year ending 30 June 2017 together with the financial position of the Commission at 30 June 2017.

**COMPARATIVE FIGURES**

**Budget Figures**

The *Financial Management Act 1996* requires the financial statements to facilitate a comparison with the Statement of Intent. Budget information provided for 2016-17 matches the budget information contained in the Commission's Statement of Intent (included in the 2016-17 Budget Papers).

**Prior Year Comparatives**

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements are amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

**Rounding**

All amounts in the financial statements have been rounded to the nearest dollar (\$). Use of "-" represents zero amounts or amounts rounded down to zero.

**GOING CONCERN**

The 2016-17 financial statements have been prepared on a going concern basis as the ongoing functions, activities and funding of the Commission are set out in the 2017-18 Statement of Intent.

**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies**

**SIGNIFICANT ACCOUNTING POLICIES - INCOME**

**REVENUE RECOGNITION**

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. In addition, the following criteria must be met before revenue is recognised:

**Note 4 Controlled Recurrent Payments**

Controlled Recurrent Payments are recognised as revenue when the Commission gains control over the funding. Control over appropriated funds is normally obtained upon the receipt of cash.

Effective from 1 July 2016 the term appropriation for the provision of outputs (or Government Payment for Outputs) was replaced with the term Controlled Recurrent Payments.

**Note 5 User Charges - Non-ACT Government**

*Assisted Person Contributions*

Assisted person contributions are recognised at the time of granting legal assistance. These contributions can be reassessed at any stage during the grant, including upon finalisation.

**Note 6 Grant Revenue**

Grant revenue is recognised as revenue when the Commission gains control over the funding. Control over grant revenue is obtained on receipt of the funds, or where relevant, when grant milestones have been met.

**Note 7 Other Revenue**

Other Revenue arises from the core activities of the Commission. Other Revenue is distinct from Other Gains, as Other Gains are items that are not part of the core activities of the Commission.

**SIGNIFICANT ACCOUNTING POLICIES - EXPENSES**

**Note 9 Superannuation Expenses**

The Commission receives funding for superannuation payments as part of the Controlled Recurrent Payments. The Commission makes fortnightly payments to the Territory Banking Account to extinguish the Commission's superannuation liability for employees who are members of the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS). This payment does not include the CSS and PSS productivity component which is paid directly to the Commonwealth Superannuation Corporation (CSC) by the Commission.

Superannuation payments have also been made directly to superannuation funds for those members of the Public Sector who are part of superannuation accumulation schemes. This includes the Public Sector Superannuation Scheme Accumulation Plan (PSSap) and schemes of employee choice.

The Commission's accruing superannuation liability obligations are expensed as they are incurred.

*Superannuation Liability Recognition*

The superannuation liability for the Territory's relevant share of the employer financed portion of entitlements of all employees participating in the CSS and PSS schemes who became Territory employees with effect on or after 1 July 1989 is recognised at a total Territory level in the Territory's Superannuation Provision Account.

The ACT Government reimburses the CSC annually for the Territory's share of employer superannuation benefits paid to entitled Territory employees who are, or were, members of the CSS and PSS. These reimbursement payments are made from the Superannuation Provision Account.

**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies - Continued**

**SIGNIFICANT ACCOUNTING POLICIES - EXPENSES - CONTINUED**

**Note 10 Supplies and Services**

*Insurance*

In 2016-17 the Commission insured all of its major risks through Allianz Australia Insurance Ltd, Latitude Underwriting Australia, SURA Engineering Pty Ltd and Accident and Health International Underwriting Pty Ltd. The excess payable, under these arrangements, varies depending on each class of insurance held by the Commission. The Territory is ultimately responsible for the payment of any money owing by the Commission for any negligent act or omission by any officer of the Commission in performing their duties (Section 91 of the *Legal Aid Act 1977*).

*Operating Leases*

The Commission has entered into operating leases. Operating leases do not effectively transfer to the Commission substantially all of the risks and rewards incidental to ownership of the asset under an operating lease. Operating lease payments are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease.

**Note 11 Depreciation and Amortisation**

*Depreciation and Amortisation of Non-Current Assets*

Amortisation is used in relation to intangible assets and depreciation is applied to physical assets such as property, plant and equipment.

Leasehold improvements are depreciated over the estimated useful life of the asset, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values which remain for each asset.

Depreciation and amortisation for non-current assets is determined as follows:

<b>Class of Asset</b>	<b>Depreciation / Amortisation Method</b>	<b>Useful Life (Years)</b>
Furniture and Fittings	Straight Line	10 to 20
Office and Computer Equipment	Straight Line	2 to 5
Software	Straight Line	5
Leasehold Improvements	Straight Line	12.5
Motor Vehicles	Straight Line	2 to 3

The useful lives of all major assets are assessed on an annual basis.

**Note 14 Waivers, Impairment Losses and Write-offs**

*Waivers*

Debts that are waived are expensed during the year in which the right to payment was waived.

