



LEGAL AID  
WESTERN AUSTRALIA

**ANNUAL REPORT 2013-2014**



# STATEMENT OF COMPLIANCE

**FOR THE YEAR ENDED 30 JUNE 2014**

**Hon Michael Mischin MLC**

*Attorney General*

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Legal Aid Commission of Western Australia for the financial year ended 30 June 2014.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and the *Legal Aid Commission Act 1976*.



**Stuart Shepherd**

**Chairman**

Date *11.09.2014*



**George Turnbull**

**Director**

Date *11/9/2014*

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# 1. CHAIRMAN'S REPORT



## 2013-14 marked another demanding and important year in the work of Legal Aid WA and its Board of Commissioners.

This year has, in particular, seen Legal Aid WA undertake significant foundational work to improve governance within the Commission and ensure that scarce public resources are being used as efficiently and effectively as possible.

The finalisation of new panel arrangements for private practitioners performing Legal Aid WA funded work on behalf of their clients is an important step in this regard. When implemented over the coming year, Legal Aid WA will apply prescribed standards of experience and competency to create new panels of practitioners, according to the type and level of complexity of the matters to be undertaken.

These new arrangements will serve clients as consumers of Legal Aid WA resources by ensuring that they are represented by practitioners who are most suitable for their particular matter. I am particularly pleased that new panel arrangements will provide an opportunity for junior lawyers to appropriately acquire strong experience with more straightforward matters before moving on to areas of greater legal complexity.

It is anticipated that the arrangements will facilitate greater support and feedback for practitioners undertaking legally aided work.

The Commission has spent some time this year examining the governance arrangements which apply to the remuneration of private practitioners who represent clients funded through a grant of legal aid.

Unlike the experience in some overseas jurisdictions where legal aid funds have suffered from over servicing and misappropriation, the experience in Western Australia (and Australia generally) has been one of a highly ethical profession being scrupulous in its claims for work performed on behalf of Legal Aid WA.

Legal Aid WA has developed its assessment of the use and management of legal aid funding by practitioners. It has been pleasing to observe that almost all practitioners perform well in this regard. On the rare occasion that a practitioner has been found to have been less diligent than required with legal aid funding, the Board of Commissioners has acted unhesitatingly to take appropriate remedial action.

The issue of funding is a perennial one for all legal aid commissions. Applications for aid significantly exceed grants. Legal Aid WA receives strong financial support from the State Government and is, on a comparative basis, one of the better funded legal aid commissions in terms of its State funding.

Unfortunately, it remains the case that Western Australia is not well funded by the Commonwealth Government. Despite the vast distances that Legal Aid WA is required to cover in providing services across the State, Commonwealth funding of Legal Aid WA is the second lowest on a per capita basis in Australia. Many of our service delivery points are extremely remote by world standards. When combined with a sparse population and the often acute need for legal services in these areas, the unit cost of service delivery in Western Australia is naturally higher. The discrepancy is frequently raised by our State Attorney General, Michael Mischin and the Director of Legal Aid WA, George Turnbull. It is an argument we will continue to make until Western Australia's funding from the Commonwealth substantially improves.

*This year has, in particular, seen Legal Aid WA undertake significant foundational work to improve governance within the Commission and ensure that scarce public resources are being used as efficiently and effectively as possible.*

The broader topic of the resourcing of the legal assistance sector was investigated in detail by the Productivity Commission during 2013-14. Legal Aid WA played a significant role by providing submissions to the Commission and appearing before its hearings. It is hoped that the Productivity Commission's final report, due in October 2014, will affirm that investment in legal aid resources delivers strong economic and social returns across the community. Although significant funding increases are unlikely in the current economic climate, the work of the Productivity Commission ought to provide a sound evidence base to support long term improvements in funding levels.

Since becoming Chairman in 2011, I have been extremely fortunate to have been assisted by a talented and committed team of fellow Commissioners. I thank each, once again, for the knowledge, skills, enthusiasm and experience he or she brings to our Board. The Commission is regularly called upon to make difficult decisions, often arising from resource scarcity. This year, for example, the Board determined, after much consideration, that it was in the best interests of the Commission to permanently close Legal Aid WA's offices in Fremantle and Midland. The offices have been a part of the Legal Aid WA landscape for many years.

It remains extremely gratifying to see the strong interest that the Board shows in Legal Aid WA's regional operations. Legal Aid WA operates a number of offices that are well beyond the Perth metropolitan area. Each office has its own challenges to overcome in addition to the provision of effective legal services to those in need of assistance.

Each year the Board meets in one of the regional offices, allowing the Commissioners to meet staff and members of the local profession. In October 2013, the Commission met in Albany. The visits are a great opportunity for Commissioners to observe the

work of Legal Aid WA staff throughout the State and to meet local Court and other relevant agency representatives.

The legal profession in Western Australia is an integral element of Legal Aid WA's service delivery capacity. I thank the profession for its support and commitment to the cause of Legal Aid WA. I acknowledge that the work performed by external practitioners continues to be at rates well below those available in general legal practice. In a resource-constrained environment, the Western Australian public is well served by the commitment of the private legal profession to the legal assistance sector.

Finally, I again thank George Turnbull and his team across Western Australia for their excellent contribution to the provision of access to justice to those in need across Western Australia. The talent, dedication and commitment of the management and staff of Legal Aid WA is of the highest order.

**Stuart Shepherd**  
Chairman

## 2. CHIEF EXECUTIVE OFFICER'S REPORT



It once again gives me great pleasure to look back on another year of hard work and achievement at Legal Aid WA.

Our core business is to provide legal representation, advice, assistance and information to the Western Australian public, with our service delivery statistics reaffirming the significant role we play in the Western Australian community. In the year to 30 June 2014 there were 7,642 grants of aid for State matters, an increase of 9.44 per cent; and 2,378 grants of aid for Commonwealth matters, an increase of 21.45 per cent. These areas of major service delivery growth were in addition to 73,375 calls to Legal Aid WA's Infoline; 50,067 duty lawyer services; 20,043 legal advice services; 15,574 face to face information services; and 8,963 minor assistance and advocacy services.

In undertaking this substantial community service, Legal Aid WA faces ongoing pressure to ensure that its resource allocation responds to areas of greatest need and that the reach of the total pool of resources is maximised through continuing efficiency achievements. It was this drive for efficiency which was a major factor in Legal Aid WA's decision to close its Fremantle and Midland offices during the second half of 2015. While both offices provide important links into their respective local communities, the objective reality is that they are largely a base for the delivery of duty lawyer services at nearby courts. Given Legal Aid WA's successful delivery of duty lawyer services in many parts of the State, away from the presence of a local office, the organisation adopted the view that offices could be closed without any material impact on levels of service delivery. The closure of the offices will, however, deliver savings in overheads totalling close to

\$2 million over the forward estimates period. There will be no staff losses as a result of the closures.

While efficiencies will always be an obvious focus for Legal Aid WA, so too is the quality of service delivery. With over 70 per cent of Legal Aid WA's grants of aid being assigned to members of the private legal profession, the capacity to impose quality controls over this service segment has traditionally been constrained. This is an issue of concern for Legal Aid WA, primarily because there has been very little control over the types and complexity of matter for which a practitioner can represent a client. This issue is being addressed through changes to Legal Aid WA's private practitioner panel arrangements, such that lawyers acting under a grant of legal aid will be restricted to matter types and complexity levels commensurate to their knowledge and experience. While this arrangement is principally concerned with ensuring that clients receive the most appropriate level of representation, it will also protect practitioners from taking on matters beyond their experience and professional competence. The new system will enable junior practitioners to graduate to more complex matters as and when they acquire pre-requisite levels of experience. Against this background, Legal Aid WA is very fortunate to have access to many of the State's very best lawyers who are always willing to take on legally aided matters at substantially lower-than-market rates of remuneration. I am fully confident that the new panel arrangements will not fetter the ability of clients to access the very best legal representation in any way.

A major focus of Legal Aid WA at an administrative level over the past year has been the design of our new head office facility at 32 St Georges Terrace. This premises was selected in June 2013 and Woodhead GHD were appointed as interior designers in December 2013. By 30 June 2014 the detailed interior design was close to

*In the year to 30 June 2014 there were 6,983 grants of aid for State matters, an increase of 9.44 per cent; and 1,958 grants of aid for Commonwealth matters, an increase of 21.45 per cent.*

being finalised and an expression of interest had been issued for the construction of the fitout. This new facility will be 100 per cent open plan and provide a significantly improved standard of support facilities for staff. Community access has been a key element of the design philosophy, with the training spaces in the office being offered as a resource for the broader legal assistance sector. We expect to relocate to the new office in May-June 2015.

At a policy level, the Productivity Commission's Inquiry into Access to Justice Arrangements has been a highlight of 2013-14. Legal Aid WA was heavily involved in the preparation of three written submissions and has appeared before the hearings of the Commission to provide evidence. It has been heartening to see the Productivity Commission affirm in its view that legal aid commissions continue to be a highly efficient and effective mechanism for delivering access to justice to the Australian community. The release of the Productivity Commission's final report is eagerly anticipated. In the long run it is hoped that the report will provide a blueprint for reforms to legal aid funding arrangements, so that many more ordinary Australians will truly have access to justice.

It goes without saying that a crucial element of the success of Legal Aid WA is the talent and dedication of its staff. We have a passionate team who work hard to ensure that our clients and the public generally obtain the best outcome from the circumstances in which they find themselves. This year I do wish to make special mention of two outstanding achievements. The first is to formally acknowledge and congratulate Karen Farley on her appointment as Senior Counsel. This places Karen at the pinnacle of the profession and recognises her many years of excellent work as a lawyer, teacher and mentor of junior practitioners. The second is to acknowledge and congratulate Ms Joanne Brinkley on being

named the inaugural junior family lawyer of the year. Both of these accolades reaffirm the widely held view among the profession and the judiciary that Legal Aid WA attracts and retains the very best legal talent.

I would also like to take this opportunity to acknowledge the support of our key stakeholders. Our Attorney General the Hon. Michael Mischin MLC is a very strong advocate on behalf of Legal Aid WA and we thank him once again for his ongoing support. We have an outstanding Board of Commissioners, led by Chairman Stuart Shepherd, who continually provide valuable guidance and advice on a range of complex issues facing the organisation. As I have mentioned previously, Legal Aid WA relies very heavily on the support of the private profession for the delivery of legal representation to thousands of Western Australians. The profession, represented by the Law Society of WA, continues to be a great supporter of Legal Aid WA.

I would also like to thank the various government and not-for-profit agencies that work closely with us throughout the year. These include the Commonwealth and State Attorney General's Departments; the Aboriginal Legal Service of WA; the various community legal centres across the State; the Aboriginal Family Law Service; the Department of Child Protection and Family Services; the WA Police Service; and all of the judicial officers and support staff working in our courts across Western Australia.

We look forward to another year of strong achievement in 2014-15.

**George Turnbull**  
**Director of Legal Aid WA**

## 3. OVERVIEW OF AGENCY

### 3.1 Executive Summary

#### Cost of services and sources of funds

In 2013-14, the total cost of services delivered by Legal Aid WA was \$70.242 million, an increase of \$4.017 million or 6.07 per cent on the 2012-13 total cost of \$66.225 million. The main sources of expenses were employee costs at \$31.927 million (an increase of 6.31 per cent) and payments to private legal practitioners at \$21.417 million (an increase of 2.87 per cent).

Legal Aid WA derives the majority of its funding through Commonwealth and State Government grants. In 2013-14, Commonwealth grants and contributions totalled \$22.182 million, a reduction of \$778,019 or 3.39 per cent on the Commonwealth contribution for 2012-13. State Government funding for 2013-14 was \$38.150 million, a reduction of \$489,062 or 1.27 per cent on the previous year.

An operating deficit of \$2.593 million was recorded for the 2013-14 financial year.

#### Outputs

In 2013-14, a total of 14,059 applications for grants of aid for State and Commonwealth matters were received by Legal Aid WA. This is a 5.10 per cent increase in the number of applications for aid received in 2012-13. Within the total number of applications, significant variations were recorded for Commonwealth family law – an increase in applications of 10.25 per cent; Commonwealth criminal law – an increase in applications of 5.69 per cent; and State criminal law – an increase in applications of 4.75 per cent.

The grant rate for all matter types increased in 2013-14. For family law matters the grant rate was 64 per cent of applications received, compared with 60 per cent for the previous year. The grant rate for criminal law matters was 79 per cent in 2013-14, an improvement over the 74 per cent rate recorded for 2012-13. In civil law matters, a slight improvement was recorded, taking the grant rate to 49 per cent. The improved grant rates reflect the introduction of a pre-application screening process, so that applications with an unlikely chance of receiving a grant of aid are diverted to other forms of assistance.

Demand for most non-grant of aid services fell throughout 2013-14, with the number of telephone information services down by 0.70 per cent; face to face information down by 2.63 per cent; minor assistance down by 17.09 per cent; and duty lawyer services down by 2.33 per cent. Increases were recorded for dispute resolution conferencing – up by 16.90 per cent; and legal advice – up by 5.34 per cent.

## Our clients

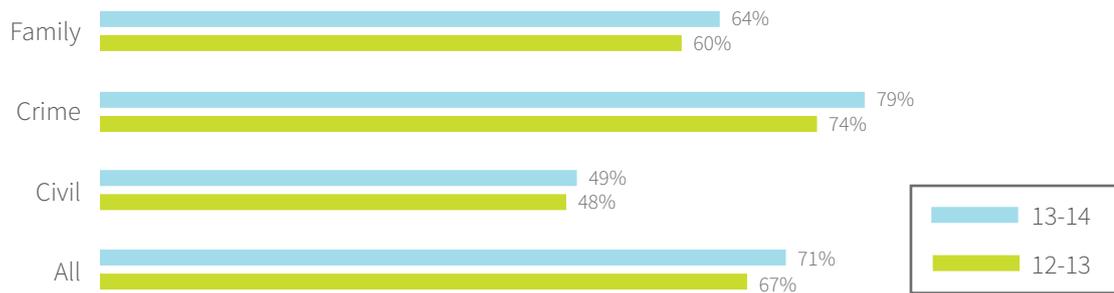
Legal Aid WA's client base for grants of aid is overwhelmingly male, with 60 per cent of grants being awarded to males, predominantly in the area of criminal law, where they accounted for 82 per cent of all criminal law grants of aid. Women were awarded 70 per cent of all grants of aid in the area of family law. The majority of clients who receive grants of aid fall within the age brackets of 21 to 30 years and 31 to 40 years, with both groups each accounting for 28 per cent of total grants of aid awarded. Males dominate across all age brackets.

## Our organisation

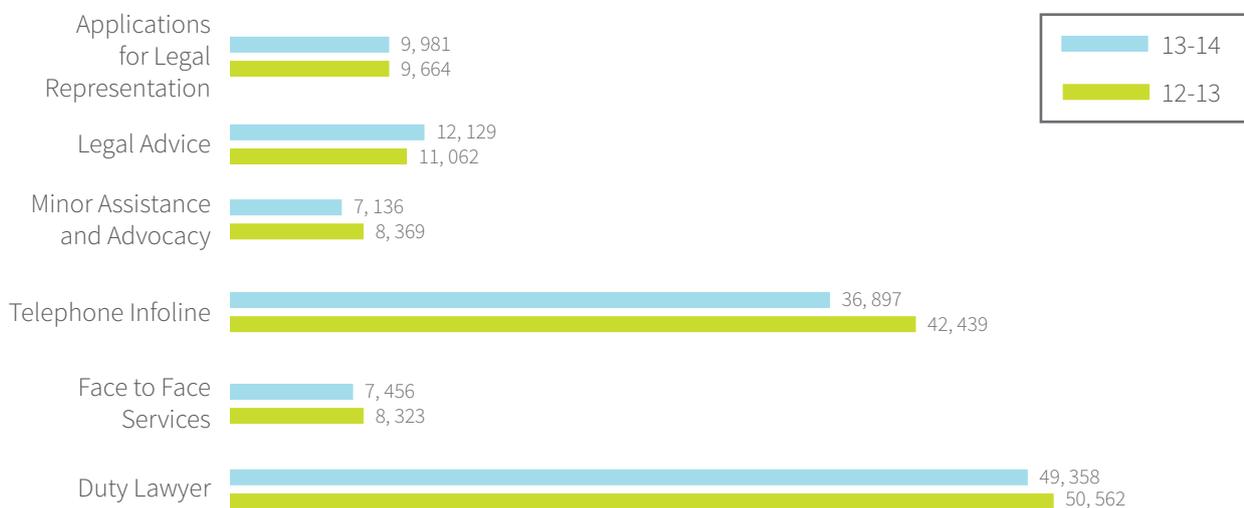
As at 30 June 2014, Legal Aid WA was employing 301 full time equivalent employees.

Legal Aid WA's head office is located at 55 St Georges Terrace, Perth. The organisation also maintains a significant presence in other parts of Western Australia, with regional offices located at Fremantle, Midland, Bunbury, Albany, Geraldton, Kalgoorlie, South Hedland, Broome, Kununurra and satellite offices on Christmas Island and in Carnarvon. In addition to the permanent office presence in major regional centres, Legal Aid WA maintains a presence in many towns and remote communities through attendance at circuit court visits and legal education programs.

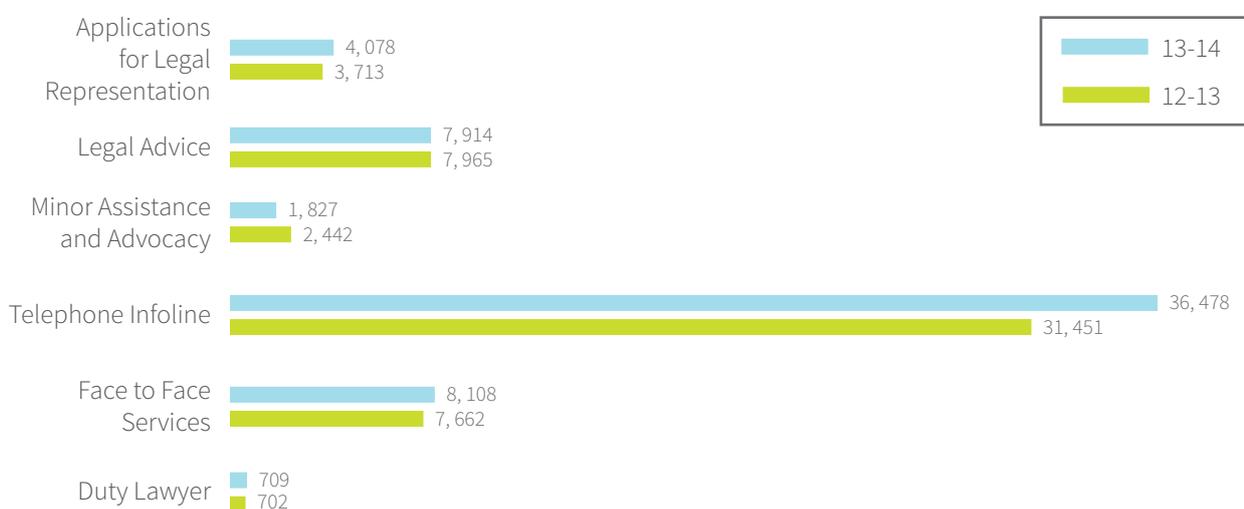
## GRANT RATE BY LAW TYPE



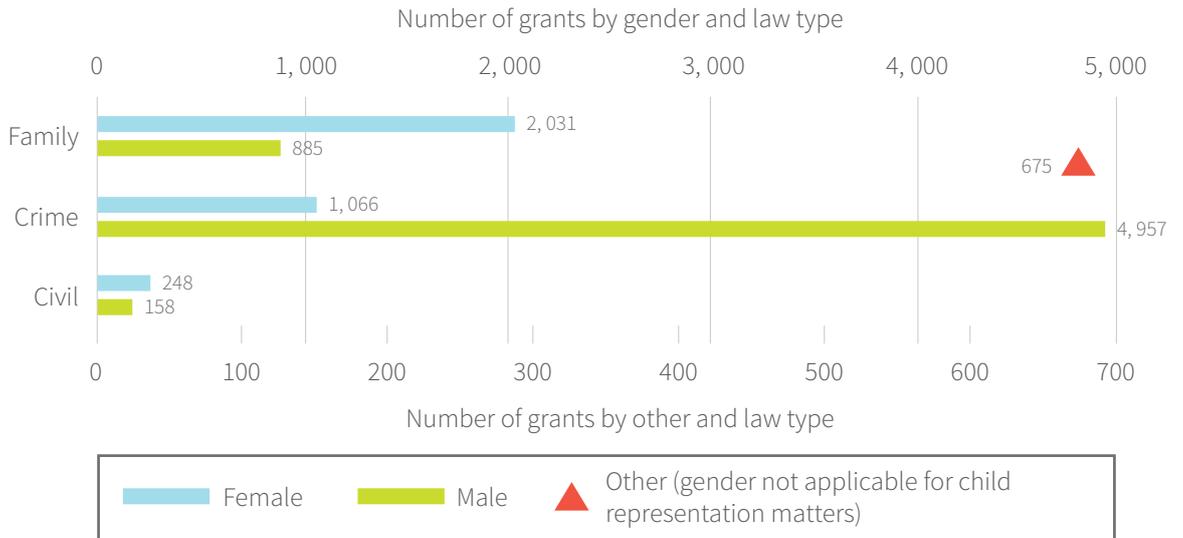
## SERVICES OTHER THAN LEGAL REPRESENTATION (STATE)



