



Northern Territory Legal Aid Commission

ANNUAL REPORT 2002 - 2003



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Northern Territory Legal Aid Commission

The Hon. Peter Toyne MLA
Minister for Justice and Attorney-General
Parliament House
State Square
DARWIN NT 0800

Dear Attorney-General

On behalf of the Northern Territory Legal Aid Commission I am pleased to present the Annual Report for the year ended 30 June 2003.

The Northern Territory and Commonwealth Governments through their funding of the Commission, jointly meet a fundamental need for the community to have access to legal advice, assistance and representation.

The Commission has offices in Darwin, Alice Springs and Katherine. These offices are staffed by personnel who are committed to delivering legal services of a high standard.

I take this opportunity to also thank the Northern Territory private legal practitioners for their assistance and contribution in providing such a high quality legal aid service to the Northern Territory.

Yours sincerely

DAVID FARQUHAR
CHAIRMAN
Northern Territory Legal Aid Commission

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DIRECTOR'S REPORT

This year has been a very busy one as we have sought to improve and extend the delivery of legal services to the Northern Territory community. Some of the initiatives have included:

- Location of alternative premises for the Katherine Regional Office. We have well and truly outgrown the present premises in Katherine and it is anticipated that the new Katherine Regional Office will open in July 2003. This will provide the residents of the Katherine region with a better resourced office for providing legal services.
- We were successful in the tender for the Domestic Legal Service from the NT Government. The tender is for one year and extension of the service will be dependent on adequate funding by the NT Government. The Domestic Violence Legal Service will be part of the Family Law Section and it is anticipated that it will provide clients with a comprehensive service and address the needs of family law clients. It is envisaged that this will greatly improve the current service delivery to victims of domestic violence. The Service will commence operating in August 2003.
- In view of the Commission taking on the tender for the domestic violence legal service, it has been necessary to relocate and expand the Family Law Section within the Commission. The Family Law Section will be housed permanently on the 5th floor in the Cavenagh Street building. The new premises for the Family Law Section will provide not only a better work environment for the solicitors, paralegals and support staff but a more welcoming and user friendly environment for the clients who utilise the service, many of whom are in emotionally fraught domestic situations.
- The Commission will be commencing a primary dispute resolution program operating out of the Family Law Section. The new family law premises will be able to provide adequate space for PDR conferencing and it is hoped that by establishing the PDR program family law clients will be able to take advantage of a more comprehensive range of services so as to avoid the cost and trauma of litigation. The PDR program will be distinguished from other alternative dispute resolution programs offered within the community. It will involve mediation with family lawyers and an independent chairperson who will be a qualified senior lawyer and able to give independent legal advice.
- A report into the needs of the Tennant Creek Region was completed. The report found that there was a low level of knowledge within the Tennant Creek regional community as to the range of legal services available from different service providers and how to access available services. The report contains a number of recommendations on how to facilitate access by the community which if funding permits, we hope to implement over the next financial year.
- We established a protocol with the North Australian Aboriginal Legal Service to allow the referral of certain serious indictable criminal matters in limited categories to the Commission. This has been an attempt to assist the Aboriginal Legal Aid Service during difficult times with their funding. In addition to this protocol there has been a continuing increase in the number of Aboriginal clients applying for and being granted legal aid from the Commission.
- Assistance was given to the East Timorese refugees. The limited funding provided for immigration matters to the Commission by the Commonwealth had been exhausted by the time the need arose to provide assistance to more East Timorese refugees facing deportation from Australia. Many of these refugees had spent more than 10 years in Darwin and had become well and truly integrated into the Darwin community. The Northern Territory Government allowed the Commission to use Northern Territory funds to successfully assist the East Timorese refugees, many of whom have to date been allowed to stay in Australia.

In October the Commission organization was restructured and Ms Jenny Hardy joined the Commission as the Business and Policy Manager. Jenny returned to the Commission after four years as the Executive Officer with National Legal Aid.

The Commission's solicitors continue to be involved in a number of community endeavours and organisations and a number of the criminal lawyers from the Darwin and Alice Springs offices attended the very successful NT Criminal Law Conference at Port Douglas in June this year. The keynote speakers were Justice Michael Kirby and Noel Pearson. The Criminal Law Conference continues to be an increasingly significant conference nationally.

Through the strategies and developments we have set in place this year I am confident that the Commission is continuing to meet the challenge of providing quality legal assistance to our clients. We continue to enjoy the support and assistance of the private profession and I would like to thank the private profession for their work both in acting in relation to legal aid matters and in participating both on review committees and the Contingency Legal Aid Fund.