*Impairment Losses - Assets*

Expense impairment losses of assets include: plant and equipment, leasehold improvements and intangible assets (see Appendix B - Note 19 Property, Plant and Equipment)

*Impairment Losses and Write-offs - Receivables*

The impairment loss was expensed during the year in which the receivable was impaired.

**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies - Continued**

**SIGNIFICANT ACCOUNTING POLICIES - ASSETS**

**ASSETS - CURRENT AND NON-CURRENT**

Assets are classified as current or non-current in the Balance Sheet and in the relevant notes. Assets are classified as current when they are expected to be realised within 12 months after the reporting date.

Assets which do not fall within the current classification are classified as non-current.

**Note 16 Cash and Cash Equivalents**

Cash includes cash at bank and cash on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Note 17 Receivables**

Accounts receivable (including trade receivables and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount recorded in the Operating Statement. Assisted person contributions are levied at the time of granting legal assistance. These contributions can be reassessed at any stage during the grant including upon finalisation. If assisted persons are unable to pay immediately, then they are given the opportunity to pay by instalments. No interest is charged on outstanding debts.

*Impairment Loss - Receivables*

The allowance for impairment losses represents the amount of assisted person contributions that the Commission estimates will not be repaid. The allowance for impairment losses is based on objective evidence of impairment. The Commission considers the following is objective evidence of impairment:

- becoming aware of financial difficulties of debtors;
- default payments; or
- debts more than 90 days overdue.

The amount of the allowance is recognised in the Operating Statement. The allowance for impairment losses is written-off against the allowance account when the Commission ceases action to collect the debt when it is considered that it will cost more to recover the debt than the debt is worth. This is generally when the debts are greater than one year old from when they were initially recognised and attempts to recover the debts have been unsuccessful.

*Caveats - Receivables*

The Commission can secure a debt against an assisted person's real property (land holding), under Section 31A of the *Legal Aid Act 1977*, in circumstances where immediate repayment of the debt would cause severe hardship.

*Significant Judgements and Estimates - Allowance for Impairment Losses for Receivables*

The Commission has made a significant estimate in the calculation of the allowance for impairment losses for receivables from assisted person contributions. This significant estimate is based on the Commission's view that receivables are impaired when the debtor is in financial difficulty or default or when the debt is more than 90 days overdue.

**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies - Continued**

**ASSETS - CURRENT AND NON-CURRENT - CONTINUED**

**Note 19 Property, Plant and Equipment**

*Acquisition and Recognition of Property, Plant and Equipment*

Property, plant and equipment is initially recorded at cost.

Where property, plant and equipment is acquired at no or minimal cost, cost is its fair value at the date of acquisition.

Property, plant and equipment with a minimum value of \$2,000 is capitalised.

*Measurement of Property, Plant and Equipment after Initial Recognition*

The Commission measures its property, plant and equipment assets subsequent to initial recognition at cost.

*Impairment Loss - Assets*

The Commission assesses at each reporting date whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. However, intangible assets that are not yet available for use are tested annually for impairment regardless of whether there is an indication of impairment, or more frequently if events or circumstances indicate they might be impaired.

Impairment losses for property, plant and equipment and intangible assets are recognised in the Operating Statement, as these asset classes are carried at cost and the carrying amount of the asset is reduced to its recoverable amount.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

*Significant Judgements and Estimates - Estimation of the Useful Lives of Property Plant and Equipment (PPE)*

The Commission has made a significant estimate in determining the useful lives of its PPE. The estimation of useful lives of PPE has been based on the historical experience of similar assets. The useful lives are assessed on an annual basis and any adjustments are made when considered necessary.

Further disclosure concerning an asset's useful life can be found at Appendix B - Note 11 Depreciation and Amortisation.

**Note 20 Intangible Assets**

The Commission's intangible assets are comprised of internally generated and externally acquired software for internal use. Externally acquired software is recognised and capitalised when:

- (a) it is probable that the expected future economic benefits attributable to the software will flow to the Commission;
- (b) the cost of the software can be measured reliably; and
- (c) the acquisition cost is equal to or exceeds \$50,000.

Internally generated software is recognised when it meets the general recognition criteria outlined above and where it also meets the specific recognition criteria relating to intangible assets arising from the development phase of an internal project.

Capitalised software has a finite useful life. Software is amortised on a straight-line basis over its useful life, over a period not exceeding 5 years.

Intangible assets are measured at cost.



**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies - Continued**

**SIGNIFICANT ACCOUNTING POLICIES - LIABILITIES**

**LIABILITIES - CURRENT AND NON-CURRENT**

Liabilities are classified as current or non-current in the Balance Sheet and in the relevant notes. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Commission does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Liabilities which do not fall within the current classification are classified as non-current.

*Taxation*

The Commission is exempt from Income Taxation and receives a Fringe Benefits Tax concession under a ruling by the Australian Taxation Office granting the Commission Public Benevolent Institution status.

**Note 22 Payables**

Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 15 days after an invoice is received.

Payables include trade payables, other payables, accrued expenses and amounts owing to private legal practitioners.