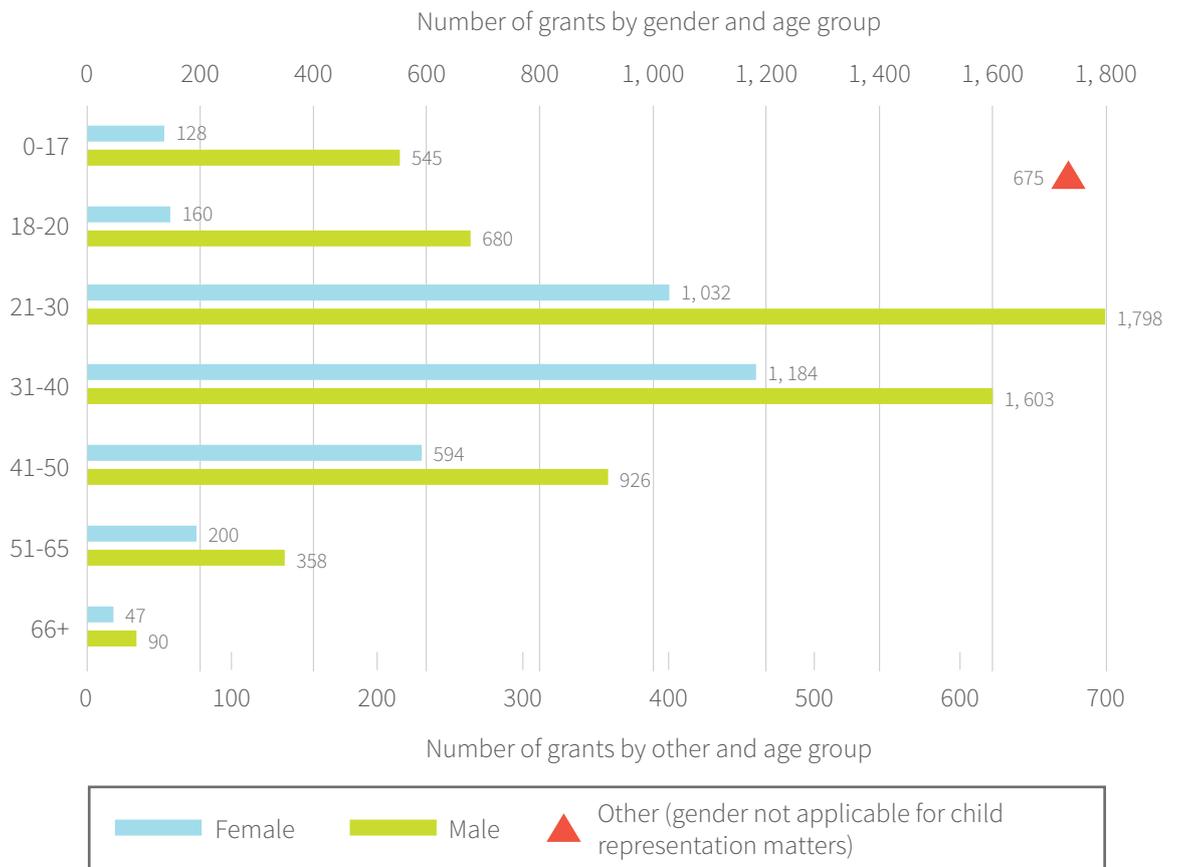
## SERVICES OTHER THAN LEGAL REPRESENTATION (COMMONWEALTH)



## APPLICATIONS GRANTED BY GENDER AND LAW TYPE

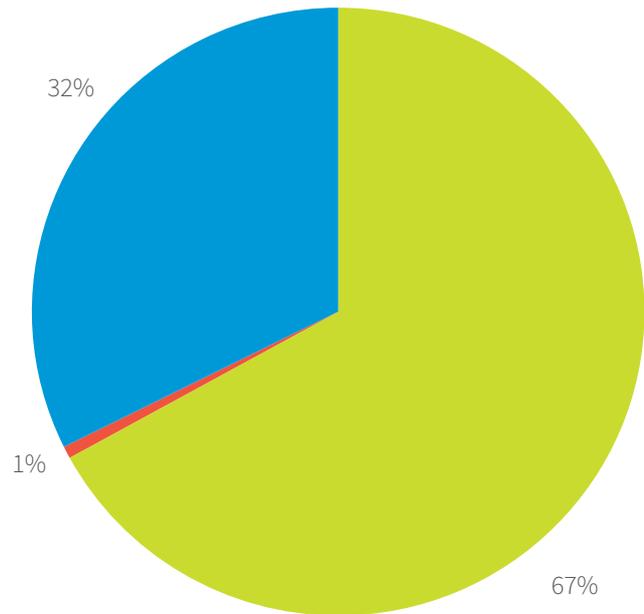


## APPLICATIONS GRANTED BY GENDER AND AGE GROUP



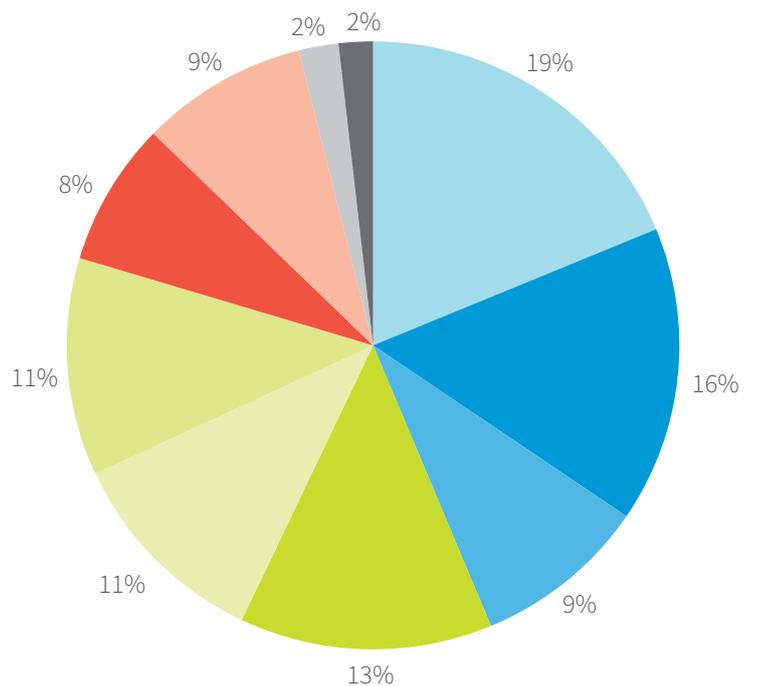
## RESIDENCY OF LEGAL AID CLIENTS IN 2013-14

- Metropolitan Perth
- Non-Resident of Western Australia
- Regional Western Australia



## RESIDENCY OF LEGAL AID CLIENTS IN 2013-14 LIVING IN REGIONAL WA

- South West
- Kimberley
- Great Southern
- Pilbara
- Peel
- Wheatbelt
- Goldfields - Esperance
- Mid West
- Christmas Island /Cocos
- Gascoyne



## 3.2 Operational Structure

### Name of agency

Legal Aid Commission of Western Australia

### Enabling legislation

*Legal Aid Commission Act 1976*

### Form of agency

Legal Aid WA is an independent statutory authority

### Responsible Minister

Attorney General of Western Australia

### Accountable authority

Part II of the *Legal Aid Commission Act* establishes the Commission and Part III creates the position of Director of Legal Aid WA and the power to employ staff. The Director and staff of Legal Aid WA are accountable to the Commission which exists by way of a Board of Commissioners.

The Board of Commissioners meets monthly and as required and consists of:

- Chairman, who must be a lawyer with at least seven years experience, appointed on the nomination of the State Attorney General.

- Four members, nominated by the State Attorney General, two of whom are lawyers nominated by the Law Society of Western Australia and one (not being a lawyer) who has administrative experience at a senior level.
- One member, a non-lawyer, is nominated by the Minister of Commerce who is responsible for consumer protection.
- Two members appointed by the Commonwealth Attorney-General.

Since April 2000, the Commonwealth Attorney-General has declined to replace members whose terms have expired and the Commission has operated without Commonwealth representatives.

In 2013-14 there were 11 normal meetings of the Commission. The Chairman of the Legal Aid Commission receives \$18,600 per annum and ordinary members who are not public sector employees receive \$7,400 per annum.

The Board of Commissioners operates with the support of an Audit Committee. The Audit Committee is chaired by Mr Dion Smith. Mr Brian Bradley PSM is a member of the Audit Committee.

While there is no formal reporting relationship to a Minister, the Director of Legal Aid WA provides advice to the State Attorney General on an ongoing basis. It is also noted that for budget and general administrative purposes the Attorney General is the responsible Minister for the *Legal Aid Commission Act 1976*.

### 3.3 Commission Members



**Mr Stuart Shepherd**  
Chairman

Stuart Shepherd was appointed Chairman of the Legal Aid Commission in June 2011, as the Western Australian Attorney General's nominee. Mr Shepherd studied law at the University of Western Australia and was admitted to practice in the Supreme Court of Western Australia in 1987. He undertook his articled clerkship at Keall Brinsden and was subsequently employed at Clayton Utz, primarily in commercial litigation and dispute resolution. For eight years Mr Shepherd practiced in the UK where he was a partner at Burton Copeland London, acting principally in corporate and commercial litigation, corporate regulation, disciplinary and major fraud, trade and industry, tax and excise prosecutions. He has been instructed in numerous cross-jurisdictional matters involving the United States, Scotland, Switzerland, Liechtenstein, Gibraltar and the Channel Islands. He was a member of a panel of solicitors acting pro bono for inmates on death row in the Bahamas. Since returning to Perth, Mr Shepherd has practiced at Mallesons and was a partner at Bennett & Co and Lavan Legal. He has been a member of the Law Society's Courts Committee and Brief Editorial Committee and is currently the legal member on the Joondalup Health Campus, Human Research Ethics Committee. He has lectured in advocacy for the Articles Training Program and regularly presents seminars on areas relevant to his practice. Mr Shepherd was called to the bar in 2008. Mr Shepherd attended 11 of the 11 normal Commission meetings held in 2013-14.



**Mr George Turnbull**  
Director of Legal Aid WA

George Turnbull was appointed Director of Legal Aid WA in June 1999 and was reappointed for a further five year term in 2012. He was first admitted to practice as a barrister and solicitor of the Supreme Court of Victoria in 1973. Mr Turnbull was until June 1998 the Director of the Victorian office of the Australian Government Solicitor, and was previously Director of the New South Wales and South Australian offices. During the 1980s he was Deputy Crown Solicitor and Director for Western Australia. Mr Turnbull attended 10 of the 11 normal Commission meetings held in 2013-14.



### **Ms Belinda Lonsdale**

Belinda Lonsdale was appointed a Commissioner in January 2006 as a nominee of the Law Society of WA. She graduated from the University of Western Australia in 1991 with a Law degree and again in 1999 with an MBA. Ms Lonsdale was a Senior Associate with Dwyer Durack from 1997 until 2003 where she practiced principally in criminal law. In 2003 she went to the Bar and joined Albert Wolff Chambers. She was President of the Criminal Lawyers' Association in 2005 and 2006. In 2006 Ms Lonsdale was Convenor of the 10th International Criminal Law Congress, held in Perth. In 2007 she was elected to the Council of the Law Society of WA. In 2011, Ms Lonsdale was elected as a member of the WA Bar Association Council. Ms Lonsdale attended 9 of the 11 Commission meetings held in 2013-14.



### **Mr Brian Bradley, PSM** Director General

Brian Bradley has more than 40 years' experience in the Western Australian public sector. He has been involved principally in safety and health since 1983. Brian worked for WorkSafe for more than 20 years and was appointed as Commissioner of WorkSafe Western Australia in October 1998. In 2002, Brian was appointed Director General of the Department of Commerce (formerly the Department of Consumer and Employment Protection) after acting in the position since June 2001. He is the deputy chair of the Western Australian Commission for Occupational Safety and Health, a member of the WorkCover Western Australia Authority Board. He was the Western Australian member on the Australian Safety and Compensation Council from 2005 to 2009, and is the current Western Australian member of Safe Work Australia. Brian was awarded the Public Service Medal in 2003 for his contribution to safety and health in Western Australia. Mr Bradley attended 8 of the 11 Commission meetings held in 2013-14.



### **Mr Dion Smith**

Dion Smith was appointed a Commissioner in December 2010 as a nominee of the State Attorney General. He holds a Bachelor of Economics from the University of Western Australia, and Masters of Business Administration from the University of NSW/ University of Sydney. He began his career in recruitment for Integrated Workforce (now part of the Programmed Group), where he held various management and executive positions, in both sales and operations. From there he moved to TSS Westaff from 2007 to 2011, and finally onto Mining People International, where his last role was General Manager Sales and Strategy. He has served on the Board of two publicly listed recruitment and professional services companies as an Executive Director. He was also a Board Member for the WA State Branch of Save the Children from 2006 – 2008. He is currently working for Real Institute as Executive General Manager Business Development. Dion has 4 children and is involved in many voluntary activities through the school and sports communities. Mr Smith attended 9 of the 11 Commission meetings held in 2013-14.



### **Mr John Prior**

John Prior was appointed a Commissioner in March 2012 as a nominee of the Law Society of WA. Mr Prior was admitted to practice in the Supreme Court of Western Australia on 20 December 1985. He was a partner with Williams Ellison, Barristers and Solicitors, from 1993-2005 and in the year 2006 commenced practice as an independent barrister at Francis Burt Chambers, Perth. He practices in the areas of criminal law, liquor licensing and sporting tribunals and accepts briefs to appear as both prosecution and defence counsel in all criminal law jurisdictions. He was President of the Criminal Lawyers Association of Western Australia from 1998-2000, was a Councillor of the Law Society of Western Australia from 2006-2011 and Convenor of the Criminal Law Committee from 2003-2010. He has also been a member of the Racing Penalties Appeals Tribunal of Western Australia since 1993 and is a member of the Investigation Tribunal for Western Australian Amateur Football League since 1998. He has been legal counsel for the Fremantle Football Club since 1995. He chaired the Western Australian Health Minister's Ministerial Task Force on Drug Law Reform in 2001-2004. Mr Prior attended 9 of the 11 Commission meetings held in 2013-14.



### **Ms Kate Beaumont**

Kate Beaumont was appointed a Commissioner in July 2012 as a nominee of the State Attorney General. Ms Beaumont has been employed at Welfare Rights & Advocacy Service since 2001, where she currently holds the position of Executive Officer. Ms Beaumont has previously worked for 19 years in Tasmania, New South Wales and Western Australia as an officer of the Department of Social Security and Centrelink. She has had extensive involvement in community based legal and justice organisations, including serving as the former President and current Vice President of the National Welfare Rights Network; the Community Legal Centres Association of WA representative on the cross-jurisdictional CLC Stakeholder Committee; Ministerial appointee to the Department of Human Services' Service Delivery Advisory Group; and Board Member of the Employment Law Centre, the Midland Debt Legal Advisory Service and the Street Law Centre WA. Ms Beaumont is also Chairperson of Tenancy WA. Ms Beaumont holds a Bachelor of Social Work degree from Curtin University. Ms Beaumont attended 9 of the 11 Commission meetings held in 2013-14.

### 3.4 Director of Legal Aid WA

The Director, George Turnbull, is also the Chief Executive Officer. Under section 19 of the *Legal Aid Commission Act 1976* the Director is responsible for:

- Administering the scheme of legal assistance established by the Act.
- Providing legal services to assisted persons and arranging and supervising the provision of such services by practitioners who are members of staff.
- The Director is also an ex-officio member of the Commission. The Director is appointed by the Governor on the recommendation of the Commission and was reappointed for a further five year term in June 2012.



#### George Turnbull

Director of Legal Aid WA  
Joined Legal Aid WA in 1999.



#### Maureen Kavanagh

Director Criminal Law  
Joined Legal Aid WA in 1993.



#### Julie Jackson

Director Family Law  
Joined Legal Aid WA in 1987.



#### Lex Payne

Director Regions  
Joined Legal Aid WA in 1985.

### 3.5 Board of Management

The day to day management of Legal Aid WA is the responsibility of the Director of Legal Aid WA, who is supported by a Board of Management which consists of the Directors of each of the organisational Divisions.

In line with functions prescribed under section 15 of the Act, Legal Aid WA delivers services in the areas of criminal law, family law, civil law, general legal advice and practice development. The delivery of these services is supported by an internal corporate services function which provides services in the areas of finance, information management and human resources.

More generally, across all divisions Legal Aid WA plays an important role in community legal education and the law reform agenda through its strong expertise in those areas of the law which have a direct impact on the day to day lives of most citizens.

The current Board of Management structure was constituted in 2008. All Directors have legal qualifications and hold a current Practising Certificate for Western Australia.



#### Colleen Brown

Director Client Services  
Joined Legal Aid WA in 1996.



#### Jane Stewart

Director Legal Practice Development  
Joined Legal Aid WA in 1994.



#### Malcolm Bradshaw

Director Business Services  
Joined Legal Aid WA in 2009.

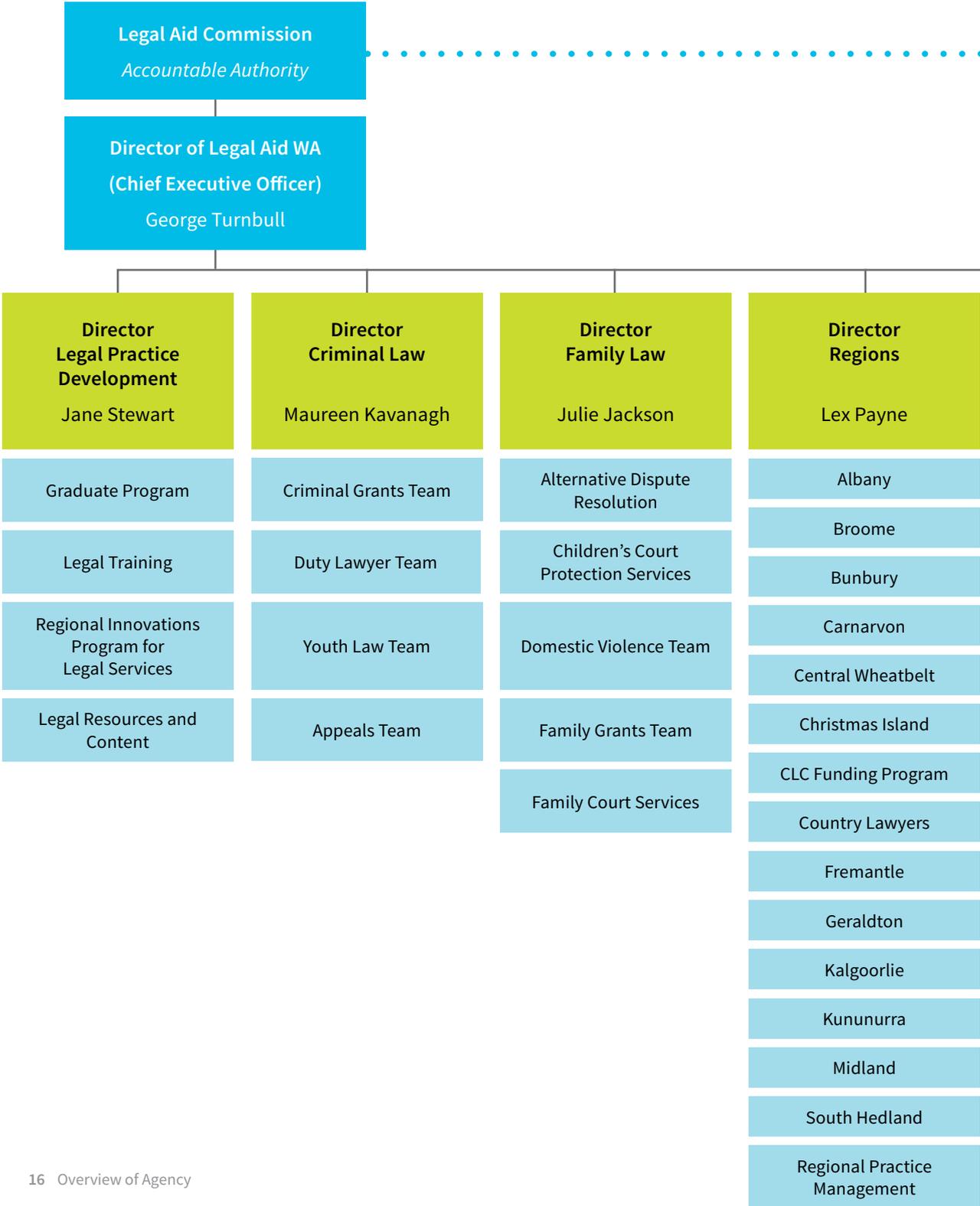


#### Justin Stevenson

Director Civil Law  
Joined Legal Aid WA in 2010.

### 3.6 Organisational Structure

#### LEGAL AID WA ORGANISATION STRUCTURE - JUNE 2014



**Audit and Assurance**

**Director  
Client Services**

Colleen Brown

Assessing

Infoline

Legal Advice and  
Minor Assistance

**Director  
Civil Law**

Justin Stevenson

Abuse in Care

Civil Law Program

Civil Litigation Assistance  
Scheme

Social Inclusion Program

**Director  
Business Services**

Malcolm Bradshaw

Finance

Human Resources

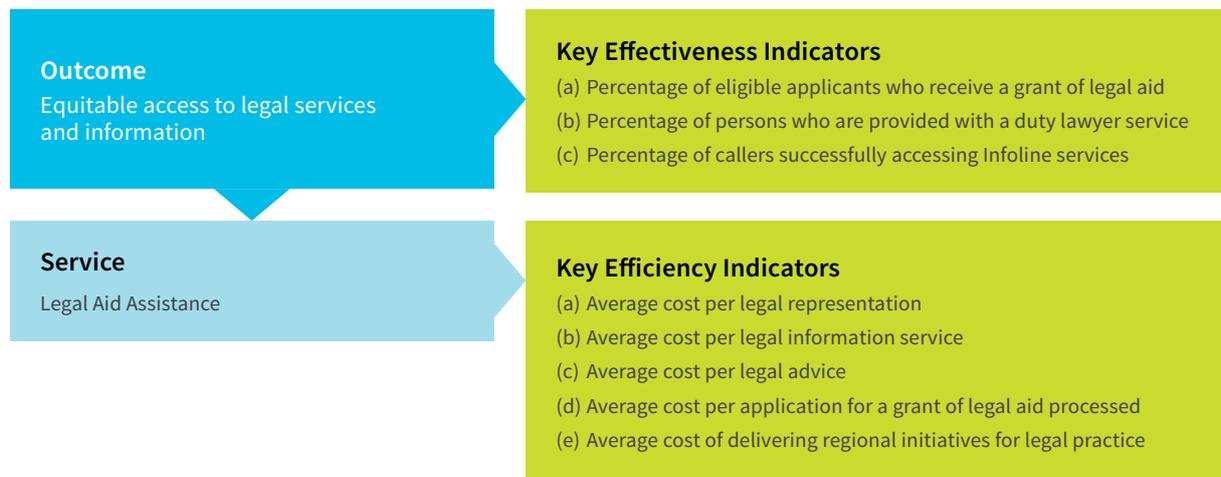
Information  
Management

Management Reporting

Library

## 3.7 Performance Management Framework

### 3.7.1 Outcome Based Management Framework



#### Government Goal

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

#### Agency Level Government Desired Outcome

Equitable access to legal services and information.

#### Agency Service Delivered

Legal Aid Assistance.

#### Our Services

The community and target groups require access to and the provision of quality legal services. This service responds to the demand for legal assistance through application of priority guidelines. This is achieved through the provision of eligibility and merit tests to enable legal representation to be provided to legally aided clients by grants of aid and assignment of cases to in-house or private practitioners. Legal Advice, duty lawyer services and community legal education is provided to assist the wider community to access fair solutions to legal problems at the earliest opportunity.

## For the community

### Information and advice

To assist members of the public to identify legal problems, understand the alternatives for resolution and the resources available to them in pursuing a legal solution. Includes referral to other agencies and is delivered through public counters in all offices and by 1800 INFOLINE.

### Duty lawyer services

To ensure that members of the public brought before the courts have access to legal advice so that they understand the options available for responding to legal proceedings in which they are involved. Available at all Magistrate's Court sittings throughout WA, the Family Court of WA and the Children's Court.