I would like to thank the Board of Commissioners and in particular David Farquhar for his advice and assistance throughout the year and Jenny Blokland for her service as a Commissioner. Jenny Blokland resigned as a Commissioner when she was appointed as Magistrate and I welcome in her place, Ms Sue Oliver of the Department of Justice.

I would also like to thank all the Commission staff who have worked exceptionally hard under some difficult conditions because of the restructuring and organisation of the last year. In particular I would like to thank our staff in the regional offices at Alice Springs and in Katherine who often suffer the tyranny of distance but who continue to provide the communities in the Alice Springs and Katherine regions with quality legal advice, assistance and representation.



SUZAN COX
DIRECTOR
NORTHERN TERRITORY LEGAL AID COMMISSION

CHARTER

Our CHARTER is to ensure that the protection or assertion of the legal rights and interests of people in the Northern Territory are not prejudiced by reason of their inability to:

- obtain access to independent legal advice;
- afford the financial cost of appropriate legal representation;
- obtain access to the Federal or Territory legal systems; or
- obtain adequate information about access to the law and legal system.

DUTIES OF COMMISSION

In the performance of its function, the Commission shall:

- ensure that legal assistance is provided in the most effective, efficient and economic manner;
- ensure that its activities are carried on consistently with, and do not prejudice, the independence of the private legal profession;
- liaise and co-operate with, and if the Commission considers it desirable to do so, make reciprocal arrangements with, professional bodies representing private legal practitioners and other bodies engaged or interested in the provision of legal assistance in the Territory or elsewhere;
- liaise with professional bodies representing private legal practitioners in order to facilitate the use, in appropriate circumstances, of services provided by private legal practitioners;
- make maximum use of services which private legal practitioners offer to provide on a voluntary basis;
- encourage and permit persons who are not legal practitioners to participate, so far as the Commission considers it practicable and proper to do so, on a voluntary basis, under professional supervision, in the provision of legal assistance by officers;
- provide officers and agencies of the Commonwealth or a State concerned in the provision of legal assistance with such statistical and other information as they reasonably require;
- make its service available to persons eligible for legal assistance by establishing such local offices, and by making such other arrangements, as it considers appropriate;
- determine priorities in the provision of legal assistance as between different classes of persons or classes of matters;
- arrange for the provision of duty lawyer services at sittings in the Territory in such courts as it considers appropriate; and
- endeavour to secure the services of language interpreters, marriage counsellors and other appropriate persons to assist legally assisted persons in connection with matters in respect of which they are provided with legal assistance.

LEGISLATION

The Commission was established under the *Northern Territory Legal Aid Act 1990*. Sections of the Act have been amended by the *Legal Aid Amendment Act 1992*, the *Financial Management (Consequential Amendments) Act 1995* and the *Legal Aid Amendment Act 1998*.

LEGAL AID AGREEMENTS

The current Agreement between the Commonwealth of Australia and the Northern Territory, for provision of Commonwealth legal aid and matters, signed in October 2000, expires 30 June 2004. This replaced the 1997 Agreement.

THE COMMISSIONERS

COMMISSIONERS' ROLE

To ensure that legal assistance is provided in accordance with the Legal Aid Act 1990.

DAVID FARQUHAR

Chairman

Graduated ANU with BA., LLB. Commenced practice in the NT in 1977 as Crown Prosecutor; joined Australian Legal Aid Office in 1979; in private practice since 1980. Currently a partner in a Darwin based legal practice. Chairman Public Sector Disciplinary/Inability Appeals Board. Chairman of Police Appeals Board. Originally appointed to the Commission on 29 June 1990. Originally appointed Chairman by the Northern Territory Attorney-General on 1 August 1996. Re-appointment expires 31 July 2005.

Dr. VALERIE ASCHE AM., MSc., PhD., FASM., MAIBiol., Cbiol.

Has had a wide ranging career including Head of the Microbiology Unit at the Menzies School of Health Research (1986-1994); a consultant for the NT Health Services; a University academic, an industrial consultant and Head of a Diagnostic Unit. Has an in depth involvement with the community having been patron of over 35 organisations. Currently patron of 6 community organisations; a member of 8 Boards and editor of *Recent Advances in Microbiology*. President of CWA NT Inc. Chairperson of ASEA-REHAB. Appointed to the Commission on 11 August 1998 by the Northern Territory Attorney-General to represent community interests. Re-appointment expires 31 July 2005.