*Grants of Legal Assistance - Payables*

In accordance with the *Legal Aid Act 1977* and guidelines made under the Act, the Commission provides Grants of Legal Assistance to eligible applicants. The Grant sets out the types of legal costs and maximum amounts which the Commission may fund in relation to the case. In many cases the amounts included in the Grant are not fully expended due to changes during the running of the case. Should further costs be required, these must be applied for and approved by the Commission through an Extension to the Grant. Depending on the course of a particular case and circumstances of the assisted person, the Commission may withdraw or modify the Grant, for example, if an improvement in the assisted person's financial position means that they no longer satisfy the means test.

The Commission does not recognise a liability or a contingent liability when a client is informed that their legal assistance application has been approved. A liability is only recognised when approved legal services have been provided by private practitioners.

A provision for work performed by private practitioners but not invoiced as at the reporting date is recorded by the Commission in a Provision for Amounts Owing to Private Legal Practitioners shown in Note 25.

A payable for private legal practitioners is recognised when an invoice is received from a solicitor for performing a legal service for approved clients. Invoices received by the Commission after year end for legal services provided under these approvals are reclassified from the Provision for Amounts Owing to Private Legal Practitioners to Accrued Expenses.

See further disclosure at Appendix B - Note 25 Provision for Amounts Owing to Private Legal Practitioners.

**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies - Continued**

**LIABILITIES - CURRENT AND NON-CURRENT - CONTINUED**

**Note 24 Employee Benefits**

Employee benefits include:

- short-term employee benefits such as wages and salaries, annual leave loading, and applicable on-costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- other long-term benefits, such as long service leave and annual leave; and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

*Wages and Salaries*

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

*Annual and Long Service Leave*

Annual and long service leave, including applicable on-costs, that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments are estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. In 2016-17, the rate used to estimate the present value of future annual leave payments is 99.8% (101.4% in 2015-16).

In 2016-17, the rate used to estimate the present value of future payments for long service leave is 103.4% (114.7% in 2015-16). The use of a lower rate resulted in a decrease in the long service liability and related expense of approximately \$99,500.

The long service leave liability is estimated with reference to the minimum period of qualifying service of 7 years. For employees with less than the required minimum period, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in-service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

*Significant Judgements and Estimates - Employee Benefits*

The estimated liability for annual and long service leave requires a consideration of the future wage and salary levels, experience of employee departures, probability that leave will be taken in service and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable.

The significant judgements and assumptions included in the estimation of annual and long service leave liabilities include an assessment by an actuary. The Australian Government Actuary performed this assessment in May 2014. The assessment by an actuary is performed every 5 years. However, it may be performed more frequently if there is a significant contextual change in the parameters underlying the 2014 report. The next actuarial review is expected to be undertaken by May 2019.

**Legal Aid Commission (ACT)**  
**Appendix B - Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Significant Accounting Policies - Continued**

**LIABILITIES - CURRENT AND NON-CURRENT - CONTINUED**

**Note 25 Provision for Amounts Owing to Private Legal Practitioners**

*Significant Judgements and Estimates - Provision for Amounts Owing to Private Legal Practitioners*

The Commission has made a significant estimate to calculate the value of work performed by private legal practitioners but not invoiced to the Commission as at the balance sheet date. For all legal expenses in the year, the Commission has recorded the length of time between the practitioner providing the service and receipt of the invoice. The provision is calculated by applying the average length of time to the total value of work performed by private legal practitioners in the reporting period.

**Note 26 Provision for Make Good**

*Significant Judgements and Estimates - Provision for Make Good*

The Commission has made a significant estimate in the calculation of the cost of returning the premises occupied by the Commission to a similar condition to that which existed prior to occupancy.

**Note 27 Other Liabilities**

*Revenue Received in Advance*

Revenue received in advance is recognised as a liability if there is a present obligation to return the funds received, otherwise all are recorded as revenue.

**SIGNIFICANT ACCOUNTING POLICIES - OTHER NOTES**

**Note 31 Related Party Disclosures**

A related party is a person that controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

**Note 33 Budgetary Reporting**

*Explanation of Major Variances between Actual Amounts and Original Budget Amounts*

Explanations of major variances between the 2016-17 original budget and the 30 June 2017 actual results are discussed in Note 33: Budgetary Reporting. The definition of 'major variances' is provided in *Significant Accounting Judgements and Estimates – Budgetary Reporting*.

*Significant Judgements and Estimates - Budgetary Reporting*

Significant judgements have been applied in determining what variances are considered as 'major variances' requiring explanations in Note 33: Budgetary Reporting. Variances are considered to be major variances if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% of the budget for the financial statement line item.

**Legal Aid Commission (ACT)**  
**Appendix C - Impact of Accounting Standards Issued But Yet to Be Applied**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Impact of Accounting Standards Issued But Yet to Be Applied**

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. The Commission does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date.