## For target groups

### Legal advice, minor assistance and advocacy

To assist people facing legal issues with advice and practical help, including advocacy, drafting of negotiating letters and the preparation of court documentation. Delivered by lawyers and at all office locations, and by paralegal staff under supervision of solicitors.

### Legal representation

To ensure persons from priority groups are legally represented to the extent that is necessary and commensurate with their particular individual need. Includes assessment and case management for persons who are refused assistance. Includes all services provided pursuant to a grant of aid, including Alternative Dispute Resolution (ADR).

### Community education services

To ensure priority groups and partner organisations have access to relevant publications, self help kits, community legal education and knowledge resources sufficient to build their capacity and self-reliance in navigating the justice system. Includes electronic access to some legal aid systems and resources, by partner agencies.

## For legal service providers

### Regional initiatives for legal practice

To increase the presence of lawyers in regional and remote areas of Western Australia and to ensure legal practice training and professional development is available to providers of legal services in regional and remote areas of Western Australia.

Country lawyers are employed, trained and supervised by Legal Aid WA and training and professional development is delivered through legal practice training and interactive online learning systems.

### 3.7.2 *Changes to Outcome Based Management Framework*

There were no changes to the Legal Aid WA's Outcome Based Management Framework during 2013-14.

### 3.7.3 *Shared Responsibilities with Other Agencies*

The Legal Aid Commission did not share any responsibilities with other agencies in 2013-14.

## 4. AGENCY PERFORMANCE

### Actual results versus budget targets

#### Financial Targets

	2013-14 Target <sup>(1)</sup> \$000	2013-14 Actual \$000	Variation <sup>(2)</sup> \$000
Total cost of services (expense limit) (sourced from Statement of Comprehensive Income)	67,582	70,242	2,660 <sup>(a)</sup>
Net cost of services (sourced from Statement of Comprehensive Income)	39,170	40,743	1,573 <sup>(b)</sup>
Total equity (sourced from Statement of Financial Position)	19,228	18,057	-1,171 <sup>(c)</sup>
Net increase/(decrease) in cash held (sourced from Statement of Cash Flows)	-1,453	-1,658	-205 <sup>(d)</sup>
Approved full time equivalent (FTE) staff level	336	301	-35 <sup>(e)</sup>

1. As specified in the budget statements for 2013-14 and annual report for 2012-13.

2. Further explanations are also contained in Note 33 'Explanatory statement' to the financial statements.

(a) The cost of services has increased due to additional legal service expenses of \$1.310 million incurred for grants of legal aid related to expensive criminal cases and additional supplies and services expenses of \$1.417 million related to IT infrastructure projects.

(b) The increase in the net cost of services is a result of increased cost of services explained above, offset by additional user charges and fees of \$1.048 million related to higher costs awarded by the Courts in favour of Legal Aid WA and an increase in contributions received from clients for legal services provided.

(c) The higher cost of services, offset by higher than expected user charges and fees and client contributions has resulted in the decrease in total equity.

(d) The decrease in cash held is due to additional payments for services and contract payments related to IT infrastructure projects, offset by an increase in contributions collected from clients for legal services provided and higher cost awarded by the Courts paid in favour of Legal Aid WA.

(e) The number of full time equivalent staff level was lower than expected due to the State Government freeze on all public sector appointments, not backfilling for staff on leave and a number of positions under review (31 FTE), and a reduced number of Country Lawyer placements available in stakeholder non-government organisations during 2013-14 (4 FTE).

## Summary of Key Performance Indicators

	2013-14 Target <sup>(1)</sup>	2013-14 Actual	Variation <sup>(2)</sup>
<i>Outcome: Equitable access to legal services and information.</i>			
Key Effectiveness Indicators:			
Percentage of eligible applicants who receive a grant of legal aid	73%	78%	5%
Percentage of persons who are provided with a duty lawyer service <sup>(3)</sup>	22%	17%	5%
Percentage of callers successfully accessing Infoline services	89%	82%	(7%)
<i>Service: Legal Aid Assistance</i>			
Key Efficiency Indicators:			
Average cost per legal representation	\$3,790	\$3,474	(\$316)
Average cost per legal information service	\$32	\$45	\$13
Average cost per legal advice	\$212	\$221	\$9
Average cost per application for a grant of legal aid processed	\$382	\$376	(\$6)
Average cost of delivering regional initiatives for legal practice	\$11,636	\$10,249	\$1,387

1. As specified in the budget statements for 2013-14.

2. Explanations for the variations between target and actual results are presented in Disclosures and Legal Compliance under the Performance Indicators for 2013-14.

3. This key indicator represents the extent to which duty lawyer services are available to ensure that all members of the public brought before the courts have access to legal advice so that they understand the options available for responding to legal proceedings in which they are involved. Duty lawyer services are available at the Magistrate's Court throughout Western Australia, the Family Court of Western Australia and the Children's Court. Persons appearing before the Court may also choose to have their own legal representation, they may be represented by another legal assistance service provider, or they may choose to represent themselves.

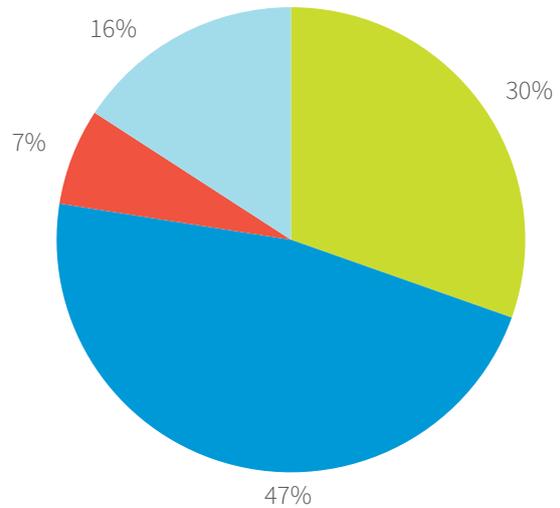
The Department of the Attorney General's case management system has changed in 2013-14. The information on appearances for criminal cases in the Magistrate's Court and Children's Court for the current and prior comparative years have been reinstated to reflect the most accurate results by using the most current system.

## Allocation of Resources to Services

Determining the type and extent of assistance provided to people is critical to Legal Aid WA's operations. Decisions about the appropriateness of the service provided are regulated by policies and procedures relating to the client's means, the nature and seriousness of their legal problem and the availability of resources.

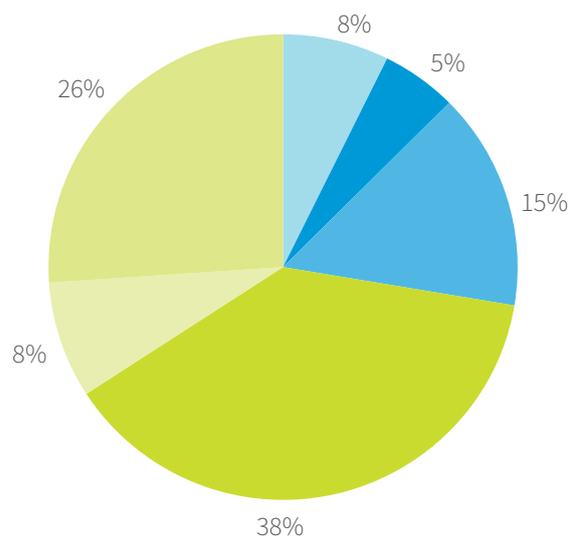
## ALLOCATION OF RESOURCES 2013-14

- Legal Service Expenses
- Salaries
- State CLC grants
- Others



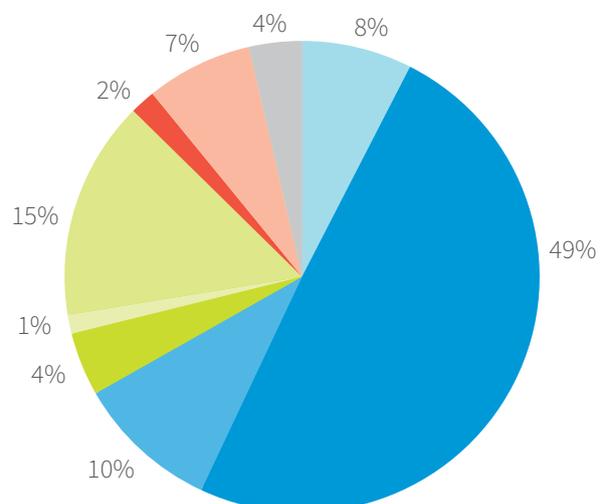
## OUTPUTS BY SERVICE TYPE 2013-14

- Assessment
- Legal Representation
- Legal Advice, Minor Assistance and Advocacy
- Telephone Infoline
- Face to Face Services
- Duty Lawyer



## RESOURCES BY SERVICE TYPE 2013-14

- Assessment and Case Management
- Legal Representation
- Legal Advice, Minor Assistance and Advocacy
- Telephone Infoline
- Face to Face Services
- Duty Lawyer
- County Lawyers Project & RIPLS
- Community Legal Centres
- Other Community Services



# 5. REPORT ON OPERATIONS

## 5.1 Criminal Law Division

### Main functions

- Duty lawyer services in the Magistrate's Courts and the Children's Court.
- Legal advice and minor assistance to clients on criminal matters.
- Legal representation for clients where grants of aid have been awarded.
- Prison visiting information service.
- Preparing and presenting criminal appeals.
- Briefing private legal practitioners, where appropriate.

### Issues and achievements for 2013-2014

- Appointment of in-house Senior Criminal Law Consultant Karen Farley to silk. Karen Farley SC is the first Legal Aid WA lawyer to be appointed and the first part time lawyer in Western Australia to receive this recognition.
- Continued cooperation with members of the Bar to mentor junior Legal Aid WA lawyers and have them act as instructing solicitors in major criminal matters before the Supreme Court of Western Australia. Throughout 2013-14, Legal Aid WA lawyers have been given the opportunity to junior senior members of the Bar on serious matters before the court, including murder, accessory after fact to murder and aggravated armed robbery and assault occasioning bodily harm in an alleged home invasion.
- Development of the specification for an online duty lawyer instruction record suitable for use on a mobile device and of a successful business case for funding the scoping of the development of the e-form.
- Ensuring that vulnerable clients facing serious matters before the Magistrate's Courts receive legal representation in situations where, due to funding restrictions, representation would not ordinarily be available. This approach is providing Legal Aid WA's duty lawyers with the opportunity to prepare for

and conduct trials. This provides a very important addition to their level of skill and experience.

- Additional pressure continued to be placed upon the duty lawyer service in metropolitan courts as a consequence of the reduced service delivery capacity of the Aboriginal Legal Service of WA.
- Contributed to the ongoing development of the Mental Health START Court pilot, and continued to provide vital duty lawyer services. Funding has been extended to June 2015.

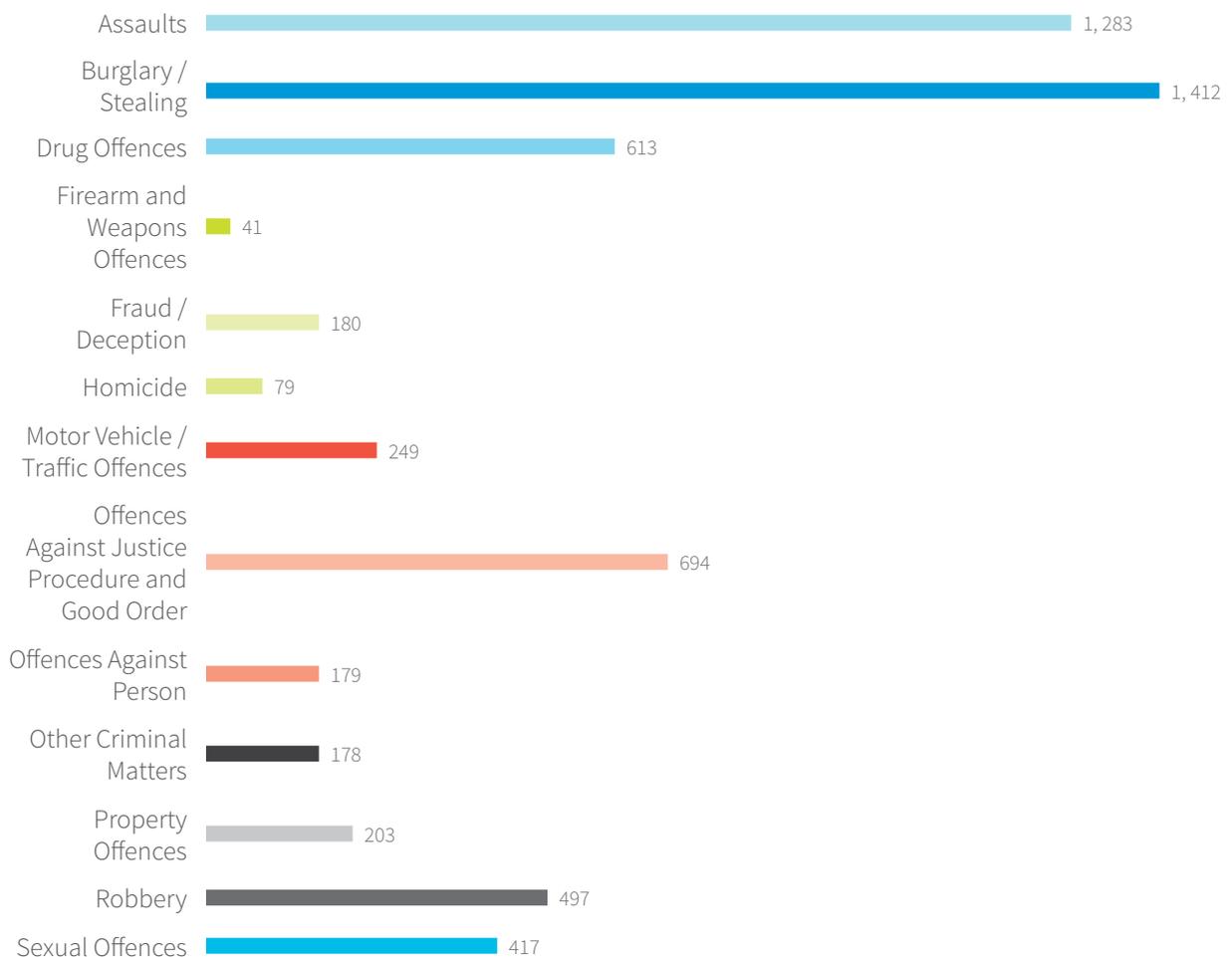
### Issues and challenges for 2014-2015

- Contribute to the development of a mobile device strategy with the ultimate aim of implementing a mobile device management system that supports the duty lawyers and enhances the day to day use of mobile technology for practitioners.
- A priority during 2014-15 will be the implementation of integrated electronic duty lawyer instruction records which can be used to record details of duty lawyer services using mobile device technology and to update the main client information database.
- Contribute to the development of a business case for automated initial assessments in serious criminal (Dietrich) cases that will allow for the rapid and efficient assignment of grants of aid both in house and to private practitioners with the ultimate aim of securing funding for the implementation of required system enhancements.
- Continue to develop and contribute to legal education programs. In addition to the highly successful involvement of Youth Law during Law Week, the team will also be involved in the development of professional development modules for practitioners seeking inclusion on the new panels being introduced as a result of the Review of Private Practitioner Panels.
- Increase duty lawyer service delivery in response to the withdrawal of services by the Aboriginal Legal Service of

WA and recent introduction of the Sunday court in the new Magistrate's Court in Northbridge Court, including regional video link ups.

- Continue to attract eminent practitioners to present case conferences to in-house practitioners, as part of a program of ongoing professional development. Access to case conferences for regional staff is now being accessed through the digital capture and online storage of presentations. The use of WebEx technology is also being introduced.

## CRIMINAL LAW APPLICATION GRANTED BY CATEGORY



# KAREN FARLEY SC

Legal Aid WA's senior criminal law consultant, Karen Farley, was appointed to Silk in December 2013.

Karen originally joined Legal Aid WA in 1987. In her career with Legal Aid WA she has practiced in the area of criminal law. In more recent years, Karen has been the Senior Criminal Law Consultant attached to the Appeals team at Legal Aid WA and specialised in appeal work.

In March 2011, Karen was awarded the Senior Women's Lawyer of the Year by the Women Lawyer's Association of Western Australia. Karen is an active committee member of the Law Society of Western Australia, Criminal Lawyers Association and several other associations. She is a prolific presenter of legal, ethics and criminal practice procedure papers.

Karen Farley SC is the first legal aid lawyer to be appointed to Silk and the first part time lawyer in Western Australia to receive this recognition.



## 5.2 Family Law Division

### Main functions

- Legal representation for children as independent children's lawyers in family law proceedings and child representatives in child protection proceedings.
- Legal representation for parties involved in family law, child protection proceedings and dispute resolution processes and violence restraining order proceedings.
- Provision of dispute resolution services within the scope of family law and child protection.
- A range of services provided by the Domestic Violence Legal Unit, including violence restraining order duty lawyer services, representation in defended hearings, legal advice and minor assistance, and family violence education and victim support in partnership with other agencies.
- Duty lawyer services in the Family Court and the Children's Court (child protection) which include legal advice, preparation of court documents, legal representation in court, advocacy with the Department for Child Protection and Family Support (CPFS) and other agencies, and information and referrals to non-legal support services.

### Issues and achievements for 2013-2014

- Legal Aid WA was pleased to nominate lawyers Leah Young and Joanne Brinkley for the inaugural Family Law Practitioners Association Biennial Lawyer of the Year awards. Joanne was chosen as the Young Family Lawyer of the Year, an outstanding achievement.
- The Signs of Safety program (pre-birth meetings and Signs of safety Pre Hearing Conferences) continued to grow in 2013-14. The lawyer assisted mediation program utilises the Department for Child Protection and Family Safety (CPFS) signs of safety risk assessment framework to engage parents in decision making about care arrangements for their children in an effort to divert protection and care matters from the Children's Court. The number of Signs of Safety Pre-Hearing Conferences held was 11 per cent higher than the previous year and Aboriginal families were participants in 46 per cent of the conferences.
- In an effort to enhance the experience of Aboriginal families of the Signs of Safety Pre Hearing Conference process, Legal Aid WA, in partnership with CPFS, have developed a project which identifies and prepares them for participation in the conferences. This program, the "Aboriginal Engagement Project" is currently being piloted with the intention that 25 families will be followed through the process and their

experience evaluated with the outcome of that evaluation to inform future program development.

- The demand for Signs of Safety Pre Hearing Conferences in regional Western Australia has also steadily increased throughout the year. Regional conferences accounted for 4 per cent of the total number of Signs of Safety Pre-Hearing Conferences held in 2013/2014.
- The improved work flow processes implemented following the integration of the dispute resolution coordinator function into the Client Services Division resulted in an increase of 13 per cent in the number of conferences organised by the end of the year.
- The Dispute Resolution Unit has continued to develop and refine the "Child Inclusive Conference" program for family Dispute Resolution Conferences in parenting matters. This model involves interviews with parents and children prior to the conference with feedback to parents ensuring that the voice of the child is present at the conference.
- There has been an increase in family law matters referred for late intervention Dispute Resolution Conferences. To maximise the potential opportunity to resolve disputes at these conferences the Dispute Resolution Unit has implemented a new program to prepare the parties for their participation in the conference.
- There has been significant ongoing input into State and Commonwealth law reform initiatives and policy consultations in the area of family law, child protection and domestic violence during 2013-14. This has included the Western Australian Law Reform Commission Inquiry into *Enhancing Family and Domestic Violence Laws*, the Senate Inquiry into *Grandparents who take primary responsibility for raising their grandchildren*, and Commonwealth Attorney General's Department initiatives to enhance collaboration between the Family Court and child protection systems. There has also been input into improvements to processes and practices associated with the selection, practice and professional development of independent children's lawyers.
- The dedicated Domestic Violence Legal Unit hotline was integrated into the general Legal Aid WA Telephone Infoline, recognising the high incidence of family violence experienced by the Legal Aid WA client base and the extensive professional development provided to Legal Aid WA staff in relation to family violence.
- The Domestic Violence Legal Unit also delivered family and domestic violence ethics legal training to the regional legal practice, in partnership with the Legal Practice Development Division and also contributed to the 20 year Review of the Gender Bias Taskforce Report.

# JOANNE BRINKLEY – JUNIOR FAMILY LAWYER OF THE YEAR



Joanne Brinkley joined Legal Aid WA as a graduate in 2011, and is currently working as a solicitor in the Family Law Division.

In May 2014, Joanne received the inaugural Junior Family Lawyer of the Year Award, presented by the Family Law Practitioners Association of WA. Joanne's work currently sees her representing clients with matters in the Family Court of WA, Children's Court and in the Magistrate's Court violence restraining order jurisdiction. Joanne also represents clients in dispute resolution conferences.

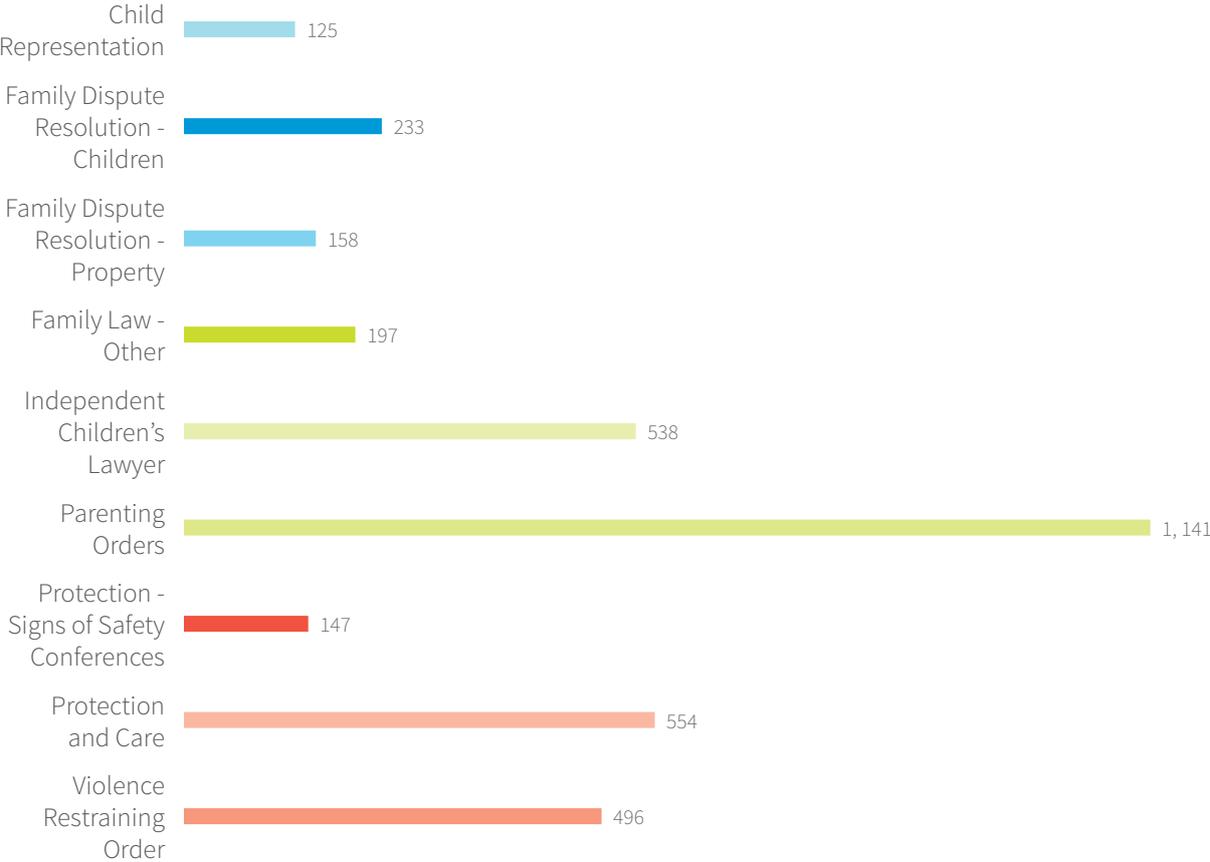
**Issues and challenges for 2014-2015**

- To grow and develop the in-house family law practice, with an emphasis on establishing a succession plan for emerging independent children’s lawyers and child representatives.
- To work with CPFS and the Children’s Court to develop Rules of Court and Guidelines for the work of child representatives and have an integral role in their implementation and associated professional development and practice and process changes.
- To further develop the Signs of Safety program including collaborating with CPFS to identify and implement the

necessary resources to facilitate the continued expansion of the program to regional Western Australia.