STUART BARR

Graduated from Adelaide University with a Bachelor of Laws in 1990; graduated from University of South Australia with a Graduate Diploma in Legal Practice in 1991. During 1991 - 1998 practising solicitor with private legal firms in Adelaide, Cairns and Darwin. Accredited Family Law specialist since 1996. Commenced employment with the Commission in July 1998 as Senior Solicitor of the Family and Civil Law Practice. Appointed 10 March 2000 by the Northern Territory Attorney-General after having been elected by staff of the Commission. Re-appointment expires 31 July 2005.

JANE LARGE

Forty-two years of public service include the British Civil Service, Commonwealth, State and Northern Territory. Agencies include Foreign Office, Police, Attorney-General's, Law, Mines and Energy and Treasury. From 1996 occupied a Senior Director position in the Northern Territory Treasury and retired from the Public Service in November 2001. Member of the Finance Committee, Menzies School of Health Research. Justice of the Peace. Originally appointed 29 June 1990 by the Northern Territory Treasurer. Re-appointment expires 31 July 2005.

SUE OLIVER

Formal legal qualifications include an LLB from the University of Adelaide and a Master of Laws from the College of William and Mary, Virginia, USA. Came to the Northern Territory in 1978 and practised law initially with the North Australian Aboriginal Legal Aid Service followed by positions in the Commonwealth Attorney Generals Department (Deputy Crown Solicitor's office and later the Australian Government Solicitor's office). A former Chair of the Northern Territory Social Security Appeals Tribunal. From 1986 joined the ranks of legal academia and was a foundation staff member of the Law School. Dean of the Faculty of Law Business and Arts before joining the then Northern Territory Attorney General's Department in 2001. Currently Director of Legal Policy in the Department of Justice. Appointed to the Commission in September 2002 by the Northern Territory Attorney-General to represent the Attorney-General. Appointment expires on 31 July 2005.

EILEEN TERRILL

Graduated University of Adelaide with LLB in 1977. Commenced practice in the Northern Territory in 1977. From 1977 to 1985 employed as a solicitor in local Darwin firms. From 1985 to 1986 in charge of the Family and Civil Law Section of the Australian Legal Aid Office, Darwin. From 1986 to 1990 Director of the Australian Legal Aid Office, Darwin. From 1991 to present, Principal of a small Darwin based legal practice. Councillor of Law Society from 1993 to 2003. On Executive Committee of the Northern Territory Law Society, 1997 2003. Appointed by the Northern Territory Attorney-General, on the nomination of the Law Society. Originally appointed 29 October 1997. Appointment expires 31 July 2005.

SUZAN COX

Graduated from UNSW with BA., LLB, 1978; LLM (Criminal Law) NYU 1985. 1980-90 Solicitor, Office of the Public Solicitor, Port Moresby, Senior Criminal Solicitor, CAALAS, Senior Criminal Solicitor, NAALAS and practised at the Melbourne Bar. From 1990 until 2002 at NTLAC as Senior Solicitor, Family Law Practice, Senior Counsel, Criminal Law Practice, Deputy Director and appointed Director July 2002.

COMMITTEES

NORTHERN TERRITORY CONTINGENCY LEGAL AID FUND

The Northern Territory Contingency Legal Aid Fund (CLAF) was established on 1 March 1993 with a seeding grant of \$200,000 from the Law Society Public Purposes Trust. In June 1997 the Fund received a loan of \$200,000 from the Commission's Legal Aid Fund.

CLAF is administered by the Commission's Assignments Practice. The Fund covers disbursements necessarily incurred during the course of litigation such as stamp duty, service fees, expert witnesses' reports, travelling costs and fees associated with expert witnesses. The Fund does not pay for solicitors' or barristers' professional costs or general office expenses such as photocopying, telephone charges or facsimile charges. The financial position of the Fund appears in Note 16 of the Financial Statements.

The Fund is available for all areas of law, which result in a monetary award to the applicant.

CONTINGENCY LEGAL AID FUND COMMITTEE

COMMITTEE ROLE

Established in accordance with s.16 of the *Legal Aid Act* 1990.

To determine whether or not to grant applications for assistance under the Contingency Legal Aid Fund.