- AASB 9 Financial Instruments (December 2014) (application date 1 January 2018);  
This standard supersedes AASB 139 *Financial Instruments: Recognition and Measurement*. The main impact of AASB 9 is that it will change the classification, measurement and disclosures of the Commission's financial assets. No material financial impact on the Commission is expected.
- AASB 15 Revenue from Contracts with Customers (application date 1 January 2018 for for profit entities, 1 January 2019 for not-for-profit entities);  
AASB 15 is the new standard for revenue recognition. It establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces AASB 111 Construction Contracts and AASB 118 Revenue. The Commission is currently assessing the impact of this standard and has identified there could be a potential impact on the timing of the recognition of revenue for user charges. At this stage the Commission is not able to estimate the impact of this new standard on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.
- AASB 2016-7 *Amendments to Australian Accounting Standards - Deferral of AASB for Not-for-Profit Entities* defers the effective date of AASB 15 for not-for-profit entities to 1 January 2019.
- AASB 16 Leases (application date 1 January 2019);  
AASB 16 is the new standard for leases. It 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 value is low. At this stage the Commission is not able to estimate the impact of this new standard on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.
- AASB 1058 income for Not-for-Profit (application date 1 January 2019);  
This standard clarifies and simplifies the income recognition requirements that apply to not-for-profit entities in conjunction with AASB 15 Revenue from Contracts with Customers. These standards supersede all the income recognition requirements relating to private sector not-for-profit entities, and the majority of income recognition requirements relation to public sector not-for-profit entities, previously in AASB 1004 Contributions. At this stage the Commission is not able to estimate the impact of this new standard on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.
- 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 Interpretations 2, 5, 10, 12, 19, 107 & 127] (application date 1 January 2018);  
This standard makes consequential amendments to a number of standards and interpretations as a result of the issuing of AASB 9 in December 2010. No material financial impact on the Commission is expected.
- AASB 2014-1 Amendments to Australian Accounting Standards – Part E Financial Instruments [AASB 1, 3, 4, 5, 7, 9 (December 2009), 9 (December 2010), 101, 102, 108, 112, 118, 120, 121, 132, 136, 137, 139, Interpretation 2, 5, 10, 12, 16, 19, and 107] (application date 1 January 2018);  
Part E of this standard defers the application of AASB 9 to 1 January 2018. No material financial impact on the Commission is expected.
- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 [AASB 1, 3, 4, 9 (December 2009) (December 2010), 101, 102, 112, 116, 132, 134, 136, 137, 138, 139, 140, 1023, 1038, 1039, 1049, 1053, 1056, Interpretation 12, 127, 132, 1031, 1038 & 1052] (application date 1 January 2018);  
This standard makes consequential amendments to a number of standards and interpretations as a result of the issuing of AASB 15. The Commission is assessing the potential impact of AASB 15.

**Legal Aid Commission (ACT)**  
**Appendix C - Impact of Accounting Standards Issued But Yet to Be Applied**  
**Forms Part of Note 2 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Impact of Accounting Standards Issued But Yet to Be Applied - Continued**

- AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)  
[AASB 1, 2, 3, 4, 5, 7, 13, 101, 102, 108, 110, 112, 120, 121, 123, 128, 132, 133, 136, 137, 139, 1023, 1038, 1049, Interpretation 2, 5, 10, 12, 16, 19 & 127] (application date 1 January 2018);  
This standard makes consequential amendments to a number of standards and interpretations as a result of the issuing of AASB 9 (December 2014). No material financial impact on the Commission is expected.
- AASB 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15 (application date 1 January 2017);  
This standard deferred the application date of AASB 15 *Revenue from Contracts with Customers* to 1 January 2018.  
AASB 2016-17 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities further defers the application date of AASB 15 for not-for-profit entities until 1 January 2019. At this stage the Commission is not able to estimate the impact of AASB 15 on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 (application date 1 January 2017);  
This standard amends AASB 107 *Statement of Cash Flows* to require agencies preparing financial statements in accordance with Tier 1 reporting requirements to provide 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. This standard relates to disclosure only and there is no material financial impact on the Commission.
- AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 (application date 1 January 2018);  
This standard clarifies the existing requirements of AASB 15. The Commission is not able to estimate the impact of AASB 15 on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.
- AASB 2016-7 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-profit entities (application date 1 January 2017, which was the original mandatory effective date of AASB 15);  
This standard amends the mandatory effective date of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by these entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018. At this stage the Commission is not able to estimate the impact of AASB 15 on its financial statements. The Commission will make a more detailed assessment of the impact over the next 12 months.
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities [AASB 9 & 15] (application date 1 January 2019);  
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. The amendments to AASB 9 address the initial measurement and recognition of non-contractual receivables arising from statutory requirements (including taxes, rates and fines). The amendments to AASB 15 address the following aspects of accounting for contracts with customers: identifying a contract with a customer; identifying performance obligations; and allocating the transaction price to performance obligations. The Commission will assess the impact of this implementation guidance on its financial statements over the next 12 months.