- Continue to work with key stakeholders to seek approval and achieve implementation of the legislative, policy and process changes recommended by the Integrated Services Reference Committee to improve the integration of the family law and child protection jurisdictions in Western Australia.
- To further integrate, coordinate and enhance the services provided by the Family Division duty lawyer services at Family Court Services, Children’s Court Protection Services and the Domestic Violence Legal Unit.

**FAMILY LAW APPLICATION GRANTED BY CATEGORY**



## 5.3 Civil Law Division

### Main Functions

- Advice, minor assistance and advocacy on a broad range of civil law matters.
- Legal representation where there is a grant of legal aid.
- Duty lawyer services at the Administrative Appeals Tribunal and the State Administrative Tribunal.
- Administration of the Civil Litigation Assistance Scheme.
- Advice, minor assistance and advocacy in civil law matters provided through Legal Aid WA's Social Inclusion Program, for clients with complex or multiple needs.
- Advice and minor assistance for self-represented litigants in the Federal Court of Australia and the Federal Circuit Court of Australia.

### Issues and achievements for 2013-2014

- The delivery of Civil Law services in the legal assistance sector is dynamic and challenging, given the sheer variety of civil law problems and complex client presentations. During 2013-2014 the Civil Law Division further enhanced its capacity to deliver advice, minor assistance and representation services across a broad range of civil law matters.
- The self-represented litigants' service was implemented in the Perth registry of the Federal Court of Australia and Federal Circuit Court of Australia. Assistance is provided in relation to the following areas of law: Administrative Law; Appeals (especially Migration Appeals); Bankruptcy; Consumer Law; Fair Work; Human Rights; Industrial Law; Migration and Privacy. The service provides advice and assistance to self-represented litigants with a focus on analysing the merits of an application or appeal; court process and procedure; disclosure and evidence; manner of drafting documents, forms and pleadings; and alternative options to resolve the person's legal problems.
- Advice and representation to people summonsed to appear before the Royal Commission into Institutional Responses to Child Sexual Abuse, and also assisted people contemplating giving evidence to the Royal Commission.
- Collaboration with the Commissioner for Victims of Crime to provide a service to represent victims of sexual assault when an application for leave is made in criminal proceedings to disclose confidential counselling records.
- Strategic and coordinated provision of advice and representation in guardianship and administration matters referred by the Human Rights section of the State

Administrative Tribunal. Increasing instances of elder financial abuse and matters affecting people with impaired decision making ability came to the attention of Civil Law Division lawyers. The Division continued to develop appropriate responses to provide assistance to people who are vulnerable to abuse or exploitation.

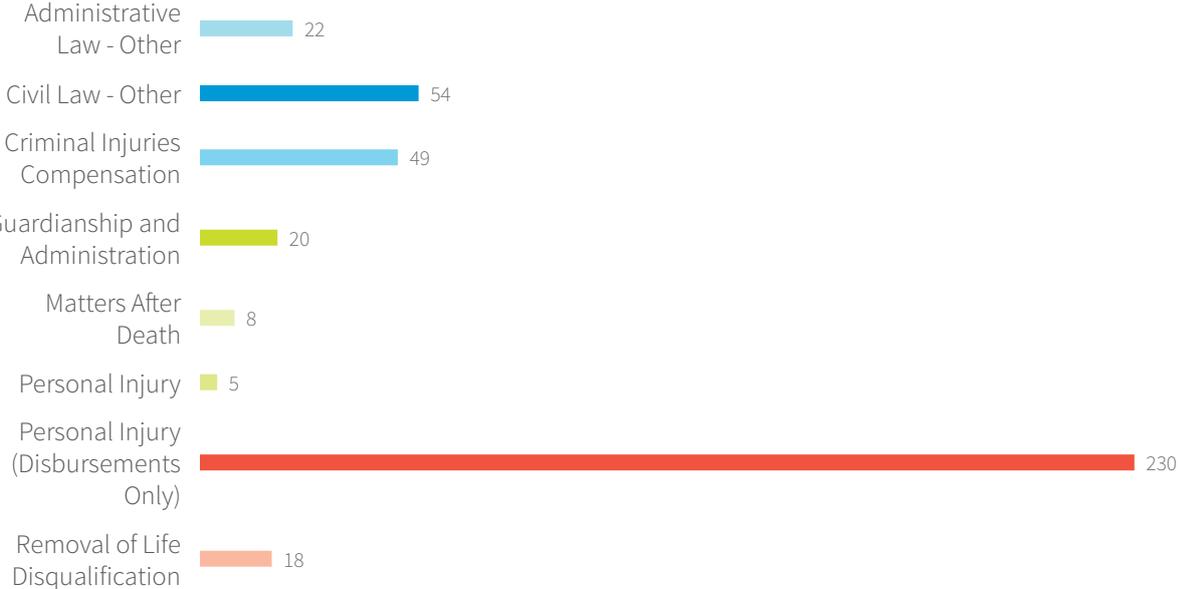
- Written submissions were provided in response to the review of the *Guardianship and Administration Act 1990*; the *Prohibited Behaviour Orders Act 2010*; and the *Residential Parks (Long-stay Tenants) Act 6*.
- Civil Law Division lawyers provided a rapid response to assist people affected by the Perth Hills Bushfires in January 2014. Most of the assistance provided was in relation to insurance law matters.
- Advice and representation provided to people in a range of civil law matters that arise from related criminal law matters. These matters include applications made under the *Prohibited Behaviour Orders Act 2010*; the *Community Protection (Offender Reporting) Act 4*; the *Criminal Property Confiscation Act 0* and the *Proceeds of Crime Act 2 (Cth)*.
- Implementation of medical legal partnerships, also known as advocacy health alliances, to increase the awareness amongst health practitioners of Legal Aid WA services and especially civil law services; and to establish referral pathways for people who need legal advice, minor assistance or legal representation, particularly in civil law matters.

### Issues and challenges for 2014-2015

- Continue to enhance the civil law program to ensure that it meets client needs and values a human rights based approach to access to justice.
- Work collaboratively with other Legal Aid WA divisions and external stakeholders to identify and prioritise client needs and deliver civil law services.
- Maintain the capacity to provide holistic legal advice and representation services in matters which overarch the immigration, civil, criminal and family law jurisdictions.
- Continue to develop appropriate models of service delivery such as modified duty lawyer services at key Tribunals; outreach clinics and the role played by the Social Inclusion Program in providing targeted advice and minor assistance to the most disadvantaged people in our community.
- Increase the number of successful applications for funding under the Civil Litigation Assistance Scheme.

### CIVIL LAW APPLICATIONS GRANTED BY CATEGORY

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# COLLABORATION AND COOPERATION



Jessica Rusden joined Legal Aid WA as a graduate in 2010 and is currently a solicitor in the Family Law Division. For 12 months during 2013-14, Jessica was seconded via the Country Lawyers Program to the Aboriginal Family Law Service in Broome.

During this time Jessica's work included the representation of clients and the delivery of outreach services to communities on the Dampier Peninsula. Through these types of cooperative arrangements with other agencies in the community legal sector, Legal Aid WA is able to provide assistance with the placement of lawyers in regional and remote locations and gain a deeper understanding of issues in specialised areas of community based law.

## 5.4 Regions Division

### Main functions

- Operates regional offices from locations outside of the Perth CBD, with offices at Fremantle, Midland, Bunbury, Albany, Kalgoorlie, Geraldton, South Hedland, Broome, Kununurra, and satellite offices at Carnarvon and Christmas Island. Each office operates as a microcosm of the broader legal aid organisation, offering services in areas including duty lawyer, advice, minor assistance, advocacy (usually negotiations on a legal matter) and legal representation pursuant to a grant of legal aid in criminal and family law matters.
- Provides duty lawyer, advice, minor assistance, advocacy (usually negotiations on a legal matter), community legal education sessions and grants of aid for legal representation on some criminal and family law matters whilst attending court circuits to remote areas of Western Australia.
- Operates the Central Wheatbelt Outreach Service visiting the towns of Northam, Merredin and Southern Cross.
- Manages the Community Legal Centre funding program on behalf of external agencies.
- Manages the Country Lawyers Placement Program for the recruitment and placement of lawyers at regionally located external agencies.

### Issues and Achievements for 2013-2014

- A three year tenancy in the Carnarvon Lotteries House has been secured for the ongoing delivery of services from Legal Aid WA's satellite office. The tenancy is co-located with several local community service providers including the community legal centre and a range of tenancy, family, mental health, ethnic disability and counselling services.
- Extra State Government funding for duty lawyer positions enabled the Regions Division to add two lawyer positions to assist with busy circuit court lists in the Pilbara and West Kimberley regions. The extra positions have been placed at the South Hedland and Broome offices respectively.
- With the assistance of lawyers from the Criminal Law Division, the Regions Division was able to provide a duty lawyer to assist with the extra Magistrate Court sittings at Karratha over the period from January to June 2014. Often the duty lawyer would fly in and out directly to Karratha from Perth.
- The Commonwealth Indigenous Family Violence Prevention Legal Services Program (IFVPLS) and the WA Family Violence Prevention Legal Service Aboriginal Corporation (Aboriginal Family Law Services) are continuing to work with the Country

Lawyer Placement Program to fill lawyer positions in regional areas of Legal Aid WA, although to a lesser extent than the previous financial year. The surplus of young lawyers eager to find employment anywhere has eased some of the difficulties that these agencies and the IFVPLS program faced in the past in recruiting directly to their vacant positions.

- Completed most of the renovations to Legal Aid WA's South Hedland office in the latter half of 2013-14.
- Successfully negotiated a heads of agreement for the lease of new office accommodation for the South West Regional office at Bunbury.
- In partnership with other community agencies have provided intensive community legal education and legal advice to remote Aboriginal communities in both the West and East Kimberley.
- Legal Aid WA was successful in securing Commonwealth funding for the piloting of an Aboriginal Liaison Officer position based in the Kununurra Legal Aid WA office to assist administrative staff and lawyers to achieve positive legal outcomes for Aboriginal people in the East Kimberley. Legal Aid WA has decided to continue with the pilot for the full 2 year term despite the Commonwealth Government not continuing with the funding for the second year.

### Issues and Challenges for 2014-2015

- Manage the closure of the Fremantle and Midland offices and oversee the transition of staff and services to the Perth office.
- Manage the construction of the new Bunbury office fit out and oversee the relocation to the new premises in the Bunbury Tower.
- Develop a strategy for the future office accommodation arrangements at Geraldton.
- Develop a strategy for the future arrangement for the CLPP.

## COMMUNITY LEGAL CENTRE FUNDING 2013-2014

Centres	Commonwealth CLC Funding		Commonwealth Grant Funding		Family Relationships Centre Funding		Legal Contribution Trust Funding		State Community Legal Centre Funding		Social and Community Services		TOTALS	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Albany CLS	263,256	125,000	35,466	53,500							21,387			498,609
Bunbury CLC	190,067	90,000	28,373						57,641		15,568			381,649
CASE for Refugees	124,601								7,457		6,289			138,347
Citizens Advice Bureau				81,400					57,641					139,041
CLC Association									161,005					161,005
Consumer Credit Legal Service	136,940	110,000							400,423		9,520			656,883
Environmental Defenders Office (WA)	96,514	150,000							130,443		9,503			386,460
Fremantle CLC	88,658		26,271						133,684					248,613
Geraldton RC	364,468		54,381						146,097		28,817			593,763
Goldfields CLC	261,347		33,364								11,361			306,072
Gosnells CLC	229,300	120,000	26,271						231,444		18,957			625,972
Kimberley CLS	410,876	120,000	35,466								36,766			603,108
Mental Health Law Centre									772,466					772,466
Northern Suburbs CLC	281,096	120,000	26,271	300,000							21,571			748,938
Peel CLC		90,000	47,288						448,634		6,930			592,852
Pilbara LS	343,536	90,000									16,712			450,248
RAWA (PAFVPLS)									620,300					620,300
SCALES	194,815		26,271						165,227		11,159			397,472
Street Law Centre WA Inc	73,558			180,000							2,836			256,394
Sussex Street CLS	329,191		26,271	114,120					8,203		17,942			495,727
Tenancy WA	144,372													144,372
Welfare Rights & Advocacy Service	201,611	80,000		37,200					16,034		10,856			345,701
Wheatbelt CLC	443,414	90,000		253,330							4,543			347,873
Women's Law Centre			41,713								18,702			503,829
Youth Legal Service WA	86,743			71,000					237,563		3,344			398,650
Practice Cert. Rebate - All Centres				35,800										35,800
	<b>4,264,363</b>	<b>1,185,000</b>	<b>407,406</b>	<b>1,126,350</b>	<b>3,594,262</b>	<b>272,763</b>	<b>10,850,144</b>							

## 5.5 Legal Practice Development Division

### Main functions

- Manages Legal Aid WA's annual Quality Legal Practice certification by the Law Society of WA and enhances professional practice standards through programs of continuing professional development, as required under the *Legal Profession Act 8* and associated regulations.
- Manages professional development programs for Legal Aid WA lawyers.
- Provides legal training services to Legal Aid WA lawyers, service partners and the broader legal profession through the delivery of the annual 'Summer Series' professional development seminars, other in-person training and through Legal Aid WA's online Train-n-Track platform.
- Provides legal information, support and education on a range of legal issues to the public and external stakeholders through various options, including the internet and intranet services and by providing a focal point for a range of legal and procedural support functions statewide.
- Maintains a process of continuous improvement for the delivery of technology based solutions to help meet agency and service partner needs and to enhance client services and access.
- Manages the panel of private legal practitioners and undertakes an ongoing program of education, audit and review.

### Issues and achievements for 2013-2014

- Continued to provide accredited training both online and in-person via Legal Aid WA's learning management system, Train-N-Track. Train-N-Track now has 1186 registered users (711 lawyers), houses 108 online modules (53 legal, 19 National

Legal Aid WA online library pilot, 16 Graduate and 20 admin) and operates as a booking manager for major in-person training events. From 1 July 2013 to 30 June 2014 Train-N-Track awarded 4221 Continuing Professional Development points to Western Australian lawyers.

- Continued to roll out Commonwealth National Broadband Network Regional Legal Assistance Program for NBN WA Stage 2, in partnership with Geraldton Resource Centre. The Murchison region of Western Australia is identified as a high need locality for Legal Aid WA clients and this program harnesses NBN capabilities to deliver new video conferencing capabilities and interactive online modules to directly assist this targeted demographic and the professional staff servicing them.
- Delivered the three day annual Summer Series of legal professional development for the local profession in areas of family, criminal and civil law.

### Issues and challenges for 2014-2015

- Review, revise and implement new private practitioner panels and develop a program of systematic audit to promote a high level of quality control for the restructured panels.
- Implement an enhanced performance review system for Legal Aid WA's in-house practitioners.
- In conjunction with the above, work with Human Resources to review and revise Legal Aid WA job description forms.
- Continue to develop Legal Aid WA's online training, practitioner support and online community legal education capabilities.
- Implement a platform for the orderly storage and retrieval of Legal Aid WA's multi-media resources.

# LEGAL AID WA SUMMER SERIES

Since 2009, Legal Aid WA has held its Summer Series in late February or March each year. This is a 3 day seminar focussing on each of Family, Civil and Criminal law on separate days and has developed into a “calendar event” for those providing legal services in Western Australia.

Each day encompasses a range of topical legal and procedural issues providing attendees from across the State with the opportunity to undertake intensive training that earns Continuing Practice Development points as well as a setting in which to meet and discuss evolving and ongoing service delivery matters with peers and colleagues. In excess of 400 people attended these sessions this year.

In 2014, the keynote speakers were human rights lawyers, George Newhouse (pictured left) and Dan Mori (pictured right). Also pictured are Jane Stewart, Director of the Legal Practice Development Division and Justin Stevenson, Director of the Civil Law Division at Legal Aid WA.



**LEGAL AID WA PRIVATE PRACTITIONERS PANEL**  
**TOP 30 LEGAL AID WA FEE EARNERS**  
**FOR THE YEAR ENDED 30 JUNE 2014**

Top 30 Fee Earners		Solicitor Fees \$
1	READER LAWYERS & MEDIATORS	636,170
2	IAN HOPE	436,477
3	BARONE CRIMINAL LAWYERS	380,711
4	CMS LEGAL	369,417
5	CALVERLEY JOHNSTON	345,739
6	SIMON WATTERS	331,595
7	MCDONALD & SUTHERLAND	298,434
8	FISHER LEGAL PTY LTD	275,850
9	FERRIER ATHANASIOU & KAKULAS PTY LTD	249,026
10	BANNERMAN SOLICITORS	230,957
11	SEAMUS RAFFERTY BARRISTER & SOLICITOR	215,593
12	HOLDEN BARLOW	211,644
13	SUMMERS LEGAL	203,107
14	SHADGETT LEGAL PTY LTD	201,936
15	RAJESH SAHARAN	197,563
16	SUSAN JEAN CRISP	197,076
17	DAVID MANERA	190,820
18	CPK LEGAL	186,841
19	PACY SOLICITORS	181,889
20	LUMLAN & ASSOCIATES PTY LTD	179,939
21	FORT LEGAL	177,602
22	CAROL PENN LAWYER	170,955
23	TERRY DOBSON LEGAL	169,230
24	MICHAEL TUDORI & ASSOCIATES	162,403
25	MILLINGTON LEGAL PTY LTD	161,095
26	ADAM HILLS-WRIGHT BARRISTER	160,294
27	HAMMOND LEGAL	159,044
28	HENRY SKLARZ	159,043
29	SIMON FREITAG	158,700
30	LAWSON LEGAL	157,368

## 5.6 Client Services Division

### Main functions

- Assessing applications for grants of aid.
- Providing an information and telephone referral service for queries of a general nature from members of the public.
- Providing legal advice and minor assistance for members of the public requiring initial advice and/or assistance with handling their own legal issues.
- Providing legal information and education on a range of legal issues to the public and external stakeholders through various options, including the internet.
- Engaging the private profession to act in a wide range of criminal, family and civil law matters.

### Issues and achievements for 2013-2014

- Commenced the implementation of the recommendations of the Intake Assessment and Referral report including the integration of the Dispute Resolution screening staff and associated functions into the Division.
- In response to continuing increased demand for grants of aid for indictable matters and more complex family law matters, successfully applied periodic adjustments to Legal Aid WA's eligibility criteria to ensure that the awarding of grants remains within budget capacity.
- Increased the level of resources directed towards matters involving an Independent Children's Lawyer, in response to receipt of additional targeted Commonwealth funding.

- Continued with the Private Practitioner Panel Review implementation successfully separating the assessing and review functions and moving relevant staff to Legal Practice Development to implement the new panels.
- Installed a new Telephone Infoline platform to increase capacity to meet increasing demand. This included the integration of the domestic violence helpline into the main Infoline.
- Produced and rolled out a digital application "Below the Belt App" dealing with sex and consent, sexting and cyberbullying for young people in Australia, including victims of sexting or cyberbullying and friends who want to support them.
- Extended the rollout of the "When Separating" series to private law firms and domestic violence services.
- Creation of new Community Legal Education partnerships with schools, Francis Burt Education and the Law Society of WA.

### Issues and challenges for 2014-2015

- Continue to work on the upgrade of the Grants Online system focusing on improving functionality.
- Implement the remaining recommendations of the Intake Assessment and Referral Project concentrating particularly on streamlining the intake and assessment processes.
- Assist the Legal Practice Development division to implement the recommendations of the Private Practitioner Panel Review.

## 5.7 Business Services Division

### Main functions

The Business Services Division provides corporate services to support the operation of all other divisions of Legal Aid WA. The key services delivered by Business Services are:

- Finance, including overall financial management, internal audit and administration services.
- Information management, including management of information systems and technology.
- Human resources, including training, recruitment, performance monitoring and payroll services.
- Assistance on matters of policy which require coordination across Legal Aid WA and other parts of Government.
- Providing a secretariat to Legal Aid WA's Board of Commissioners.

### Issues and achievements for 2013-2014

- Appointed interior designers for the development of the fitout of Legal Aid WA's new office at 32 St Georges Terrace, Perth, which will commence occupancy in mid-2015. Managed the consultation process between the designers and staff and oversaw the development of the design to detailed design stage.
- Upgraded Legal Aid WA's principal information technology operating system from Windows XP to Windows 8. This culminated in a successful rollout to all of Legal Aid WA's offices across the State.

- Coordinated a National Legal Aid WA response to the Productivity Commission Inquiry into Access to Justice Arrangements. Also prepared a Legal Aid WA response which addressed issues specific to Western Australia.
- Substantial progress towards implementing automated system for reporting occupational health and safety incidents. This information is provided to quarterly meetings of the Legal Aid WA Audit Subcommittee of Commissioners.

### Issues and challenges for 2014-2015

- Finalise the interior design for 32 St Georges Terrace and oversee the construction of the new fitout for the premises.
- Improve Legal Aid WA's risk management strategy, which includes ongoing management of Legal Aid WA's Risk Register and risk treatment plans, as well as business continuity and disaster recovery plans for the organisation.
- With assistance from other Divisions, develop improved arrangements for monitoring employee performance. This includes establishing a performance management system which links desired outcomes under Legal Aid WA's Strategic and Business Plans to the expected deliverables of individual Directors and their Divisions.
- Continue to enhance the role of the Jurisdictional Forum, established as a communications and information sharing mechanism under the National Partnership Agreement for Legal Assistance Services.
- Develop human resources plans for the integration of Fremantle and Midland staff into the Perth offices, following the closure of the suburban offices during mid to late 2015.