**Legal Aid Commission (ACT)**  
**Appendix D - Change in Accounting Estimates**  
**Forms Part of Note 3 of the Financial Statements**  
**For the Year Ended 30 June 2017**

**Change in Accounting Estimates**

**CHANGE IN ACCOUNTING ESTIMATE**

The Commission had the following changes in accounting estimates during the reporting period:

**Note 24 Employee Benefits**

As disclosed in Appendix B Note 24: Employee Benefits, long service leave is measured at the present value of estimated payments to be made in respect of services provided by employees up to the reporting date. The present value of long service leave payments are estimated using the Commonwealth Government bond rate. The present value factor was 114.7% in 2015-16 and 103.4% in 2016-17. This rate reduction has resulted in a decrease of approximately \$99,500 to the Commission's estimated long service leave liability and expense in the current reporting period.

## CAPITAL WORKS

There were no capital works projects undertaken in the 2016-17 financial year.

*Contact – Chief Finance Officer – (02) 6243 3445*

## ASSET MANAGEMENT

### ASSETS MANAGED

The Commission's property, plant and equipment assets are mainly comprised of an office fit-out at 2 Allsop Street, and furniture and equipment normally associated with a professional office such as computer equipment, desks and chairs. As shown in the Commission's financial statements the value of these assets at 30 June 2017 was \$1,770,659. The Commission has no intangible assets at 30 June 2017. During the year the Commission has derecognised its internally generated software which provided online grants management processing (eGrants) valued at \$110,646. The costs of the replacement software (LAgrants) did not exceed \$50,000 and therefore is not recognised as an Intangible Asset. Further externally purchased software in relation to the financial reporting system, Finance One, was fully depreciated during the year.

The assets added to the Commission's asset register in 2016-17 mainly consisted of leasehold improvements of \$31,471 and office and computer equipment of \$28,448.

There was \$25,116 spent on repairs and maintenance in 2016-17, \$21,921 relating to leasehold improvements and \$3,194 relating to office equipment.

### OFFICE ACCOMMODATION

The Commission had up to 94 employees and 20 additional placements at any one time in leased accommodation at 2 Allsop Street, Canberra during 2016-17. The placements consisted of staff from the Environmental Defender's Office, university students, student supervisors and volunteers. The total space occupied by these persons is approximately 1,294 m<sup>2</sup>. The average space per person is approximately 11.35m<sup>2</sup>. This figure includes all areas where administrative functions are performed and excludes interview rooms, family dispute resolution conferencing facilities and circulation areas

*Contact – Chief Finance Officer – (02) 6243 3445.*

## GOVERNMENT CONTRACTING

The Commission utilises the services of contractors to carry out its business operations. The Commission executed four contracts throughout 2016-17 with non-ACT Government entities with an estimated value of \$25,000 or more per contract. There were NIL Social Procurement outcomes during the year due to the Commission being a smaller size.

The table below shows the details of contracts the Commission has executed in 2016-17 with an estimated value of \$25,000 or more.

Contract #	Contract Title	Procurement Methodology	Procurement Type	Exemption from Quotation and Tender Threshold requirements	Contractor Name	Contract Amount	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
3002	Provision of Office Cleaning Services and Supplies	Contract extension (exercised option)	Services (non-consultancy)	No	UltraCare Cleaning Services	\$101,008.29 (Total value of this particular contract only)	01/06/2016 (Contract Execution date may differ from contract commencement date).	30/06/2018	Yes
3017	Visualfiles Annual Maintenance	Single Select	Services (non-consultancy)	Yes	Reed International Books Australia PTY Limited T/A Lexis Nexis	\$49,397.30 (Total value of this particular contract only).	01/01/2017 (Contract Execution date may differ from contract commencement date).	31/12/2017	No
3018	Finance Management Software Support and Maintenance	Single Select	Services (non-consultancy)	Yes	Technology One Ltd	\$30,605.71 (Total value of this particular contract only).	19/01/2017 (Contract Execution date may differ from contract commencement date).	18/01/2018	No



Contract #	Contract Title	Procurement Methodology	Procurement Type	Exemption from Quotation and Tender Threshold requirements	Contractor Name	Contract Amount	Execution Date	Expiry Date	Small to Medium Enterprise (SME)
LAACT0001	Legal Aid ACT and Taverner Research	Quotation	Services (non-consultancy)	No	Taverner Research	\$32,615.00 (Total value of this particular contract only)	07/02/2017 (Contract Execution date may differ from contract commencement date)	06/05/2017	No

Contact – Chief Financial Officer – (02) 6243 3445



**Legal Aid** ACT

STATEMENT OF PERFORMANCE

## REPORT OF FACTUAL FINDINGS

### LEGAL AID COMMISSION (ACT)

#### To the Members of the ACT Legislative Assembly

##### Review opinion

I am providing an **unqualified review opinion** on the statement of performance of the Legal Aid Commission (ACT) (the Commission) for the year ended 30 June 2017.

During the review, no matters were identified which indicate that the results of the accountability indicators reported in the statement of performance are not fairly presented in accordance with the *Financial Management Act 1996*.

##### Basis for the review opinion

The review was conducted in accordance with the Australian Auditing Standards. I have complied with the requirements of the Accounting Professional and Ethical Standards 110 *Code of Ethics for Professional Accountants*.

I believe that sufficient evidence was obtained during the review to provide a basis for the review opinion.