# RELOCATION TO 32 ST GEORGES TCE

Throughout 2013-14, Legal Aid WA has been working on its head office relocation to 32 St Georges Terrace, Perth, which is expected to occur in mid-2015.

In December 2013, GHD Woodhead were appointed as interior designers and since that time there has been an ongoing process of consultation with staff to determine the appropriate fitout requirements for the new tenancy. An open plan philosophy has been

adopted, which will see every staff member seated in an open plan workstation. The workplace will be supported with an extensive support infrastructure for staff, clients and members of the legal assistance sector.



## 6. SIGNIFICANT ISSUES IMPACTING UPON THE AGENCY

### 6.1 Future arrangements for Commonwealth funding

Since 1 July 2010, the allocation of Commonwealth funding to all State and Territory legal aid commissions has been provided under the terms of the National Partnership Agreement for Legal Assistance Services (NPA). The first NPA expired on 30 June 2014 and the Commonwealth has asked the States and Territories to agree to a one-year extension of the NPA. It is anticipated that a new funding arrangement will be presented to States and Territories prior to 1 July 2015.

It is acknowledged that Legal Aid WA received its largest increase in Commonwealth funding in over 15 years, upon the commencement of the NPA. However, in relative terms, Western Australia has received the second lowest level of Commonwealth funding on a per capita basis, since the commencement of the NPA. The reason for the low levels of funding are difficult to understand. The factors of disadvantage in providing public services in Western Australia are stated clearly by the Commonwealth Grants Commission, with service delivery in Western Australia having the highest level of cost disadvantage of all the States and Territories. While issues of own-source revenue strength completely outweigh the cost disadvantage factors in the general debate about Western Australia's share of GST funding, these own-source revenue factors ought not be applicable in circumstances where the State is delivering a service on behalf of the Commonwealth. Logically, it flows that Western Australia should be one of the relatively higher funded jurisdictions for legal assistance funding.

The Commonwealth's current process of developing a funding arrangement to replace the NPA presents the opportunity for the Commonwealth to objectively assess cost relativities between jurisdictions and to adjust funding levels to be more equitable

and appropriate. It will be Legal Aid WA's submission to the Commonwealth that the funding formula needs to be transparent and move away from the existing 'black box' approach. Legal Aid WA will also be suggesting that the Commonwealth needs to set in place a pathway for better equality of funding based on need, by providing higher rates of funding growth to those jurisdictions faced with inherently higher unit costs of delivering services.

In the meantime, Legal Aid WA will face serious challenges to provide an adequate level of services in the Commonwealth jurisdiction under current funding arrangements. Over the term of the NPA, Western Australia's rate of population growth has exceeded the rate of funding growth from the Commonwealth. Earlier this year, the Commonwealth announced that it was placing tighter restrictions on the availability of funding for "expensive Commonwealth criminal cases". These are generally very serious matters where clients require a high level of representation. In the absence of expensive cases funding for Commonwealth criminal matters, Legal Aid WA will be required to reallocate resources away from Commonwealth funded serious family law matters, and towards representation in the criminal jurisdiction.

Perhaps the most telling statistic regarding the structural change in legal assistance funding, is the Commonwealth's share of total funding. In 1996-97 the Commonwealth provided Legal Aid WA with 53 per cent of its total funding. By 2013-14 that figure had fallen to be just over 31 per cent. With the figure consistently falling from year to year, it remains the Commonwealth's challenge to arrest the decline and, over time, to return to a 50 per cent funding ratio for Legal Aid WA (with the other 50 per cent of total funding provided by the State Government).

## 6.2 Services provided by the Aboriginal Legal Service of WA (ALSWA)

ALSWA is a long-standing, integral element of the legal assistance sector in Western Australia, which receives all of its funding through the Commonwealth Government. ALSWA provides services in some of the most remote parts of Western Australia, to some of the nation's most disadvantaged people. There is a substantial and generally acknowledged body of evidence showing a massively disproportionate link between an individual's status as an Aboriginal person, and their contact with the criminal justice system. This unfortunate statistic makes the presence of ALSWA absolutely essential, as a provider of culturally appropriate services in challenging legal situations.

For Legal Aid WA, ALSWA is an essential service delivery partner, particularly in regional and remote areas of Western Australia. However, ALSWA's ongoing capacity to provide services is under significant pressure as a result of insufficient funding over recent years and funding cuts foreshadowed by the Commonwealth over the forward estimates period. To date, the effect of ALSWA's constrained funding position has required ALSWA to withdraw duty lawyer services from a number of courts in metropolitan and regional Western Australia. It is concerning that future cuts may impact seriously upon ALSWA's capacity to provide representation in other areas in the State and for persons charged with more serious matters.

The position of ALSWA is a significant issue for Legal Aid WA because a reduction in ALSWA's service delivery capacity creates additional demand (and expense) for equivalent services provided by Legal Aid WA. Notably, while overall demand for Legal Aid WA duty lawyer services between 2010-11 and 2013-14 increased by close to 17 per cent, the number of duty lawyer services provided by Legal Aid WA to people identifying themselves as Aboriginal increased by over 70 per cent during this period. This increase in demand coincides with the period over which ALSWA has been compelled to withdraw duty lawyers from a number of metropolitan and regional courts.

Legal Aid WA acknowledges the response of the State Government in providing additional duty lawyer resources in 2011-12 and 2014-15 to respond to this increase in demand for State-funded services. It remains a policy concern, however, that the Commonwealth's insufficient funding of ALSWA is creating a growing cost shift from the Commonwealth to the State.



# 7. DISCLOSURES AND LEGAL COMPLIANCE

## 7.1 Auditor General's Opinion on Financial Statements and Key Performance Indicators



### Auditor General

#### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

#### LEGAL AID COMMISSION OF WESTERN AUSTRALIA

##### Report on the Financial Statements

I have audited the accounts and financial statements of the Legal Aid Commission of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

##### *Commission's Responsibility for the Financial Statements*

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

##### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial statements.

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

##### **Opinion**

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Legal Aid Commission of Western Australia at 30 June 2014 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

# 7. DISCLOSURES AND LEGAL COMPLIANCE

## 7.1 Auditor General's Opinion on Financial Statements and Key Performance Indicators

### **Report on Controls**

I have audited the controls exercised by the Legal Aid Commission of Western Australia during the year ended 30 June 2014.

Controls exercised by the Legal Aid Commission of Western Australia are those policies and procedures established by the Commission to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

#### *Commission's Responsibility for Controls*

The Commission is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

#### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Legal Aid Commission of Western Australia based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Commission complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

### **Opinion**

In my opinion, the controls exercised by the Legal Aid Commission of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2014.

### **Report on the Key Performance Indicators**

I have audited the key performance indicators of the Legal Aid Commission of Western Australia for the year ended 30 June 2014.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

#### *Commission's Responsibility for the Key Performance Indicators*

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Commission determines necessary to ensure that the key performance indicators fairly represent indicated performance.

#### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

## 7. DISCLOSURES AND LEGAL COMPLIANCE

### 7.1 Auditor General's Opinion on Financial Statements and Key Performance Indicators

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Commission's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

#### **Opinion**

In my opinion, the key performance indicators of the Legal Aid Commission of Western Australia are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2014.

#### **Independence**

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

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

This auditor's report relates to the financial statements and key performance indicators of the Legal Aid Commission of Western Australia for the year ended 30 June 2014 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



GLEN CLARKE  
DEPUTY AUDITOR GENERAL  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
17 September 2014

# 7. DISCLOSURES AND LEGAL COMPLIANCE

## 7.2 Financial Statements and Notes

### Certification Of Financial Statements FOR THE YEAR ENDED 30 JUNE 2014

The accompanying financial statements of the Legal Aid Commission of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2014 and the financial position as at 30 June 2014.

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



**Lee Baker**  
Chief Finance Officer

Date 10/9/2014



**George Turnbull**  
Director

Date 11/9/2014



**Stuart Shepherd**  
Chairman

Date 11.09.2014

# LEGAL AID COMMISSION OF WESTERN AUSTRALIA

## Statement of Comprehensive Income FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	6	31,927,073	30,031,898
Supplies and services	7	5,719,664	5,099,154
Depreciation and amortisation expense	8	896,624	780,758
Accommodation expenses	9	4,009,759	3,813,106
Legal services expenses	10	21,417,148	20,820,044
Loss on disposal of non-current assets	16	-	-
Other expenses	11	6,271,804	5,680,048
<b>Total cost of services</b>		<b>70,242,072</b>	<b>66,225,008</b>
<b>Income</b>			
<i>Revenue</i>			
User charges and fees	12	3,351,802	2,434,133
Commonwealth grants and contributions	13	22,181,922	22,959,941
Interest revenue	14	1,245,195	1,313,521
Other revenue	15	2,719,572	2,389,439
<b>Total Revenue</b>		<b>29,498,491</b>	<b>29,097,034</b>
<i>Gains</i>			
Gain on disposal of non-current assets	16	413	1,576
<b>Total Gains</b>		<b>413</b>	<b>1,576</b>
<b>Total income other than income from State Government</b>		<b>29,498,904</b>	<b>29,098,610</b>
<b>NET COST OF SERVICES</b>	<b>29</b>	<b>40,743,168</b>	<b>37,126,398</b>
<b>Income from State Government</b>			
State Government grant		37,895,220	38,283,339
Services received free of charge		7,809	6,556
Royalties for Regions Fund		246,985	349,181
<b>Total income from State Government</b>	<b>17</b>	<b>38,150,014</b>	<b>38,639,076</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<b>28</b>	<b>(2,593,154)</b>	<b>1,512,678</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items not reclassified subsequently to profit and loss			
Changes in asset revaluation surplus		(244,000)	370,000
Changes in asbestosis reserve		-	(1,206,663)
Gains/(losses) recognised directly in equity		-	-
<b>Total other comprehensive income</b>	<b>28</b>	<b>(244,000)</b>	<b>(836,663)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(2,837,154)</b>	<b>676,015</b>

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

# LEGAL AID COMMISSION OF WESTERN AUSTRALIA

## Statement of Financial Position

AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	29	29,087,169	30,847,384
Restricted cash and cash equivalents	18, 29	10,072	16,960
Receivables	19	3,568,469	3,341,442
Other current assets	20	82,566	19,458
<b>Total Current Assets</b>		<b>32,748,276</b>	<b>34,225,245</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	18, 29	777,140	667,676
Receivables	19	4,094,080	3,810,774
Property plant & equipment	21	2,348,857	2,981,723
Intangible assets	23	1,178,221	950,944
<b>Total Non-Current Assets</b>		<b>8,398,298</b>	<b>8,411,117</b>
<b>TOTAL ASSETS</b>		<b>41,146,574</b>	<b>42,636,361</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	25	16,534,387	15,547,296
Provisions	26	4,763,676	4,284,557
Other current liabilities	27	102,128	122,618
<b>Total Current Liabilities</b>		<b>21,400,191</b>	<b>19,954,471</b>
<b>Non-Current Liabilities</b>			
Provisions	26	1,689,490	1,787,843
<b>Total Non-Current Liabilities</b>		<b>1,689,490</b>	<b>1,787,843</b>
<b>TOTAL LIABILITIES</b>		<b>23,089,681</b>	<b>21,742,314</b>
<b>NET ASSETS</b>		<b>18,056,893</b>	<b>20,894,047</b>
<b>EQUITY</b>			
	28		
Contributed equity		595,669	595,669
Reserves		1,017,904	1,261,904
Accumulated surplus		16,443,320	19,036,474
<b>TOTAL EQUITY</b>		<b>18,056,893</b>	<b>20,894,047</b>

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

# LEGAL AID COMMISSION OF WESTERN AUSTRALIA

## Statement of Changes in Equity

**FOR THE YEAR ENDED 30 JUNE 2014**

	Note	Contributed Equity \$	Reserves \$	Accumulated Surplus \$	Total Equity \$
Balance at 1 July 2012	28	595,669	2,098,567	16,317,133	19,011,369
Transfers to/(from) reserves		-	(1,206,663)	1,206,663	-
<b>Restated balance at 1 July 2012</b>		595,669	891,904	17,523,796	19,011,369
Surplus		-	-	1,512,678	1,512,678
Other Comprehensive Income		-	370,000	-	370,000
<b>Total comprehensive income for the period</b>		-	<b>370,000</b>	<b>1,512,678</b>	<b>1,882,678</b>
<b>Balance at 30 June 2013</b>		<b>595,669</b>	<b>1,261,904</b>	<b>19,036,474</b>	<b>20,894,047</b>
Balance at 1 July 2013		595,669	1,261,904	19,036,474	20,894,047
Surplus		-	-	(2,593,154)	(2,593,154)
Other Comprehensive Income		-	(244,000)	-	(244,000)
<b>Total comprehensive income for the period</b>		-	<b>(244,000)</b>	<b>(2,593,154)</b>	<b>(2,837,154)</b>
<b>Balance at 30 June 2014</b>		<b>595,669</b>	<b>1,017,904</b>	<b>16,443,320</b>	<b>18,056,893</b>

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

# LEGAL AID COMMISSION OF WESTERN AUSTRALIA

## Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
State Government Grant		38,020,220	38,213,948
Royalties for Regions Fund		246,985	349,181
<b>Net cash provided by State Government</b>		<b>38,267,205</b>	<b>38,563,129</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(31,402,353)	(30,219,639)
Supplies and services		(5,680,194)	(5,000,508)
Accommodation		(3,888,837)	(3,710,830)
Legal services		(20,794,677)	(17,437,102)
GST payments on purchases		(4,154,603)	(3,133,698)
Other payments		(6,483,093)	(5,549,630)
<b>Receipts</b>			
User charges and fees		2,989,265	2,141,467
Commonwealth grants and contributions		22,197,245	23,108,890
Interest received		1,188,594	1,273,144
GST receipts on sales		123,290	304,199
GST receipts from taxation authority		3,871,554	2,911,677
Other receipts		2,813,590	2,355,041
<b>Net cash provided by/(used in) operating activities</b>	<b>29</b>	<b>(39,220,219)</b>	<b>(32,956,988)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current physical assets		(705,039)	(405,474)
<b>Receipts</b>			
Proceeds from sale of non-current physical assets	16	413	7,515
<b>Net cash provided by/(used in) investing activities</b>		<b>(704,626)</b>	<b>(397,958)</b>
Net increase/(decrease) in cash and cash equivalents		(1,657,640)	5,208,181
Cash and cash equivalents at the beginning of period		31,532,020	26,323,839
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>29</b>	<b>29,874,380</b>	<b>31,532,020</b>

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

## **Note 1. Australian Accounting Standards**

### **General**

The Commission's financial statements for the year ended 30 June 2014 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

### **Early adoption of standards**

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2014.

## **Note 2. Summary of significant accounting policies**

### **(a) General statement**

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

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

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

### **(b) Basis of preparation**

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

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

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

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

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

### **(c) Reporting entity**

The reporting entity comprises the Commission. There are no related bodies. Refer to note 37 'Related bodies'.

### **(d) Contributed equity**

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

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

## (e) Income

### Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable.

Revenue is recognised for the major business activities as follows:

#### ***Sale of goods***

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

#### ***Provision of services***

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

#### ***Interest***

Revenue is recognised as the interest accrues.

#### ***State Government Grant***

State Government Grants are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account. See also note 17 'Income from State Government' for further information.

#### ***Grants, donations, gifts and other non-reciprocal contributions***

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

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

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Commission obtains control over the funds. The Commission obtains control of the funds at the time the funds are deposited into the Commission's bank account.

### Gains

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

## (f) Property, plant and equipment

### ***Capitalisation/expensing of assets***

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

### ***Initial recognition and measurement***

Property, plant and equipment are initially recognised at cost.

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

### ***Subsequent measurement***

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

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

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

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

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

#### ***Derecognition***

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

#### ***Asset revaluation surplus***

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 21 'Property, plant and equipment'.

#### ***Depreciation***

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

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

Buildings on freehold land	50 years
Furniture and fixtures	5 to 13 years
Leasehold improvements	6 to 20 years
Office equipment	5 to 10 years
IT equipment	3 to 4 years
Motor vehicles	2 to 3 years

Land is not depreciated.

### **(g) Intangible assets**

#### ***Capitalisation/expensing of assets***

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the Commission have a finite useful life and zero residual value.

The expected useful lives of each class of intangible asset are:

Licences	3 years
Software <sup>(a)</sup>	5 to 10 years

(a) Software that is not integral to the operation of any related hardware

#### ***Licences***

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

#### ***Development costs***

Research costs are expensed as incurred. Development costs incurred for an individual project are carried forward when the future economic benefits can reasonably be regarded as assured and the total project costs are likely to exceed \$50,000. Other development costs are expensed as incurred.

#### ***Computer software***

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

## **(h) Impairment of assets**

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

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

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

See also note 24 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(n) 'Receivables' and 19 'Receivables' for impairment of receivables.

## **(i) Grant of aid**

Grants of Aid are recognised as a liability on approval of a grant of aid based on a provisional cost estimate. The provisional cost estimate reflects the estimated cost of the assignment based on the relevant scale of fees.

Levies towards the cost of aid by Legal Aid WA clients are recognised as an asset on approval of the grant of aid. Provision for bad debts is provided for in accordance with note 19 'Receivables'.

## **(j) Leases**

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

## **(k) Financial instruments**

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

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
  - ▷ Cash and cash equivalents
  - ▷ Restricted cash and cash equivalents
  - ▷ Receivables
- Financial Liabilities
  - ▷ Payables

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

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

## **(l) Cash and cash equivalents**

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

## **(m) Accrued salaries**

Accrued salaries (see note 25 'Payables') represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account (see note 18 'Restricted cash and cash equivalents').

## **(n) Receivables**

### Un-secured debtors

Unsecured debtors are recognised at original invoice amount less an allowance for any uncollectable amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 42 days.

### Secured debtors

Secured debtors are recognised at original invoice amount less an allowance for any uncollectable amounts (i.e. impairment). Secured receivables are only payable to the Commission on the sale or other alienation of the secured property. Due to the long term nature of these receivables, a provision for discount is raised which enables the receivable to be shown at Net Present Value. The collectability of secured receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off.

See also note 2(k) 'Financial Instruments' and note 19 'Receivables'.

## **(o) Payables**

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

Grant of aid commitments are settled as the case progresses and matters can be outstanding for between 3 months and 2 years. The Commission considers the carrying amount of grant of aid commitments to be equivalent to the net fair value as the effect of discounting would be immaterial.

See also note 2(k) 'Financial Instruments' and note 25 'Payables'.

## **(p) Provisions**

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

See also note 26 'Provisions'

### Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

#### ***Annual leave***

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### ***Long service leave***

The liability for long service leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Commission does not have an unconditional right to defer the settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Commission has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

#### ***Sick leave***

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income for this leave as it is taken.

#### ***Deferred leave***

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional 12 months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

#### ***Purchased leave***

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

#### ***Superannuation***

The Government Employees Superannuation Board (GESB) administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or of the GESBS and new employees have been able to choose their preferred superannuation fund provider. The Commission makes contributions to GESB or other fund providers on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. Contributions to these accumulation schemes extinguish the Commission's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government-reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Commission to GESB extinguishes the agency's obligations to the related superannuation liability.

The Commission has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Commission to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share. See also note 2(q) 'Superannuation expense'.

## Provisions - other

### **Employment on-costs**

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Commission's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

See also note 11 'Other expenses' and note 26 'Provisions'.

### **(q) Superannuation expense**

Superannuation expense is recognised in the profit or loss of the Statement of Comprehensive Income and comprises employer contributions paid to the GSS (concurrent contributions), WSS, and the GESBS, and other superannuation funds.

### **(r) Books and technical journals**

Books and technical journals are recognised as an expense as they are acquired.

### **(s) Assets and services received free of charge or for nominal cost**

Assets and services received free of charge or for nominal cost are recognised as income at the fair value of the assets or services that can be reliably measured and the Commission would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

### **(t) Jointly controlled operations**

The Commission has no interest in joint ventures that are jointly controlled operations.

### **(u) Comparative figures**

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

## **Note 3. Judgements made by management in applying accounting policies**

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

### **Operating lease commitments**

The Commission has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases. Also, the Commission has entered into a number of leases for motor vehicles. These leases relate to motor vehicle leases of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

## **Note 4. Key sources of estimation uncertainty**

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

### **Technological equipment**

The Commission's management determines the estimated useful lives and related depreciation charges for its plant and equipment. This estimate is based on projected useful lives of the assets and it could change significantly as a result of technical innovations. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

### **Grants of aid**

Grants of aid are recognised as a liability initially on the basis of a provisional cost estimate. These estimates are revised as the litigation proceeds and realistic information on associated costs become available.

### **Leasehold improvements**

Leasehold improvements are amortised over the initial term of the lease even though an option for extending the lease exists. Should the lease agreement be extended before the expiration of the initial term, the period of amortisation of any unamortised balance of leasehold improvements is revised to include the extended term.

## Long service leave

Several estimations and assumptions used in calculating the Commission's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

## Non-current debtors – provision for discount

Secured non-current debtors for contributions due to the Commission are expected to fully settle their liabilities on sale or other alienation of their properties. These debts are presented at their discounted value to take account of the expected long repayment period. The Commission uses its judgement to determine the average repayment period for settlement of these debts and the selection of an appropriate discount rate.

## Note 5. Disclosure of changes in accounting policy and estimates

During 2013/14 and following several years of inactivity the Commission reclassified the Asbestosis account from Restricted cash and cash equivalents to Cash and cash equivalents. This was based on legal advice that had been provided. The Commission approved that future Asbestosis legal costs would be funded from within the agency's resources. The \$1,206,663 in changes have been applied retrospectively.

### Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2013 that impacted on the Commission.

AASB 13	<i>Fair Value Measurement</i> This Standard defines fair value, sets out a framework for measuring fair value and requires additional disclosures for assets and liabilities measured at fair value. There is no financial impact.
AASB 119	<i>Employee Benefits</i> This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements.  The Commission assessed employee leave patterns to determine whether annual leave is a short-term or other long-term employee benefit. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.
AASB 1048	<i>Interpretation of Standards</i> This Standard supersedes AASB 1048 (June 2012), enabling references to the Interpretations in all other Standards to be updated by reissuing the service Standard. There is no financial impact.
AASB 2011-8	<i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 &amp; 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 &amp; 132].</i>  This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 &amp; 2011-8 and Int 14].</i>  This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.
AASB 2012-2	<i>Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 7 &amp; 132].</i>  This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights to set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.
AASB 2012-5	<i>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 &amp; 134 and Int 2].</i>  This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.