##### Responsibility for preparing and fairly presenting the statement of performance

The Chief Executive Officer of the Commission is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

##### Responsibility for the review of the statement of performance

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*, the Auditor-General is responsible for issuing a report of factual findings on the statement of performance of the Commission.

As required by Australian Auditing Standards, the auditors:

- applied professional judgement and maintained scepticism;
- identified and assessed the risks of material misstatements due to error or fraud\* and implemented procedures to address these risks so that sufficient evidence was obtained to form a review opinion; and
- reported the scope and timing of the review and any significant deficiencies in reporting practices identified during the review to the Chief Executive Officer.

(\*The risk of not detecting material misstatements due to fraud is higher than the risk due to error, as fraud may involve collusion, forgery, intentional omissions or misrepresentations or the override of internal controls.)

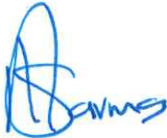
### Limitations on the scope of the review

The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide limited assurance that the results of the accountability indicators reported in the statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Commission, performing analytical and other review procedures, and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

This review does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations;
- adequacy of controls implemented by the Commission; or
- integrity of reviewed statement of performance presented electronically or information hyperlinked to or from the statement of performance. Assurance can only be provided for the printed copy of the reviewed statement of performance.



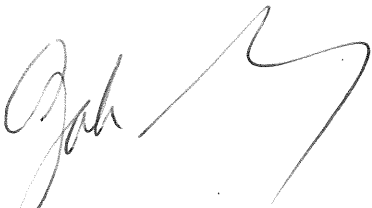
Ajay Sharma  
Acting Director, Financial Audits  
18 September 2017

**Legal Aid Commission (ACT)**  
**Statement of Performance**  
**For the Year Ended 30 June 2017**

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**Statement of Responsibility**

In my opinion, the Statement of Performance is in agreement with the Commission's records and fairly reflects the service performance of the Commission for the year ended 30 June 2017 and also fairly reflects the judgements exercised in preparing it.



John Boersig  
Chief Executive Officer  
Legal Aid Commission (ACT)  
17 August 2017

**Legal Aid Commission (ACT)**  
**Statement of Performance**  
**For the Year Ended 30 June 2017**

**Output Class 1 - Legal Aid Services**

**Output 1.1 - Legal Aid Services Provided to the Community**

**Description**

The Commission provides a full range of legal assistance services to the community through Commission staff and private legal practitioners. This output includes salaries and related costs of Commission staff as well as payments to private legal practitioners and the cost to the Commission of administering these arrangements. Private legal practitioners are paid professional fees and disbursements on the basis of agreed scales, up to a commitment level determined by the Commission on an individual case basis.

	<b>Original Target 2016-17</b>	<b>Actual Result 2016-17</b>	<b>% Variance from Original Target</b>	<b>Explanation of Material Variances</b>
<b>Total Cost (\$'000)</b>	14,410	14,765	2%	Total Cost exceeded the budget amount due mainly to higher than expected costs relating to the Commonwealth project - Family Advocacy and Support Services. Additionally, higher than budgeted Supplies and Services resulting from a high number of cases being managed externally in 2016-17. This was partially offset by the lower than budgeted Employee Expenses resulting from less staff being employed throughout 2016-17 than originally budgeted. As a result, more of the complex cases were referred to private legal practitioners during 2016-17 than expected.
<b>Controlled Recurrent Payments (\$'000)</b>	12,697	13,478	6%	Controlled Recurrent Payments exceeded the budget amount mainly due to the higher than anticipated revenue related to the Eastman Retrial, as well as the additional Commonwealth funding to support Family Advocacy and Support Services. These were partially offset by the unutilised portion of the funds for the 2016-17 Eastman Retrial and related proceedings, which arose from the delays in the estimated timing of the Retrial.

Accountability Indicators	Original Target 2016-17	Actual Result 2016-17	% Variance from Original Target	Explanation of Material Variances
Number of Discrete Assistance services provided	38,000	37,797	(1%)	The higher than targeted number of duty lawyer services provided by the Commission reflects the greater resourcing of duty lawyer services in courts, as well as the Commission's greater promotion of these services. The higher result reflects a greater demand and a higher level of resources directed to this service. Duty lawyer services include Criminal, Domestic Violence, Mental Health, and Family Law Duty Services.
Number of Duty Lawyer services provided	2,900	3,786	31%	
Number of Representation services provided	2,550	2,513	(1%)	
Number of Facilitated Resolution Process provided	385	344	(11%)	The number of Facilitated Resolution Processes provided was a new measure in 2016-17 and the target was overestimated.
Number of Community Legal Education services provided	50	269	438%	The higher than targeted number of community legal education services provided can be attributed to the activities conducted by the Commission's dedicated community legal education services team through the promotion of Legal Aid services by producing new resources (eg booklets, pamphlets, self-help kits, website amendments etc), delivering information sessions and conducting outreach events. The Commission-wide involvement in the delivery of these education services also contributed to the higher than expected result. This was a new measure in 2016-17 and the target was underestimated.

The above Statement of Performance should be read in conjunction with the accompanying notes

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Controlled Recurrent Payments measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*

**Legal Aid Commission (ACT)**  
**Statement of Performance**  
**For the Year Ended 30 June 2017**

**Output Class 1 - Legal Aid Services**

**Output 1.1- Legal Aid Services Provided to the Community (Continued)**

**Explanation of Accountability Indicators**

*Number of Discrete Assistance services provided:* This indicator collates the number of information, referrals, non-legal support, legal advices, and legal task services. This indicator does not include website page views that were previously recorded under the 2015-16 indicator called *Number of information and referral services provided*.

*Number of Duty Lawyer services provided:* This indicator consists of advising the person and, in appropriate circumstances, appearing on their behalf, in relation to the proceeding or event.

*Number of Representation services provided:* This indicator measures the number of legal assistance services provided for representing people at court/tribunals, in dispute resolution processes and where the carriage of the matter requires ongoing assistance. It replaced the 2015-16 indicator called *Number of legally assisted cases* that did not record ongoing assistance unless a formal grant was approved.

*Number of Facilitated Resolution Process provided:* This indicator collates the number of specific facilitation processes undertaken that are aimed at resolving disputes without going to court. It replaced the 2015-16 indicator called *Number of dispute resolution conferences held*.

*Number of Community Legal Education services provided:* This indicator collates the number of educational resources produced (eg booklets, pamphlets, self-help kits, website amendments etc) and the number of activities undertaken. It replaced the 2015-16 indicator called *Number of people attending community legal education sessions*.



### COMMUNITY ENGAGEMENT AND SUPPORT

Community Legal Education (CLE) encompasses a range of activities. These activities include outreach, holding information stalls, free legal information, education, publications, social media and stakeholder engagement. CLE is the primary method of promoting Legal Aid ACT's services.

#### Outreaches

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We continued to assist people in the community. Outreach was held at: The Child and Family Centres, Council of the Aging, The Canberra Hospital, Civic Library, Migrant Refugee Settlement Service, The Alexander Maconochie Centre and Winnunga Aboriginal Health Service.

#### Stalls

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Once again we held stalls at local events, including: The Multicultural Festival, Youth Week, Seniors Week, Mental Health and Wellbeing Expo, Self Help and Wellbeing Expo, Playfest and the Canberra Institute of Technology Market Days at Reid, Bruce and Fyshwick. We also had a pop-up stall at a local shopping centre.

#### Free Information sessions

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We held 24 information sessions for members of the public on family law topics, driving under the influence and licensing matters. Sessions were busy with at least 10 people attending each session.

#### Radio

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We were on local ValleyFM 89.5 each fortnight discussing a range of legal topics from police powers to family law.

#### Law for Non-Lawyers

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Once again we organised presentations on 16 different legal topics for the law for non-lawyers series. Topics included: employment law, renting, family law, forced labour and human rights. Registrations continue to increase for these sessions with approximately 50 people attending each one.

#### Social Media

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The Commission's social media presence increased with dedicated staff time ensuring better connection to the public via Facebook, Twitter and Instagram.

## Networking

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Networking is crucial to the community education work we undertake. We are involved in the Northern Region Networking Interagency, the local and national Community Legal Education Network. We worked closely on a number of projects with the Red Cross, Salvation Army and the Migrant Refugee Settlement Service

## Elder Abuse

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We saw an increase in demand for information on elder abuse from Northside Community Service, the Probus Group, Uniting Care, The Public Trustee and Guardian, and the ACT Disability Aged and Carer Advocacy Service (ADACAS). We also held a forum with an expert panel discussing the issue of accessing and supporting people experiencing abuse.

## Family Violence

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The laws regarding Family Violence in the ACT changed on 1 May 2017. We delivered six sessions on the changes to the law to the Domestic Violence Crisis Service, Child Youth and Protection Service, along with a forum in the City and in Tuggeranong, with around 170 people attending these two forums. We also held a training session for specifically for lawyers.

## Youth

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We delivered presentations at colleges across Canberra, including: Canberra, Radford, Gungahlin, St Clare's, Narrabundah, Erindale, Melba-Copland, Dickson and Daramalan. We also spoke at Belconnen High School and the Australian Catholic University.

*Contact - Coordinator of Community Education and Information Services - 6243 3475.*

Legislation	Relevant application to the Commission
<b><i>Emergencies Act 2004 (Section 85)</i></b>	<div>BUSHFIRE RISK MANAGEMENT</div> <p>The Commission is not required to report against this section has no notifications were received from Act Emergency Services Agency nor from the Minister.</p>
<b><i>Freedom of Information Act 1989 (FOI Act), sections 7, 8 and 79</i></b>	<div>FREEDOM OF INFORMATION</div> <p><b>Section 7 Statement</b></p> <p>The functions and operations of the Commission are set out earlier in this report in the Organisational Overview. The Commission’s main decision making power is whether to provide legal assistance under Part 5 of the <i>Legal Aid Act 1977</i> (the Act). Rights of reconsideration and review of decisions are set out in Part 6 of the Act.</p> <p>No applications under the <i>Freedom of Information Act</i> were received.</p> <p>Members of the public may make submissions to the Commission on policy matters in relation to particular services. Submissions should be made in writing to the Chief Executive Officer.</p> <p>Part 11 of the Act enables the Minister to establish a consultative committee to assist the Commission in the exercise of its functions. None were established during the year.</p> <p>Categories of documents that the Commission makes available on request by an applicant, or under the FOI Act, are records and information concerning the affairs of that person (but not information relating to persons other than the applicant). The privacy of information held by the Commission concerning the affairs of people is protected by section 92 of the Act.</p> <p>Documents may be inspected at the Commission’s office which is close to public transport and has wheelchair access.</p>