AASB 2012-6	<p><i>Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 &amp; 2011-8].</i></p> <p>This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015 (instead of 1 January 2013). Further amendments are also made to numerous consequential amendments arising from AASB 9 that will now apply from 1 January 2015. There is no financial impact.</p>
AASB 2012-9	<p><i>Amendment to AASB 1048 arising from the Withdrawal of Australian Int 1039.</i></p> <p>The withdrawal of Int 1039 Substantive Enactment of Major Tax Bills in Australia has no financial impact for the Commission during the reporting period and at balance date. Measurement of tax assets and liabilities continues to be measured in accordance with enacted or substantively enacted tax law pursuant to AASB 112.46-47.</p>
AASB 2012-10	<p><i>Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments [AASB 1, 5, 8, 10, 11, 112, 12, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 and 2011-7 &amp; Int 12].</i></p> <p>This Standard introduces a number of editorial alterations and amends the mandatory application date of Standards for not for profit entities accounting for interests in other entities. There is no financial impact.</p>
AASB 2013-9	<p><i>Amendment to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments.</i></p> <p>Part A of this omnibus Standard makes amendments to other Standards arising from revisions to the Australian Accounting Conceptual Framework for periods ending on or after 20 December 2013. Other Parts of this Standard become operative in later periods. There is no financial impact for Part A of the Standard.</p>

### **Future impact of Australian Accounting Standards not yet operative**

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. Consequently, the Commission has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply these Australian Accounting Standards from their application date.

### **Operative for reporting periods beginning on/after**

Int 21	<p><i>Levies</i></p> <p>This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for the Commission at reporting date.</p>	1 Jan 2014
AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition And Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard was amended to 1 January 2018 by AASB 2014-1 Amendments to Australian Accounting Standards. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 10	<p><i>Consolidated Financial Statements</i></p> <p>This Standard issued in August 2011, supersedes AASB 1127 Consolidated and Separate Financial Statements and Int 112 <i>Consolidation - Special Purpose Entities</i>, introducing a number of changes to accounting treatments.</p> <p>Mandatory application of this Standard was deferred for not-for-profit entities by AASB 2012-10 <i>Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments</i>. The adoption of the new Standard has no financial impact for the Commission as it does not impact accounting for related bodies and the Commission has no interest in other entities.</p>	1 Jan 2014

AASB 11	<p><b>Joint Arrangements</b></p> <p>This Standard, issued in August 2011, supersedes AASB 131 <i>Interests in Joint Ventures</i>, introduces new principles for determining the type of joint arrangement that exists, which are more aligned to the actual rights and obligations of the parties to the arrangement.</p> <p>Mandatory application of this Standard was deferred for not-for-profit entities by AASB 2012-10. There is no financial impact for the Commission as the new Standard continues to require the recognition of the Commission's share of assets and share of liabilities for the unincorporated joint operation.</p>	1 Jan 2014
AASB 12	<p><b>Disclosure of Interests in Other Entities</b></p> <p>This Standard issued in August 2011, supersedes disclosure requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i>, AASB 128 <i>Investments in Associates</i> and AASB 131 <i>Interests in Joint Ventures</i>.</p> <p>Mandatory application was deferred for not-for-profit entities by AASB 2012-10. There is no financial impact.</p>	1 Jan 2014
AASB 14	<p><b>Regulatory Deferral Accounts</b></p> <p>The Commission has not yet determined the application or the potential impact of the Standard.</p>	
AASB 127	<p><b>Separate Financial Statements</b></p> <p>This Standard, issued in August 2011, supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i>, removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. Mandatory application was deferred for not-for-profit entities by AASB 2012-10. There is no financial impact.</p>	1 Jan 2014
AASB 128	<p><b>Investments in Associates and Joint Venture</b></p> <p>This Standard supersedes AASB 128 <i>Investments in Associates</i>, introducing a number of clarifications for the accounting treatments of changed ownership interest.</p> <p>Mandatory application was deferred for not-for-profit entities by AASB 2012-10. The adoption of the new Standard has no financial impact for the Commission as it does not hold investments in associates and the accounting treatments for joint operations is consistent with current practice.</p>	1 Jan 2014
AASB 1031	<p><b>Materiality</b></p> <p>This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality that is not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.</p>	1 Jan 2014
AASB 1055	<p><b>Budgetary Reporting</b></p> <p>This Standard requires specific budgetary disclosures in the general purpose financial statements of not-for-profit entities within the General Government Sector. The Commission will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.</p>	
AASB 2009-11	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Int 10 &amp; 12]</i></p> <p>[Modified by AASB 2010-7].</p>	1 Jan 2015

AASB 2010-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 127].</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>AASB 2012-6 amended the mandatory application date of this Standard to January 1 2015. The Commission has not yet determined the application or the financial impact of the Standard.</p>	1 Jan 2015
AASB 2011-7	<p><i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 &amp; 1038 and Int 5, 9, 16 &amp; 17].</i></p> <p>This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures. For not-for-profit entities it applies to annual reporting periods beginning on or after 1 January 2014. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2013
AASB 2012-3	<p><i>Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132].</i></p> <p>This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right to set-off” and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.</p>	1 Jan 2014
AASB 2013-3	<p><i>Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets</i></p> <p>This Standard introduces editorial and disclosure changes. There is no financial impact.</p>	1 Jan 2014
AASB 2013-4	<p><i>Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting [AASB 139].</i></p> <p>This Standard permits the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. The Commission does not routinely enter into derivatives or hedges, therefore there is no financial impact.</p>	1 Jan 2014
AASB 2013-8	<p><i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities - Control and Structured Entities [AASB 10, 12, &amp; 1049].</i></p> <p>The amendments, issued in October 2013, provide significant guidance in determining whether a not-for-profit entity controls another entity when financial returns are not key attribute of the investor’s relationship. The Standard has no financial impact in its own right, rather the impact results from the adoption of the amended AASB 10.</p>	1 Jan 2014
AASB 2013-9	<p><i>Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments.</i></p> <p>This omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014 (Part B), and defers the application of AASB 9 to 1 January 2017 (Part C). The application date of AASB 9 was subsequently deferred to 1 January 2018 by ASB 2014-1. The Commission has not yet determined the application or the potential impact of AASB 9, otherwise there is no financial impact for Part B.</p>	1 Jan 2014 1 Jan 2017

AASB 2014-1	<i>Amendments to Australian Accounting Standards</i>	1 Jul 2014
	<i>The Commission has not yet determined the application or the potential impact of the Standard.</i>	1 Jan 2015 1 Jan 2016 1 Jan 2018

## Note 6. Employee benefits expense

	2014 \$	2013 \$
Wages and salaries <sup>(a)</sup>	29,148,824	27,409,948
Superannuation - defined contribution plans <sup>(b)</sup>	2,778,249	2,621,950
	<b>31,927,073</b>	<b>30,031,898</b>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contribution paid).

Employment on-costs expenses, such as workers' compensation insurance are included at note 11 'Other expenses'.

Employment on-costs liability is included at note 26 'Provisions'.

## Note 7. Supplies and services

	2014 \$	2013 \$
Communications	816,958	749,075
Consumables	1,120,651	1,125,554
Consultants Fees	608,207	467,626
Maintenance	649,552	629,189
Travel	446,937	415,017
Information technology	1,489,372	965,151
Practicing Certificates and Fees	177,998	218,534
Audit Fees <sup>(a)</sup>	132,850	149,147
Other Supplies and Services	277,138	379,861
	<b>5,719,664</b>	<b>5,099,154</b>

(a) Includes audit cost, see note 36 'Remuneration of auditor'.

## Note 8. Depreciation and amortisation expense

	2014 \$	2013 \$
<u>Depreciation</u>		
Buildings	8,000	8,000
Office equipment	3,954	3,954
IT equipment	309,849	262,434
Motor vehicles	-	-
Fixtures and fittings	1,348	1,348
Leasehold improvements	277,932	220,495
Furniture	326	324
<b>Total depreciation</b>	<b>601,409</b>	<b>496,555</b>
<u>Amortisation</u>		
Intangible assets	295,215	284,203
<b>Total amortisation</b>	<b>295,215</b>	<b>284,203</b>
<b>Total depreciation and amortisation</b>	<b>896,624</b>	<b>780,758</b>

## Note 9. Accommodation expenses

	2014 \$	2013 \$
Lease rentals	3,722,318	3,637,030
Repairs and Maintenance	287,441	176,076
	<b>4,009,759</b>	<b>3,813,106</b>

## Note 10. Legal services expenses

	2014 \$	2013 \$
<u>Grant of aid expenses</u>		
Assignment costs	21,212,541	20,582,738
	<b>21,212,541</b>	<b>20,582,738</b>
<u>Other service expenses</u>		
Legal advice	143,988	197,812
Duty lawyer	60,619	39,494
	<b>204,607</b>	<b>237,306</b>
	<b>21,417,148</b>	<b>20,820,044</b>

## Note 11. Other expenses

	2014 \$	2013 \$
Bad debts written off	32,581	62,792
Doubtful debts expense	28,780	105,196
Employment on-costs <sup>(a)</sup>	3,203	(1,071)
Staff training	98,481	100,746
State CLC program	4,720,612	3,989,312
Other staff related expenses	950,044	938,815
Other Expenses	438,101	484,258
	<b>6,271,804</b>	<b>5,680,048</b>

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 26 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

## Note 12. User charges and fees

	2014 \$	2013 \$
Client contributions and fees on grants of aid	1,695,898	1,237,097
Recovered costs on grants of aid	1,445,862	996,346
Legal advice fees	18,311	27,818
Duty lawyer fees	118,681	128,135
Freedom of information	30	30
Community legal education	73,020	44,707
	<b>3,351,802</b>	<b>2,434,133</b>

## Note 13. Commonwealth grants and contributions

	2014 \$	2013 \$
National Partnership Agreement on Legal Assistance Services <sup>(a)</sup>	20,165,000	22,373,497
Country Lawyers Funding <sup>(b)</sup>	-	100,000
Christmas/Cocos Islands <sup>(c)</sup>	376,554	272,553
Other Commonwealth Funding <sup>(d)</sup>	1,640,368	213,891
	<b>22,181,922</b>	<b>22,959,941</b>

(a) The National Partnership Agreement (NPA) on Legal Assistance Services was enacted in July 2010 for a period of four years. This year represents the last year of the four year agreement. The terms of the funding are generally intended to fund matters within the Commonwealth jurisdiction, the NPA also seeks to promote investments in preventative law and early intervention initiatives. The funded amount for 2013-14 was \$20.165 million.

(b) Commonwealth Country Lawyers Funding contributes towards the administration costs of placing lawyers in the regions.

(c) The Christmas/Cocos island grant is related to Indian Ocean Territory funding received on an ongoing basis.

(d) Other Commonwealth Funding is for the development of online professional training resources in regional areas.

#### Note 14. Interest revenue

	2014 \$	2013 \$
Interest earned on Legal Aid WA Operational Funds	1,255,926	1,374,074
Implicit interest write back on debtors <sup>(a)</sup>	(10,730)	(60,553)
	<b>1,245,195</b>	<b>1,313,521</b>

(a) Implicit interest was written back at the end of the reporting period and therefore recorded as interest revenue.

#### Note 15. Other revenue

	2014 \$	2013 \$
State - Specific purpose contributions	133,889	102,354
Other miscellaneous income	385,790	366,171
Legal contribution trust	1,247,973	1,139,775
CLR placement recoup	951,920	781,139
	<b>2,719,572</b>	<b>2,389,439</b>

#### Note 16. Net gain/(loss) on disposal of non-current assets

	2014 \$	2013 \$
<u>Costs of disposal of non-current assets</u>		
Plant, equipment and vehicles	-	5,938
<u>Proceeds from disposal of non-current assets</u>		
Plant, equipment and vehicles	413	7,515
<b>Net gain/(loss)</b>	<b>413</b>	<b>1,577</b>

## Note 17. Income from State Government

	2014 \$	2013 \$
Appropriation received during the period:		
Legal Aid WA Assistance Grant <sup>(a)</sup>	36,988,000	36,013,000
Other State Community Legal Centre Funding	907,220	2,270,339
	<b>37,895,220</b>	<b>38,283,339</b>
Services received free of charge from other State government agencies during the period:		
Department of Finance	7,809	6,556
	<b>7,809</b>	<b>6,556</b>
Royalties for Regions Fund		
Royalties for Regions Funding <sup>(b)</sup>	246,985	349,181
	<b>246,985</b>	<b>349,181</b>
	<b>38,150,014</b>	<b>38,639,076</b>

(a) The Legal Aid WA Commission is an output of the Department of Attorney General for the purposes of the State Budget, and receives State Government funding through the Department.

(b) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

## Note 18. Restricted cash and cash equivalents

	2014 \$	2013 \$
<u>Current</u>		
Child representation trust fund <sup>(a)</sup>	-	12,500
Commonwealth Paid Parent Fund	10,072	4,460
<b>Total Current</b>	<b>10,072</b>	<b>16,960</b>
<u>Non-current</u>		
Accrued salaries suspense account (27th pay provision) <sup>(b)</sup>	777,140	667,676
<b>Total non-Current</b>	<b>777,140</b>	<b>667,676</b>

(a) These unspent funds held in the trust fund are only to be used for the purpose of legal aid in relation to child abuse related actions.

(b) These unspent funds held in suspense account are only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years. The amount is not due and payable within the next 12 months.

## Note 19. Receivables

	2014 \$	2013 \$
<u>Current</u>		
Debtors - unsecured	3,790,206	3,681,700
Allowance for impairment of receivables	(523,650)	(494,869)
GST receivable	301,912	154,611
<b>Total current</b>	<b>3,568,469</b>	<b>3,341,442</b>
<u>Non-current</u>		
Debtors - secured	4,548,167	4,254,130
Allowance for impairment of receivables	(20,000)	(20,000)
Allowance for discount	(434,087)	(423,356)
<b>Total non-current</b>	<b>4,094,080</b>	<b>3,810,774</b>
<b>Total Receivables</b>	<b>7,662,548</b>	<b>7,152,216</b>

### Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period	514,870	409,674
Doubtful debts expense	61,361	105,196
Amounts written off during the period	(32,581)	-
Impairment losses reversed during the period	-	-
<b>Balance at end of period</b>	<b>543,650</b>	<b>514,870</b>

### Debts - Secured

Legal assistance may be granted subject to a condition that legal costs be secured by a charge being lodged against property registered in the name of the legally assisted person. Full payment of the debt secured is required on sale or other alienation of the property.

History shows that the average repayment period of secured debts is approximately 5.8 years. No interest is charged on the outstanding debt. An implicit interest adjustment is made to take account of this long term repayment aspect.

Debtors - secured, were discounted at 2.966 per cent (2013: 3.105per cent) using the 5 year government bond rate (per Financial Review) at June 30, 2014.

## Note 20. Other assets

	2014 \$	2013 \$
Current		
Prepayments	82,566	19,458
<b>Total current</b>	<b>82,566</b>	<b>19,458</b>

## Note 21. Property, plant, and equipment

	2014 \$	2013 \$
<u>Land</u>		
At fair value <sup>(a)</sup>	730,000	910,000
	<b>730,000</b>	<b>910,000</b>
<u>Buildings</u>		
At fair value <sup>(a) (b)</sup>	320,000	400,000
Accumulated depreciation	-	(8,000)
	<b>320,000</b>	<b>392,000</b>
<u>Fixtures and fittings</u>		
At cost	17,966	17,966
Accumulated depreciation	(10,153)	(8,806)
	<b>7,813</b>	<b>9,160</b>
<u>Leasehold improvements</u>		
At cost	2,895,445	2,895,445
Accumulated depreciation	(2,255,331)	(1,977,398)
	<b>640,114</b>	<b>918,047</b>
<u>Furniture and equipment</u>		
At cost	2,505,025	2,352,031
Accumulated depreciation	(1,854,095)	(1,599,514)
	<b>650,930</b>	<b>752,517</b>
	<b>2,348,857</b>	<b>2,981,724</b>

(a) Land and buildings were re-valued as at 1 July 2013 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2014 and recognised 30 June 2014. In undertaking the revaluation, fair value was determined by reference to market values for land: \$730,000 and buildings: \$320,000 (30 June 2013: land: \$910,000 and buildings: \$400,000). For the remaining balance, fair value of buildings was determined on the basis of market value and fair value for land was determined on the basis of comparison with market evidence for land with no public use restrictions.

Information on fair value measurements is provided in Note 22.

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

	Land	Buildings	Fixtures and Fittings	Leasehold Improvements	Furniture and Equipment	Vehicles	Total
2014	\$	\$	\$	\$	\$	\$	\$
Carrying amount at start of period	910,000	392,000	9,160	918,047	752,517	-	2,981,724
Additions	-	-	-	-	212,542	-	212,542
Disposals	-	-	-	-	-	-	-
Revaluation increments/ (decrements)	(180,000)	(64,000)	-	-	-	-	(244,000)
Impairment losses <sup>(a)</sup>	-	-	-	-	-	-	-
Impairment losses reversed <sup>(a)</sup>	-	-	-	-	-	-	-
Depreciation	-	(8,000)	(1,347)	(277,933)	(314,129)	-	(601,409)
<b>Carrying amount at end of period</b>	<b>730,000</b>	<b>320,000</b>	<b>7,813</b>	<b>640,114</b>	<b>650,930</b>	<b>-</b>	<b>2,348,857</b>

## 2013

Carrying amount at start of period	540,000	400,000	10,508	1,125,825	632,341	-	2,708,674
Additions	-	-	-	12,717	392,757	-	405,473
Disposals	-	-	-	-	(5,868)	-	(5,868)
Revaluation increments/ (decrements)	370,000	-	-	-	-	-	370,000
Impairment losses <sup>(a)</sup>	-	-	-	-	-	-	-
Impairment losses reversed <sup>(a)</sup>	-	-	-	-	-	-	-
Depreciation	-	(8,000)	(1,348)	(220,495)	(266,713)	-	(496,555)
<b>Carrying amount at end of period</b>	<b>910,000</b>	<b>392,000</b>	<b>9,160</b>	<b>918,047</b>	<b>752,517</b>	<b>-</b>	<b>2,981,724</b>

(a) Recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously valued asset is written-down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

Information on fair value measurements is provided in Note 22

## Note 22. Fair value measurements

### Assets measured at fair value:

2014	Level 1 \$	Level 2 \$	Level 3 \$	Fair Value at end of period \$
Land (Note 21)	-	730,000	-	730,000
Buildings (Note 21)	-	320,000	-	320,000
	-	<b>1,050,000</b>	-	<b>1,050,000</b>

There were no transfers between Levels 1, 2 or 3 during the period.

### Valuation Techniques to derive Level 2 fair values

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

## Note 23. Intangible assets

	2014 \$	2013 \$
<u>Computer software</u>		
At cost	1,914,731	1,704,760
Accumulated amortisation	(1,031,621)	(753,816)
Accumulated impairment losses	-	-
	<b>883,110</b>	<b>950,944</b>
<u>Licenses</u>		
At cost	312,522	-
Accumulated amortisation	(17,410)	-
Accumulated impairment losses	-	-
	<b>295,112</b>	<b>-</b>
	<b>1,178,222</b>	<b>950,944</b>

### Reconciliation:

	2014 \$	2013 \$
<u>Computer software</u>		
Carrying amount at start of period	950,944	1,235,146
Additions	-	-
Work in progress	209,971	-
Impairment losses	-	-
Impairment losses reversed	-	-
Amortisation expense	(277,805)	(284,202)
<b>Carrying amount at end of period</b>	<b>883,110</b>	<b>950,944</b>
<u>Licenses</u>		
Carrying amount at start of period	-	-
Additions	312,522	-
Work in progress	-	-
Impairment losses	-	-
Impairment losses reversed	-	-
Amortisation expense	(17,410)	-
<b>Carrying amount at end of period</b>	<b>295,112</b>	<b>-</b>

## Note 24. Impairment of assets

There were no indications of impairment to property, plant and equipment or intangible assets at 30 June 2014.

The Commission held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

There were no surplus assets at 30 June 2014 that have either been classified as assets held for sale or written off.

## Note 25. Payables

	2014 \$	2013 \$
<u>Current</u>		
Grant of aid commitments	14,970,430	14,289,189
Accrued expenses	690,187	531,656
Accrued salaries <sup>(a)</sup>	862,574	704,477
Staff benefit fund	11,000	21,464
Unclaimed monies	196	510
<b>Total current</b>	<b>16,534,387</b>	<b>15,547,296</b>

(a) Accrued salaries: Amount owing is seven (7) salary days as last pay occurred on 19 June 2014 (In 2013 - The last pay occurred on 20 June 2013).

See also note 2(o) 'Payables' and note 34 'Financial Instruments'

## Note 26. Provisions

	2014 \$	2013 \$
<u>Current</u>		
Employee benefits provision		
Annual leave <sup>(a)</sup>	1,417,128	1,476,071
Long service leave <sup>(b)</sup>	3,115,311	2,585,984
Deferred leave	188,115	120,908
Purchased leave	-	62,917
	<b>4,720,554</b>	<b>4,245,880</b>
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	43,122	38,677
	<b>43,122</b>	<b>38,677</b>
	<b>4,763,676</b>	<b>4,284,557</b>
<u>Non-current</u>		
Employee benefits provision		
Long service leave <sup>(b)</sup>	1,673,798	1,770,909
	<b>1,673,798</b>	<b>1,770,909</b>
<u>Other provisions</u>		
Employment on-costs <sup>(c)</sup>	15,692	16,934
	<b>15,692</b>	<b>16,934</b>
	<b>1,689,490</b>	<b>1,787,843</b>

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	1,267,372	1,163,822
More than 12 months after the reporting period	149,756	312,249
	<b>1,417,128</b>	<b>1,476,071</b>

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the end of the reporting period	1,114,504	894,223
More than 12 months after the reporting period	3,674,605	3,462,670
	<b>4,789,109</b>	<b>4,356,893</b>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

The associated expense, apart from the unwinding of the discount (finance cost), is disclosed at note 11 'Other expenses'.