Legislation	Relevant application to the Commission
<b><i>Human Rights Act 2004 (HRA)</i></b>	<p><b>HUMAN RIGHTS ACT</b></p> <p>One formal education and training session was provided for staff and informal information was disseminated to agency staff on a range of human rights issues. The Commission is in regular contact with the Human Rights advisor on human rights principles, and approved a temporary secondment of one staff to the Human Rights Commission.</p> <p>No formal reviews or preparations for reviews of existing legislation for compatibility with the HRA have been undertaken.</p> <p>One litigation case involved notification to the Human Rights advisor.</p>
<b><i>Law Officers Act 2011</i></b>	<p><b>LEGAL SERVICES DIRECTIONS</b></p> <p>The Commission does not perform any Territory legal work, therefore no further disclosures is required.</p>

#### PUBLIC SECTOR STANDARDS AND WORKFORCE PROFILE

Legislation	Relevant application to the Commission
<b><i>Public Interest Disclosure Act 2012 (PID Act)</i></b>	<p><b>PUBLIC INTEREST DISCLOSURE</b></p> <p>No disclosures were made to the Commission during the reporting period.</p> <p>A pamphlet outlining the Commission's procedures can be accessed at:  <a href="http://www.legalaidact.org.au/pdf/publications_publicdisclosurepamphlet.pdf">http://www.legalaidact.org.au/pdf/publications_publicdisclosurepamphlet.pdf</a>.</p>

## OTHER (DANGEROUS SUBSTANCES AND TERRITORY RECORDS)

Legislation	Relevant application to the Commission
<p><b><i>Dangerous Substances Act 2004, section 200</i></b></p> <p><b><i>Medicines, Poisons and Therapeutic Goods Act 2008, section 177</i></b></p>	<p><b>NOTICES OF NON COMPLIANCE</b></p> <p>There were NIL notices of noncompliance serviced to the Commission.</p>
<p><b><i>Territory Records Act 2002 (TRA)</i></b></p>	<p><b>TERRITORY RECORDS ACT</b></p> <p>The administrative records of the Commission are managed by a current Records Management Program approved by the CEO. This program also contains procedures that have been implemented throughout the Commission and where necessary training has been arranged for staff. A copy of the Records Management Program can be made available by contacting our office.</p> <p>The legal services records of the Commission are managed in accordance with section 69B of the <i>Legal Aid Act (1977)</i> ('the Act').</p> <p>A list of the approved Records Disposal Schedules is included in the table following.</p> <p>Access to records in accordance with Part 3 and under section 28 of the <i>Territory Records Act 2002</i> are provided on request where appropriate.</p>

## The approved Records Disposal Schedules by name and Notifiable Instrument Number

Records Disposal Schedule Name	Effective	Year & No.
Corporate Governance Records	09/01/2009	NI2009-10
Financial and Treasury Management Records	27/02/2017	NI2017-83
Government Insurance Services Records	11/12/2009	NI2009-630
Human Resources Records	27/02/2017	NI2017-79
Information and Communications Technology Records	27/02/2017	NI2017-85
Information Management Records	27/02/2017	NI2017-87
Procurement Records	09/10/2007	NI2007-312
Protection of records relevant to the Royal Commission into Institutional Responses to Child Sexual Abuse	01/02/2013	NI2013-42
Workplace and Safety Policy Records	08/03/2011	NI2011-96

Contact – CEO – (02) 6243 3496

## LIST OF ABBREVIATIONS AND ACRONYMS

ACAT	ACT Civil and Administrative Tribunal
ACTELH	ACT Emergency Legal Help
ACTLAF	ACT Legal Assistance Forum
CEO	Chief Executive Officer
CLE	Community Legal Education
DR	Dispute Resolution
DCEO	Deputy Chief Executive Officer
FDR	Family Dispute Resolution
FLPN	Family Law Pathways Network
FTE	Full-Time Equivalent
ICT	Information and Communication Technology
LAMIS	Legal Aid Management Information Solution
NLA	National Legal Aid
NPA	National Partnership Agreement
NPALAS	National Partnership Agreement on Legal Assistance Services
PAWG	Payment Assurance Working Group

## GLOSSARY OF TECHNICAL TERMS

Amicus Curiae	Friend of the Court. Someone who is not a party to a proceeding who, with the approval of a court or tribunal, provides information that bears on the case to assist the court or tribunal.
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