## Movements in other provisions

	2014 \$	2013 \$
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
<u>Employment on-cost provision</u>		
<i>Current</i>		
Carrying amount at start of period	38,677	41,449
Additional/(reversals of) provisions recognised	4,445	(2,772)
Payments/other sacrifices of economics benefits	-	-
<b>Carrying amount at end of period</b>	<b>43,122</b>	<b>38,677</b>
<i>Non-current</i>		
Carrying amount at start of period	16,934	15,233
Additional/(reversals of) provisions recognised	(1,242)	1,701
Payments/other sacrifices of economics benefits	-	-
<b>Carrying amount at end of period</b>	<b>15,692</b>	<b>16,934</b>

## Note 27. Other liabilities

	2014 \$	2013 \$
<u>Current</u>		
Department of Child Protection (DCP) Funding in advance	92,056	105,658
Child representation trust fund	-	12,500
Commonwealth paid parenting fund	10,072	4,460
<b>Total current</b>	<b>102,128</b>	<b>122,618</b>

## Note 28. Equity

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

### Contributed equity

	2014 \$	2013 \$
Balance at start of period	595,669	595,669
<u>Contribution by owners</u>		
Capital Appropriation	-	-
<b>Total contributions by owners</b>	<b>-</b>	<b>-</b>
<u>Distribution to owners</u>		
Net assets transferred to government	-	-
<b>Total distributions to owners</b>	<b>-</b>	<b>-</b>
<b>Balance at end of period</b>	<b>595,669</b>	<b>595,669</b>

### Capital appropriations

TI 955 Contributions by Owners Made to Wholly Owned Public Sector Entities designates capital appropriations as contributions by owners in accordance with AASB Interpretation 1038 Contributions by Owners Made to Wholly Owned Public Sector Entities.

#### Distributions to owners

TI 955 requires non-reciprocal transfers of net assets to Government to be accounted for as distributions to owners in accordance with AASB Interpretation 1038.

#### Reserves

	2014 \$	2013 \$
<u>Asset revaluation surplus</u>		
Balance at start of period	1,261,904	891,904
Net revaluation increments/(decrements)	-	-
Buildings	(64,000)	-
Land	(180,000)	370,000
<b>Balance at end of period</b>	<b>1,017,904</b>	<b>1,261,904</b>
<u>Asbestosis account reserve</u>		
Balance at start of period	-	1,206,663
Income:		
Recovered costs	-	-
Expenditure		
Private practitioners fees	-	-
Transfers	-	(1,206,663)
<b>Balance at end of period</b>	<b>-</b>	<b>-</b>
<b>Total balance at end of period</b>	<b>1,017,904</b>	<b>1,261,904</b>

#### Accumulated surplus

	2014 \$	2013 \$
Balance at start of period	19,036,474	16,317,133
Add Transfers	-	1,206,663
Result for the period	(2,593,154)	1,512,678
Income and expense recognised directly in equity	-	-
<b>Balance at end of period</b>	<b>16,443,320</b>	<b>19,036,474</b>
<b>Total Equity at end of period</b>	<b>18,056,893</b>	<b>20,894,047</b>

## Note 29. Notes to the Statement of Cash Flows

### Reconciliation of cash

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

	2014 \$	2013 \$
Cash and cash equivalents	29,087,169	30,847,384
Restricted cash and cash equivalents (note 18 'Restricted cash and cash equivalents')	787,211	684,636
	<b>29,874,380</b>	<b>31,532,020</b>

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

	2014 \$	2013 \$
Net cost of services	(40,743,168)	(37,126,398)
<u>Non-cash items:</u>		
Depreciation and amortisation expense (note 8 'Depreciation and amortisation expense')	896,624	780,758
Doubtful debts expense (note 11 'Other expenses')	28,780	105,196
Net (gain)/loss on disposal of property plant and equipment (note 16 'Net gain/(loss) on sale of non-current assets')	(413)	1,576
Implicit right back of interest revenue	10,730	60,553
<u>(Increase)/decrease in assets:</u>		
Current receivables <sup>(a)</sup>	(227,027)	(421,814)
Other current assets	(63,108)	29,264
Non-current receivables	(283,306)	5,179
<u>Increase/(decrease) in liabilities:</u>		
Current payables <sup>(a)</sup>	987,093	3,739,425
Current provisions	479,119	(179,393)
Other current liabilities	(59,889)	(36,624)
Non-current provisions	(98,353)	178,315
Net GST receipts/(payments) <sup>(b)</sup>	(159,758)	82,179
Change in GST in receivables/payables <sup>(c)</sup>	12,457	(175,202)
<b>Net cash provided by/(used in) operating activities</b>	<b>(39,220,219)</b>	<b>(32,956,988)</b>

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

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

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

## Note 30. Commitments

The commitments below are inclusive of GST where relevant.

### Lease commitments

	2014 \$	2013 \$
Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements are payable as follows:		
Within 1 year	2,671,067	2,730,314
Later than 1 year and not later than 5 years	19,307,639	16,657,143
Later than 5 years	66,656,492	71,386,584
	<b>88,635,198</b>	<b>90,774,041</b>
Representing:		
Non-cancellable operating leases <sup>(a) (b)</sup>	88,635,198	90,774,041
	<b>88,635,198</b>	<b>90,774,041</b>

### Non-cancellable operating leases

	2014 \$	2013 \$
Commitments for minimum accommodation lease payments are payable as follows:		
Within 1 year	2,499,007	2,595,283
Later than 1 year and not later than 5 years	19,201,080	16,554,672
Later than 5 years	66,656,492	71,386,584
	<b>88,356,579</b>	<b>90,536,539</b>

(a) The Commission has entered into property leases which are non-cancellable leases with terms ranging up to 10 years, with rent payable monthly in advance. Contingent rent provisions within the lease agreements require that the minimum lease payments shall be increased by a combination of CPI or a pre-determined percentage per annum. Options exist to renew the leases at the end of the various terms for additional terms.

(b) Accommodation operating lease commitments for the financial year only include property and car parking lease expenses as required by Accounting Standards and TI's.

The commitments below are inclusive of GST.

	2014 \$	2013 \$
Commitments for minimum motor vehicle lease payments are payable as follows:		
Within 1 year	172,060	135,031
Later than 1 year and not later than 5 years	106,559	102,471
	<b>278,619</b>	<b>237,502</b>

(a) The Commission has entered into motor vehicle leases which are non-cancellable leases with terms ranging up to 3 years, with payments payable monthly in advance.

### Note 31. Contingent assets and contingent liabilities

There are no contingent assets or liabilities in addition to the assets and liabilities included in the financial statements.

### Note 32. Events occurring after the end of the reporting period

There were no events after the end of the reporting period, favourable and/or unfavourable, that occurred between the end of the reporting period and the date when the financial statements are authorised for issue.

### Note 33. Explanatory statement

This statement provides details of any significant variations between estimates and actual results for 2014 and between the actual results for 2013 and 2014. Significant variations are considered to be those greater than 10 per cent or \$5 million.

#### Significant variances between estimated and actual results for 2014

	2014 Estimate \$	2014 Actual \$	Variation \$
Supplies and services	4,302,749	5,719,664	1,416,915
Depreciation and amortisation expense	799,904	896,624	96,720
User charges and fees	2,303,458	3,351,802	1,048,344

#### Supplies and Services

Supplies and services were higher than estimated due to large IT infrastructure projects undertaken by Legal Aid WA, which saw the refresh and update of the agency's desktop computing environment and the deployment of these new systems to all computers at Legal Aid WA offices across WA, and the redevelopment and security update of the online system that allows private practitioners to lodge grant of aid applications on behalf of their clients.

#### Depreciation and amortisation expense

The Depreciation expense for the period was higher due to the adjustment required to leasehold improvements. Lease negotiations for the new Perth accommodation in 2013 led to an increase in the depreciation rate to align with the termination of the lease for the current Perth accommodation.

#### User charges and fees

Client contributions and recovered costs on grants of aid were significantly higher than originally estimated.

#### Significant variances between actual results for 2013 and 2014

	2014 Actual \$	2013 Actual \$	Variance \$
<u>Income</u>			
User charges and fees	3,351,802	2,434,133	917,669
Other revenue	2,719,572	2,389,439	330,134
<u>Expenses</u>			
Employee benefits expense	31,927,073	30,031,898	1,895,175
Supplies and services	5,719,664	5,099,154	620,510
Depreciation and amortisation	896,624	780,758	115,866
Other expenses	6,271,804	5,680,048	591,756

#### User fees and charges

The increase in revenue from the prior year was driven by the increased amount of costs being awarded by the Courts in favour of Legal Aid WA combined with the increase in contributions received from clients for legal services provided.

#### Other revenue

A large receivable to recognise the recoup of the costs incurred for the fitout of the new Perth accommodation, as provided for in the lease agreement, has been recognised at the end of the financial year. Funds recouped from the Country Lawyers Placement were 22 per cent higher than the prior financial year.

#### Supplies and Services

The PC Software Refresh project updating the Legal Aid WA desktop computing environment and the deployment of these new systems to all computers at Legal Aid WA offices across WA was undertaken during 2014.

#### Depreciation and amortisation

The increased rate of Depreciation for the Leasehold Improvements assets attributable to the current Perth Accommodation site in conjunction with the increased depreciation for IT Equipment from the prior year provide explanation for the increase.

#### Other expenses

The growth in State Community Legal Centre grant payments for the establishment of the Family Violence Prevention Legal Service supports the increase in other expenses.

### **Note 34. Financial instruments**

#### **(a) Financial risk management objectives and policies**

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

#### Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 34(c) 'Financial instruments disclosures' and note 19 'Receivables'.

Credit risk associated with the Commission's financial assets is minimal. The Commission has policies in place to ensure that credit risk is minimal. For example, where possible, debts due are adequately secured by way of caveats or memorials over the properties of the debtor. In addition, where such debts cannot be secured either because the amount of the debt is small or the client does not have adequate assets to offer as security, the Commission monitors the debts and communicates with debtors on an ongoing basis to ensure that debts are collected promptly to minimise the amount of irrecoverable debts to be written off. At the end of the reporting period there were no significant concentrations of credit risk.

Credit risk, although minimal, also exists for cash and cash equivalents and restricted cash and cash equivalents. The Commission's exposure to credit risk in respect of such financial instruments arises from default of the counter party (banks) which is highly unlikely. The Commission is a public benevolent institution and as such the primary investment policy objective is to ensure the security and minimise the risk to the Commission's cash reserves. Where alternative options exist for the investment of funds at equivalent levels of risk, those investment options which provide the highest returns on invested funds are used wherever possible. The investment of funds is governed by section 39 of the Financial Management Act. Investments are made in a manner specified in section 37 of that Act.

#### Liquidity risk

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due.

The Commission is exposed to liquidity risk through its trading in the normal course of business.

The Commission has appropriate procedures to manage cash flows including drawdown's of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet it's commitments. The Commission attempts to maximise revenues from surplus funds by fixed term deposit investments chosen. The term of investments is based on the annual cash flow budget in order to meet cash requirements in a timely manner. The selection of the term of the investment depends upon the cash flow requirements and the rate of return available for different investment terms.

#### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Commission's income or the value of its holdings of financial instruments. The Commission does not trade in foreign currency and is not materially exposed to other price risks [for example, equity securities or commodity price changes]. The Commission's exposure to market risk for changes in interest rates relate primarily to surplus, cash and cash equivalents and restricted cash and cash equivalents investments. Other than as detailed in the interest rate sensitivity analysis table at note 34(c), the Commission is not exposed to interest rate risk because apart from amounts of restricted cash, all other cash and cash equivalents and restricted cash are non interest bearing and it has no borrowings.

The Commission's policy is to manage changes in interest rates by using a mix of fixed and variable interest rate investments as appropriate.

## (b) Categories of financial instruments

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2014 \$	2013 \$
<u>Financial Assets</u>		
Cash and cash equivalents <sup>(a)</sup>	29,087,169	30,847,384
Restricted cash and cash equivalents	787,211	684,636
Receivables <sup>(b)</sup>	7,360,637	6,997,605
<u>Financial Liabilities</u>		
Payables	16,534,387	15,547,296

(a) Cash and cash equivalents balance includes petty cash balance.

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

## (c) Financial instrument disclosures

### Credit risk

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

The Commission holds collateral as security relating to the financial assets it holds.

The Commission does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

### Aged analysis of financial assets

	Carrying Amount	Not past due and not impaired	Past due but not impaired				Impaired financial assets
			Up to 3 months	3 months to 1 year	1 year to 6 years	More than 6 years	
2014	\$	\$	\$	\$	\$	\$	\$
Cash & cash equivalents	29,087,169	29,087,169	-	-	-	-	-
Restricted cash & cash equivalents	787,211	787,211	-	-	-	-	-
Receivables <sup>(a)</sup>	7,360,637	2,279,787	-	435,963	2,456,339	2,188,548	-
	<b>37,235,016</b>	<b>32,154,167</b>	<b>-</b>	<b>435,963</b>	<b>2,456,339</b>	<b>2,188,548</b>	<b>-</b>
<b>2013</b>							
Cash & cash equivalents	30,847,384	30,847,384	-	-	-	-	-
Restricted cash & cash equivalents	684,636	684,636	-	-	-	-	-
Receivables <sup>(a)</sup>	6,997,605	2,254,822	-	380,297	2,235,582	2,126,904	-
	<b>38,529,625</b>	<b>33,786,842</b>	<b>-</b>	<b>380,297</b>	<b>2,235,582</b>	<b>2,126,904</b>	<b>-</b>

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

Liquidity risk and interest rate exposure

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

**Interest rate exposure and maturing analysis of financial assets and financial liabilities**

2014	Weighted Average Effective Interest Rate %	Interest rate exposure			Nominal Amount	Maturity Dates				
		Carrying Amount	Fixed Interest Rate	Variable Interest Rate		Non-Interest Bearing	Up to 3 months	3 months to 1 year	1 year to 6 years	More than 6 years
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Financial Assets</u>										
Cash and cash equivalents	3.78	29,087,169	21,222,860	6,956,899	-	-	-	-	-	-
Restricted cash and cash equivalents	3.78	787,211	777,140	-	-	-	-	-	-	-
Receivables (a)	2.966 (b)	7,360,637	-	-	-	-	-	-	-	-
		<b>37,235,017</b>	<b>22,000,000</b>	<b>6,956,899</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Financial Liabilities</u>										
Payables		16,534,387	-	-	16,534,387	-	-	-	-	-
		<b>16,534,387</b>	<b>-</b>	<b>-</b>	<b>16,534,387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

## Interest rate exposure and maturing analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Interest rate exposure			Maturity Dates					
		Carrying Amount \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 3 months \$	3 months to 1 year \$	1 year to 6 years \$	More than 6 years \$
<b>Financial Assets</b>										
Cash and cash equivalents	4.42	30,847,384	22,382,324	7,743,052	722,008	-	-	-	-	-
Restricted cash and cash equivalents	4.42	684,636	667,676	-	16,960	-	-	-	-	-
Receivables <sup>(a)</sup>	3.105 <sup>(b)</sup>	6,997,605	-	-	6,997,605	-	-	-	-	-
		<b>38,529,625</b>	<b>23,050,000</b>	<b>7,743,052</b>	<b>7,736,573</b>	-	-	-	-	-
<b>Financial Liabilities</b>										
Payables		15,547,296	-	-	15,547,296	15,547,296	-	-	-	-
		<b>15,547,296</b>	-	-	<b>15,547,296</b>	<b>15,547,296</b>	-	-	-	-

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

(b) The interest rates used in the tables above are 3.78 per cent (2013: 4.42 per cent) as the average rate of external investments, and 2.966 per cent (2013: 3.105 per cent) which is the 5 year government bond rate as at June 30 2014.

(c) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

(d) Floating interest rates represent the most recent rate applicable to the instrument at the end of the reporting period.

### Interest rate sensitivity analysis

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

The Commission took into account past performance, future explanations, economic forecasts, and management's knowledge and experience of financial markets to determine the movements that are reasonably possible over the next 12 months.

2014	Carrying amount \$	-100 basis points		+100 basis points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
<b>Financial assets</b>					
Cash and cash equivalents <sup>(a)</sup>	29,080,169	(290,802)	(290,802)	290,802	290,802
Restricted cash and cash equivalents	787,211	(7,872)	(7,872)	7,872	7,872
<b>Total Increase/(Decrease)</b>		<b>(298,674)</b>	<b>(298,674)</b>	<b>298,674</b>	<b>298,674</b>
<b>2013</b>					
<b>Financial assets</b>					
Cash and cash equivalents <sup>(a)</sup>	30,840,384	(308,404)	(308,404)	308,404	308,404
Restricted cash and cash equivalents	684,636	(6,846)	(6,846)	6,846	6,846
<b>Total Increase/(Decrease)</b>		<b>(315,250)</b>	<b>(315,250)</b>	<b>315,250</b>	<b>315,250</b>

(a) Cash and cash equivalents balance does not include petty cash balance.

### Fair values

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

### Note 35. Remuneration of members of the Commission and senior officers

#### Remuneration of members of the Commission

The number of members of the Commission, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

\$	2014	2013
0 - 10,000	5	5
20,001 - 30,000	1	1
430,001 - 440,000	-	1
440,001 - 450,000	1	-
	\$	\$
Base remuneration and superannuation	390,927	417,798
Annual leave and long service leave accruals	40,999	39,960
Other benefits	65,362	34,069
<b>The total remuneration of the members of the Commission</b>	<b>497,288</b>	<b>491,827</b>

The total remuneration includes the superannuation expense incurred by the Commission in respect of members of the Commission

No members of the accountable authority are members of the pension scheme.

## Remuneration of senior officers

The number of senior officers, other than senior officers reported as members of the Commission, whose total fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands are:

\$	2014	2013
140,001 - 150,000	1	1
170,001 - 180,000	1	1
180,001 - 190,000	-	2
190,001 - 200,000	-	1
200,001 - 210,000	-	1
210,001 - 220,000	2	1
220,001 - 230,000	3	-
230,001 - 240,000	1	1
	\$	\$
Base remuneration and superannuation	1,224,255	1,152,029
Annual leave and long service leave accruals	166,708	165,710
Other benefits	272,098	237,163
<b>The total remuneration of senior officers</b>	<b>1,663,061</b>	<b>1,554,902</b>

The total remuneration includes the superannuation expense incurred by the Commission in respect of senior officers other than senior officers reported as members of the Commission.

There are no senior officers who are members of the pension scheme.

## Note 36. Remuneration of auditor

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

	2014 \$	2013 \$
<b>Auditing the accounts, financial statements and key performance indicators</b>	<b>80,000</b>	<b>78,000</b>

The remuneration of auditor is included at note 7 'Supplies and services'. The remuneration to 30 June 2014 was not accrued as work was not substantially completed. This amount excludes GST.

## Note 37. Related bodies

The Commission had no related bodies during the financial year.

## Note 38. Affiliated bodies

The Commission had no affiliated bodies during the financial year.

## Note 39. Special purpose accounts

### Special Purpose Account

#### (i) Child Representation Trust Fund<sup>(a)</sup>

The child representation trust fund has been established essentially for monies received from client's contributions. These contributions are not received from the aided person being the child, but from other parties to the proceedings, typically being the parents of the child.

	2014 \$	2013 \$
Balance at start of period	12,500	3,000
Receipts	56,082	9,500
Payments	(68,582)	-
<b>Balance at end of period</b>	<b>-</b>	<b>12,500</b>

(a) Established under section 16(1)(b) of FMA.

## Special Purpose Account

### (ii) Client Trust Fund<sup>(b)</sup>

The purpose of the trust account is to hold funds in trust for persons who are or have been assisted persons.

	2014 \$	2013 \$
Balance at start of period	215,274	117,944
Receipts	1,451,401	670,460
Payments	(1,601,607)	(573,130)
<b>Balance at end of period</b>	<b>65,068</b>	<b>215,274</b>

In addition to the above, individual interest bearing trust accounts in the name of the Director of Legal Aid WA in trust for "clients" administered by the Legal Aid WA Commission. These accounts are used when substantial amounts of money are involved or as the court so directs.

(b) Established under section 16(1)(c) of FMA.

## Note 40. Supplementary financial information

### (a) Write-Offs

	2014 \$	2013 \$
<b>Debts written off during the year that were authorised by the Commission.</b>	<b>32,581</b>	<b>62,792</b>

## Note 41. Special category funding

During the course of the year the Commission realised expenditure related to legal representation costs in support of two special categories.

### (i) Finance Brokers Legal Fund

In July 2001 the Legal Aid WA Commission commenced maintaining special funding provided by the State Government for investigators legal actions to recover losses from defaulting finance brokers and borrowers, and those who provided professional services to those persons.

Financial activity for 2013/14 is as follows:

	2014 \$
<b>Balance at start of period</b>	<b>167,364</b>
Expenditure 2013/14	-
<b>Funds remaining 30 June 2014</b>	<b>167,364</b>

### (ii) Department of Child Protection (DCP) Legal Fund

A legal fund for private lawyers to investigate and provide advice as to claims that children may have been abused whilst in care of the Department of Child Protection (DCP).

	2014 \$	2013 \$
Balance at start of period	105,658	148,692
Funding	36,780	302,430
Expenditure	(50,382)	(345,465)
<b>Balance at end of period</b>	<b>92,056</b>	<b>105,658</b>

(iii) Indian Ocean Territories

The Commission provides a full range of legal services to the residents of Christmas and Cocos Islands. The service is provided pursuant to the service delivery agreement with the Commonwealth Government.

	2014 \$	2013 \$
Balance at start of period	15,350	138,541
Receipt from Commonwealth	376,554	272,553
User charges and fees	2,170	49,050
Expenditure	(377,663)	(444,794)
<b>Balance at end of period</b>	<b>16,411</b>	<b>15,350</b>

(iv) State Expensive Cases

Arrangements exist with the State Government for additional funding to be provided to ensure expensive criminal trials involving serious charges are not delayed through lack of legal representation. Expensive cases are categorised as matters where the cost of legal representation are expected to exceed \$26,000. The reconciliation of the expensive cases fund for 2013/14 is as follows:

	2014 \$	2013 \$
Balance at start of period	69,385	228,468
Funding	2,000,000	2,700,000
Assigned expenditure	(2,629,494)	(2,859,083)
In-House IHP disbursements expenditure	(295,592)	-
In-House legal services expenditure	(150,850)	-
<b>Funds (owing) at end of period</b>	<b>(1,006,551)</b>	<b>69,385</b>

(v) Commonwealth Expensive Cases

Arrangements exist with the Commonwealth for additional funding to be provided to ensure expensive criminal trials involving serious charges are not delayed through lack of legal representation. Expensive cases are categorised as matters where the cost of legal representation are expected to exceed \$40,000. The reconciliation of the expensive cases fund for 2013/14 is as follows:

	2014 \$	2013 \$
Balance at start of period	642,882	(1,340,857)
Supplementary Funding	-	2,456,497
Expenditure	(575,936)	(472,758)
<b>Funds (owing) at end of period</b>	<b>66,946</b>	<b>642,882</b>

## Note 42. Community legal centres

During 2003/04, State Cabinet endorsed key recommendations into Community Legal Centres (CLC's) including the establishment of a State funding program for CLC's. Legal Aid WA includes transactions related to the State funding program in its financial statements as it has effective decision making over the allocation of the funds.

The Commission does not control the allocation of funding received from the Commonwealth Government for Community Legal Centres in Western Australia and consequently does not include these funds in its financial statements.

Financial transactions related to the State and Commonwealth funding for Community Legal Centres are as follows:

	State \$	Commonwealth \$
Balance at start of period	2,508,445	129,047
Receipts	4,441,456	6,140,663
Payments	(4,770,612)	(6,096,020)
<b>Balance at end of period</b>	<b>2,179,289</b>	<b>173,689</b>

## 7.3 ADDITIONAL KEY PERFORMANCE INDICATOR INFORMATION

### KEY PERFORMANCE INDICATORS

#### Certification of Key Performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Legal Aid Commission of Western Australia's performance, and fairly represent the performance of the Legal Aid Commission of Western Australia for the financial year ended 30 June 2014.



**Stuart Shepherd**  
Chairman

Date 11.09.2014



**George Turnbull**  
Director

Date 11/9/2014

## Detailed Information in Support of Key Performance Indicators

Agency funds are limited and determining the extent and type of assistance provided to clients is central to Legal Aid WA operations. This involves allocating resources to services that are available to the general community and to services, including legal representation that is restricted and managed according to the extent of disadvantage a person is experiencing.

**Government Goal:** Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

**Agency Level Government Desired Outcome:** Equitable access to legal services and information.

**Agency Services Delivered:** The community and target groups require access to and the provision of quality legal services. This is achieved through the provision of eligibility and merit tests to enable legal representation to be provided to legally aided clients by grants of aid and assignment of cases to in-house or private practitioners. Legal advice, duty lawyer services and community legal education is provided to assist the wider community to access fair solutions to legal problems at the earliest opportunity.

### Our Services:

For the community		For target groups			For legal service providers
Information and Advice	Duty Lawyer Services	Legal Advice, Minor Assistance and Advocacy	Legal Representation	Community Education Services	Regional Initiatives for Legal Practice
To assist members of the public to identify legal problems, understand the alternatives for resolution and the resources available to them in pursuing a legal solution. Includes referral to other agencies and is delivered through public counters in all offices and by 1800 Infoline.	To ensure that members of the public brought before the courts have access to legal advice so that they understand the options available for responding to legal proceedings in which they are involved. Available at all Magistrate Court sittings throughout WA, the Family Court of WA and the Children's Court.	To assist people facing legal issues with advice and practical help, including advocacy, drafting of negotiating letters and the preparation of court documentation. Delivered by lawyers and at all office locations, and by paralegal staff under supervision of solicitors.	To ensure persons from priority groups are legally represented to the extent that is necessary and commensurate with their particular individual need. Includes assessment and case management for persons who are refused assistance. Includes all services provided pursuant to a grant of aid, including Alternative Dispute Resolution (ADR).	To ensure priority groups and partner organisations have access to relevant publications, self help kits, community legal education and knowledge resources sufficient to build their capacity and self-reliance in navigating the justice system. Includes electronic access to some legal aid systems and resources, by partner agencies.	To increase the presence of lawyers in regional and remote areas of Western Australia and to ensure legal practice training and professional development is available to providers of legal services in regional and remote areas of Western Australia. Country lawyers are employed, trained and supervised by Legal Aid WA and training and professional development is delivered through legal practice training and interactive online learning systems.

## Effectiveness Indicators

The outcome sought by Legal Aid WA as a result of the services provided is equitable access to legal services and information.

Equitable access to legal services is measured by the proportion of eligible applicants who receive a grant of aid and the extent to which duty lawyer services are available to ensure that all members of the public brought before the courts have access to legal advice, so that they understand the options available for responding to legal proceedings in which they are involved. Determining the type and extent of assistance provided to people is critical to Legal Aid WA's operations. Decisions about the appropriateness of the service provided are regulated by policies and procedures relating to clients' means, the nature and seriousness of their legal problem and the availability of resources.

Equitable access to legal information is measured by the extent to which members of the public are able to access Legal Aid WA's Infoline service to identify legal problems, understand the alternatives for resolution and the resources available in pursuing a legal and non-legal solution.

## DESIRED OUTCOMES AND KEY EFFECTIVENESS/EFFICIENCY INDICATORS

### Agency Level Government Desired Outcome: Equitable access to legal services and information.

Key Effectiveness Indicators	2010-11 Actual %	2011-12 Actual %	2012-13 Actual %	2013-14 Budget %	2013-14 Actual %	Reasons for Significant Variance ** Between Current Actuals and Target and Prior Year Comparative (**Significant variances are considered to be those greater than 10%)
Percentage of eligible applicants who receive a grant of legal aid	77	70	75	73	78	There is no significant variation.
Percentage of persons who are provided with a duty lawyer service*	15	17	16	22	17	The Department of the Attorney General (DOTAG) case management system has changed in 2013-14. The information on appearances for criminal cases and civil cases in the Magistrate's Court and the Children's Court for the current and prior comparative years have been reinstated to reflect most accurate results by using the most current system.  The 2013-14 budget was based on information provided from the DOTAG legacy case management system; which could not provide information on appearances for civil cases in the Magistrate's Court and Children's Court.
Percentage of callers successfully accessing Infoline services	89	86	78	89	82	There is no significant variation.

\*Note: This key indicator represents the extent to which duty lawyer services are available to ensure that all members of the public brought before the courts have access to legal advice so that they understand the options available for responding to legal proceedings in which they are involved. Duty lawyer services are available at the Magistrate's Court throughout Western Australia, the Family Court of Western Australia and the Children's Court. Persons appearing before the court may also choose to have their own legal representation, they may be represented by another legal assistance service provider, or they may choose to represent themselves.

The Department of the Attorney General's case management system has changed in 2013-14. The information on appearances for criminal cases in the Magistrate's Court and Children's Court for the current and prior comparative years have been reinstated to reflect the most accurate results by using the most current system.

## Service: Legal Aid Assistance

Key Efficiency Indicators	2010-11 Actual \$	2011-12 Actual \$	2012-13 Actual \$	2013-14 Budget \$	2013-14 Actual \$	Reasons for Significant Variance** Between Current Actuals and Target and Prior Year Comparative (**Significant variances are considered to be those greater than 10%)
Average cost per legal representation	3,192	3,722	3,759	3,790	3,474	There is no significant variation.
Average cost per legal information service	30	36	34	32	45	<p>The average cost per legal information services has increased in 2013-14 due to a number factors:</p> <p>Significant one-off IT and office accommodation project costs have increased the average cost per legal information;</p> <p>The allocation of additional staffing resources in 2013-14 to address the high abandoned call rate for the Infoline in 2012-13;</p> <p>The purchase and implementation of a new telephone system in February 2014; and</p> <p>The allocation of the new and inexperienced staff has added to overall staffing costs and has also increased the average time spent on delivering each service.</p>
Average cost per legal advice	195	204	199	212	221	<p>Significant one-off IT and office accommodation project costs have increased the average cost per legal advice in 2013-14.</p> <p>In addition, the withdrawal of the Aboriginal Legal Service has required regional Legal Aid lawyers to travel long distances to represent a significant number of Aboriginal people who often have more complex and time consuming matters.</p>
Average cost per application for a grant of legal aid processed	282	302	396	382	376	There is no significant variation
Average cost of delivering regional initiatives for legal practice	11,679	16,554	11,220	11,636	10,249	The new online train-n-track learning management system has further reduced the average cost of delivering CPD training to lawyers in regional and remote areas in WA since it's introduction form 2012-13 year.

## 7.4 Ministerial Directives

No Ministerial directives were received during the financial year.

## 7.5 Other Financial Disclosures

### 7.5.1 *Pricing policies of services provided*

Legal Aid WA charges for goods and services rendered on a full or partial cost recovery basis. These fees and charges were determined in accordance with *Costing and Pricing Government Services: Guidelines for Use by Agencies in the Western Australian Public Sector* published by the Department of Treasury.

### 7.5.2 *Capital Works*

No capital projects were completed in 2013-14.

### 7.5.3 Employment and Industrial Relations

#### Employee Profile 2013/14

Level	Solicitors			Paralegals			Administration			Graduates			TOTAL 2012/13	TOTAL 2013/14	% 2012/13	% 2013/14
	P	O	C	P	O	C	P	O	C	P	O	C				
Cadet								1					1	1	0.30	0.30
1							7	2					11	9	3.25	2.74
2				3	1		48	13					66	65	19.47	19.82
3				25	3		22	3					59	53	17.40	16.16
4				7			5						21	12	6.20	3.66
5				4			7	1					13	12	3.85	3.66
6							12						7	12	2.06	3.66
7							3						3	3	0.88	0.91
8							3						4	3	1.18	0.91
9													0	0	0.00	0.00
Class 1													0	0	0.00	0.00
Class 2													0	0	0.00	0.00
Class 3								1					1	1	0.30	0.30
Class 4													0	0	0.00	0.00
Special Division	1												1	1	0.30	0.30
S/C Level 1	17	3									4		25	24	7.37	7.32
S/C Level 2	36	7	1				1						42	45	12.40	13.72
S/C Level 3	11	1											13	12	3.83	3.66
S/C Level 4	26	4					1						32	31	9.44	9.45
S/C Level 5	7												5	7	1.47	2.13
S/C Level 6	29												25	29	7.37	8.84
S/C Level 7	2												1	2	0.29	0.61
S/C Level 8													3	0	0.88	0.00
S/C Level 9													1	0	0.29	0.00
S/C Level 10	5	1											5	6	1.47	1.85
<b>TOTAL</b>	<b>134</b>	<b>16</b>	<b>1</b>	<b>39</b>	<b>4</b>	<b>0</b>	<b>109</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>339</b>	<b>328</b>	<b>100</b>	<b>100</b>

P = Permanent Employee

O = Contract Employee

C = Casual Employee

Includes staff on LWOP:

2012/2013 LWOP

13 Females

2013/2014 LWOP

18 Females / 1 Male

Legal staff, psychologists and librarians are paid under the Specified Calling salary scale.

All other staff are paid under the General Division salary scale.

#### Workers Compensation

Two minor compensation claims and one significant compensation claim was recorded during 2013-2014. This compares with three compensation claims of a minor nature recorded in 2012-13.

## 7.6 Governance Disclosures

#### Pecuniary interests

The *Legal Aid Commission Act 1976* requires members to disclose their pecuniary interest in matters being considered and to have such disclosure recorded in the minutes of that meeting. No disclosures were recorded.

## Contracts with Senior Officers

At the date of reporting, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the Legal Aid Commission of Western Australia other than normal contracts of employment of services.

## Insurance premiums to indemnify any director

An insurance premium of \$4,799.50 (incl. GST) was paid to AIG Australia Limited for Directors and Officers Liability Insurance.

## Professional conduct

Legal Aid WA and individual legal practitioners employed by or receiving remuneration from Legal Aid WA, are required, where applicable, to comply with the *Legal Profession Act 2008*, *Legal Profession Regulations 2009*, *Legal Profession Rules 2009*, and *Legal Profession Conduct Rules 2010*.

## Application of Accountability Legislation

Section 56 of the *Legal Aid Commission Act 1976* states that the provisions of the *Financial Management Act 2006* regulating the financial administration, audit and reporting of statutory authorities apply to and in respect of the Commission and its operations.

## 7.7 Legal Aid Commission Board of Western Australia

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration (annual) \$
Chairman	Stuart Shepherd	Per meeting	01/07/2011 - ongoing	18,600
Member	Dion Smith	Per meeting	01/01/2011 - ongoing	7,400
Chairman of Audit sub-committee	Dion Smith	Per meeting	25/05/2011 - ongoing	1,100
Member	Katherine Beaumont	Per meeting	01/08/2012 - ongoing	7,400
Member	Belinda Lonsdale	Per meeting	01/01/2006 - ongoing	7,400
Member	John Prior	Per meeting	08/03/2012 - ongoing	7,400
Member	Brian Bradley	No remuneration	01/02/2010 - ongoing	0
Member	George Turnbull	No remuneration	12/07/1999 - ongoing	0
<b>Total:</b>				<b>49,300</b>

## 7.8 Other Legal Requirements

### Expenditure on advertising, market research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, the Commission incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

#### Total expenditure for 2013-14 was \$17,275

Expenditure was incurred in the following areas:

<b>Advertising Agencies</b>	\$830	Kwik Kopy Perth Adcorp Autism Support Lizart Productions	\$260 \$485 \$20 \$65
<b>Market research organisations</b>	\$16,445	Advantage Communications and Marketing	\$16,445
<b>Polling Organisations</b>	Nil		
<b>Direct mail organisations</b>	Nil		
<b>Media advertising organisations</b>	Nil		

## Annual Estimates

2014-15  
proposed  
\$

<b>OPERATING EXPENSES</b>	
<u>Legal Service Expenses</u>	
Casework Costs	18,741,050
Disbursements	803,549
Sundry Casework Expenses	77,772
Other Service Expenses	551,928
<b>TOTAL Legal Service Expenses</b>	<b>20,174,298</b>
<u>Salaries and Related Expenses</u>	
Salaries and Allowances	29,464,626
Staff Related Expenses	4,421,259
<b>TOTAL Salaries and Related Expenses</b>	<b>33,885,886</b>
<u>Other Operating Expenses</u>	
Communications	958,756
Services and Contracts	6,583,735
Consumables	1,118,022
Maintenance	751,275
Other	587,202
Depreciation	799,904
<b>TOTAL Other Operating Expenses</b>	<b>10,798,894</b>
<u>Other Grants</u>	
State Community Legal Centres	4,004,000
<b>TOTAL Other Operating Expenses</b>	<b>4,004,000</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>68,863,078</b>
<b>REVENUE</b>	
Contributions	2,140,717
Revenue from Services	207,810
Commonwealth Grants and Contributions	22,560,404
Other Operating Revenue	1,630,147
Legal Contribution Trust Fund	1,000,000
Interest Revenue	1,200,000
<b>TOTAL REVENUE</b>	<b>28,739,078</b>
<b>NET COST OF SERVICES</b>	<b>(40,124,000)</b>
<b>INCOME FROM STATE GOVERNMENT</b>	
State Government Grant	38,369,000
Other Funding State Community Legal Centres	125,000
Other State Funding	373,000
<b>TOTAL State Revenues</b>	<b>38,867,000</b>
<b>Annual Operating surplus/(deficit)</b>	<b>(1,257,000)</b>

## Compliance with Public Sector Standards and Ethical Codes

Legal Aid WA did not receive any Breach of Standard claims or formal allegations of non-compliance with the Public Sector Code of Ethics during 2013-2014.

Legal Aid WA strives to maintain compliance with both the Public Sector Standards in Human Resources Management and the Public Sector Code of Ethics. The following actions were taken during 2013-2014 to ensure compliance:

- Recruitment, selection and appointment training was provided to managers and key recruiters.
- All recruitment and selection processes were reviewed.
- Legal Aid WA operated a gift register.
- All new staff were informed of and were asked to acknowledge their obligations under the Public Sector Code of Ethics, Legal Aid WA Code of Conduct and relevant ICT use policies.
- Accountable and Ethical Decision Making training was delivered to staff.
- Standards information was made available to staff and job applicants.
- Relevant policies and procedures were available to all staff via the intranet.
- Trained Grievance and Contact Officers were made available to all staff.
- A review of the Grievance policy and procedure commenced.

## Disability Access and Inclusion Plan

During the reporting period, Legal Aid WA's first Disability Access and Inclusion Plan (2014-19) was developed and was endorsed by the Disability Services Commission. We are committed to ensuring that people with disabilities have the same opportunities to access our services, information and facilities.

## Recordkeeping Plans

Legal Aid WA's Recordkeeping Plan was approved on the 30th of August 2012.

In accordance with the State Records Commission Standard 2 and Principle 6 the following information demonstrates Legal Aid WA's compliance.

- Efficiency and effectiveness of the organisations recordkeeping systems.
- The recommendations made in the internal audit of recordkeeping conducted in 2012 have been considered and changes implemented.
- The nature and extent of the recordkeeping training program.
- Legal Aid WA conducts online training programs for recordkeeping. The Recordkeeping Awareness Training (RAT) is incorporated into the induction package provided to all new staff. A refresher online training program is delivered to all staff 12 months after they have completed the initial program. These online courses have been amended to reflect the new State Records Office General Disposal Authority for Government Information.
- In-person training is also conducted on Legal Aid WA's Document Management System and Business Classification Scheme to new employees with follow up training as required.
- Efficiency and effectiveness of the recordkeeping training.
- Reviews of the recordkeeping training is done on an ongoing basis through feedback and evaluation of usage of Legal Aid WA's Document Management System and Business Classification Scheme.
- Organises induction program addressing employee roles and responsibilities in regard to their compliance with the recordkeeping plan.
- Legal Aid WA's recordkeeping training which is part of the induction program includes employees' roles and responsibilities in regard to their compliance with the recordkeeping plan.

## 7.9 Government Policy Requirements

### Occupational Safety, Health and Injury Management

Statement of Legal Aid WA's commitment to occupational safety and health and injury management 2013-2014;

Legal Aid WA is committed to ensuring the highest standards of workplace safety, health and wellbeing to ensure the protection of its employees, contractors and visitors to the workplace by:

- Providing an environment (as far as practicable) where people can undertake their work safely.
- Developing appropriate systems for the reporting of work safety and health incidents and the tracking of follow up action.
- Encouraging employees to report incidents or hazards and working together to achieve outcomes.
- Identifying work safety and health risks and taking action (as far as practicable) to mitigate the risk.
- Providing appropriate programs of workplace safety education, training and awareness.
- Ensuring everyone is accountable for OSH in the workplace and aware of their individual responsibilities.
- Striving to ensure that at least 80 per cent of managers and supervisors have completed OSH management training.

During 2013-2014 Legal Aid WA circulated occupational safety and health information to staff by:

- Providing safety updates and the minutes of the Work Health Safety Standing Committee on the intranet.
- Making all staff aware of the membership of the Work Health Safety Standing Committee and the priorities of this group.
- Promoting Safe Work Week and running related activities.
- Encouraging staff to report incidents and hazards.
- Providing Safety First: Working Safely with Clients at Legal Aid WA training to all staff.
- Providing OSH for Managers and Supervisors training.
- Providing one trained staff member to conduct ergonomic assessments of individual work station set ups as required.
- Providing Remote Driver training to those undertaking regional Circuit work.
- Providing a trained group of First Aid Officers and Fire Wardens.
- Operating a risk register.

Legal Aid WA promoted and encouraged staff wellness during 2013-2014 by:

- Regularly promoting the Employee Assistance Program to all staff.
- Offering fully subsidised flu vaccinations to all staff.
- Offering fully subsidised inoculations e.g. Hepatitis to all staff working in frontline roles.
- Providing Resilience training to frontline staff.
- Offering Suicide Awareness and Prevention training.
- Offering end of trip facilities and bicycle parking at most office locations.
- Openly discussing resilience related issues and encouraging debriefing practices.
- Managing the use of accrued leave and supporting flexible work practices.
- Offering a range of wellness seminars, activities and health assessments.

Statement of compliance with the injury management requirements of the *Workers' Compensation and Injury Management Act 1981*.

Legal Aid WA adheres to the injury management compliance requirements in accordance with the *Worker's Compensation and Injury Management Act 1981*, and provides support to managers and staff who are managing workplace injuries in accordance with the Act.

A statement confirming that a self-evaluation (annual) or an external accredited assessment (within previous three years) of occupational safety and health management systems has been completed that includes a summary of findings.

Legal Aid WA did not complete an accredited assessment during the reporting period.

Measure	Actual Results		Results Against Target	
	2012-13	2013-14	Target	Comment on result
Number of fatalities	0	0	0	NIL
Lost time injury and/or disease incidence rate	0.00%	0.00%	0	NIL
Lost time injury and/or disease severity rate	0.00%	0.00%	0	NIL
Percentage of injured workers returned to work:				
(i) within 13 weeks	100%	100%	Greater than or equal to 80%	NIL
(ii) within 26 weeks	100%	100%		
Percentage of managers trained in occupational safety, health and injury management responsibilities	0.00%	55%	Greater than or equal to 80%	Result shows the % of staff who have completed the training and who were in a management role at 30/6/14 only. A stronger focus on achieving target will occur in 2014/15.

Period	Number of Fatalities	Number of Lost Time Injury or Disease	Number of Severe Claims	Lost Time Injury Severity Rate
1/7/13 – 30/6/14	0	0	0	0
1/7/12 – 30/6/13	0	2	0	0
1/7/11 – 30/6/12	0	0	0	0
1/7/10 – 30/6/11	0	0	0	0

Data Definitions	
Fatalities	Number of compensated work related fatalities.
Lost time injury or disease	The number of lost time injury/disease claims where one day/shift or more was estimated to be lost on claims lodged in the financial year.
Severe Claims	The number of severe injuries (estimated 60 days or more lost from work). An injury resulting in death is considered to have accounted for 60 days or more lost.
Severity Rate	The number of Severe Claims divided by the number of lost time/ injury disease claims multiplied by 100.
Invalid Claims	Cancelled and declined claims are excluded, however claims with actual lost time recorded are include even though a subsequent approval may have been declined.

## 8. LEGAL AID OFFICES

### PERTH OFFICE

55 St Georges Terrace  
Perth WA 6000

Telephone (08) 9261 6222  
Facsimile (08) 9325 5430

### TELEPHONE INFOLINE

General Inquiries 1300 650 579

National Relay Service:  
(for hearing and speech impaired) 13 36 77  
Translating and interpreting services 13 14 50

### WEBSITE

[www.legalaid.wa.gov.au](http://www.legalaid.wa.gov.au)

### FREMANTLE REGIONAL OFFICE

Shop 7, Queensgate Centre  
William Street  
Fremantle WA 6160

Telephone (08) 9336 9100  
Facsimile (08) 9335 1338

### MIDLAND REGIONAL OFFICE

Landgate Building  
1 Midland Square  
Cnr The Avenue & Old Great Northern Highway  
Midland WA 6056

Telephone (08) 9274 3327  
Facsimile (08) 9274 3595

### SOUTHWEST REGIONAL OFFICE

Koombana Court  
141 Victoria Street  
Bunbury WA 6230

Telephone (08) 9721 2277  
Facsimile (08) 9721 2060

### EAST KIMBERLEY REGIONAL OFFICE

98 Konkerberry Drive  
Kununurra WA 6743

Telephone (08) 9166 5800  
Facsimile (08) 9166 5888

### GREAT SOUTHERN REGIONAL OFFICE

Unit 3, 43-47 Duke Street  
Albany WA 6330

Telephone (08) 9892 9700  
Facsimile (08) 9892 9777

### GOLDFIELDS REGIONAL OFFICE

Suite 3, 120 Egan Street  
Kalgoorlie WA 6430

Telephone (08) 9025 1300  
Facsimile (08) 9091 2077

### MIDWEST & GASCOYNE REGIONAL OFFICE

Unit 7, The Boardwalk  
273 Foreshore Drive  
Geraldton WA 6530

Telephone (08) 9921 0200  
Facsimile (08) 9921 0255

### PILBARA REGIONAL OFFICE

28 Throssell Road  
South Hedland WA 6722

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Facsimile (08) 9172 2061

### WEST KIMBERLEY REGIONAL OFFICE

Upper Level  
Woody's Arcade  
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### CHRISTMAS/COCOS ISLANDS OFFICE

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