MEMBERSHIP OF THE COMMITTEE

Suzan Cox —● Director

Stuart Barr —● Deputy

LAW SOCIETY NOMINEES:

P. Barr	M. Carter	S. Gearin	I. Morris
J. Neill	S. Cleveland	S. Southwood	M. Spazzapan
E. Terrill	A. Young	M. Short	S. Pfitzner
D. McConnell	C. Spurr	P. Lazarus	B. Priestley

COMMISSION APPOINTEES:

S. Reddy **P. Wright**

STATISTICAL INFORMATION

The demands on the fund have been:

	2002/03	2001/02	2000/01	1999/00
Applications Received	28	31	17	24
Applications Approved	16	20	13	13
Applications Withdrawn	3	3	1	5
Applications Refused	2	2	1	5
Applications to be Decided	7	6	2	1

Since the fund commenced in March 1993 there has been a total of 237 applications to the fund. The applications for funding largely relate to personal injury actions such as occupiers' liability, medical negligence and work health. Few applications relating to commercial litigation or family law property settlement have been received.

REVIEW COMMITTEE

COMMITTEE'S ROLE

To review decisions referred to the Committee under s.35(3) of the *Legal Aid Act*, 1990. Under s.35 persons who feel they have been adversely affected by decisions taken on their application for legal aid may seek reconsideration or review of those decisions.

During 2002/03 the Review Committee met on 9 separate occasions to review 9 client requests. The outcome of their deliberations was that 1 decision was varied in favour of the applicants.

MEMBERSHIP OF THE COMMITTEE

On the 17 April 2003 the following persons were appointed to the Committee for a period of twelve months.

Private Legal Practitioner	—● T. Prichard	M. Carter	B. Piper
	E. Hutton	R. Lawford	D. Elliott
	T. Marris	B. O'Loughlin	B. Priestley
	M. Orwin	S. Sievers	D. Story
	J. Tippet	J. Terry	
Independent person with relevant experience	—● A. Beven	B. Cassells	J. Duguid
	K. Halliday	N. Hunter	F. Hussin
	W. Morton	E. Morris	G. Schneider
	M. Story		
Officer of the Commission	—● S. Barr	L. Bennett	S. Cox
	J. Devlin	E. Harbour	J. Franz
	G. Smith	I. Read	H. Blundell
	S. Harvey	A. Hill	D. Hepburn
Secretary to Committee	—● A. Athanasiou		

OVERVIEW OF OPERATIONS

The provision of legal services by the Northern Territory Legal Aid Commission is governed by the *Legal Aid Act 1990*.

The Northern Territory Legal Aid Commission is independent of the Territory and Commonwealth Governments. In fact, the *Act* specifically allows the Commission to help disadvantaged persons in cases where they might be in dispute with, or opposed to, either Government or any public authority or organisation.

The legal services provided by the Commission take the form of legal advice, help from one of our duty lawyers or legal assistance.

LEGAL ADVICE

Commission lawyers will give advice on legal matters free of charge to anyone who is unable to obtain advice or information from a private lawyer for any good reason provided that the interview in which that advice is given does not go beyond 20 minutes.

Advice will be given at the Commission offices or at other places, for example, certain Court Houses, prison, during those times as the Director appoints, having regard to the availability of staff.

Unless special circumstances exist, legal advice will not be available for persons who are seeking advice on a matter for which they have previously been refused assistance.

Where, in the opinion of the Director a person has, during their past attendance at advice sessions, behaved in an offensive or abusive manner toward staff members, or repeatedly sought assistance in respect of matters lacking merit, the Director may decline to provide that person with advice.

DUTY LAWYER SERVICES

The Legal Aid Commission provides duty lawyer services either by using its own staff or by funding lawyers in private practice, to such sittings of the Magistrates, Juvenile and other Courts in the Territory as the Director considers appropriate.

Duty lawyers are available to advise accused persons and, if necessary, appear for them in bail and adjournment applications and in appropriate cases to represent them on a guilty plea. Duty lawyers do not appear in defended cases unless the circumstances are exceptional.

In cases of particular hardship or urgency they may also provide rudimentary assistance to persons involved in certain types of civil cases.

LEGAL ASSISTANCE

Legal assistance may be provided under Section 26 of the *Act* if, and only if: -

- (a) a person is in need of that legal assistance by reason that she or he is unable to afford the cost of obtaining from private legal practitioners the legal services in respect of which legal assistance is sought; and
- (b) it is reasonable in all the circumstances to provide the legal assistance.

The assistance may be provided free or on condition that the assisted person pays part or all of the cost of providing legal assistance.

Thus the Commission must apply two tests to any application for legal assistance - a means test and a "reasonableness" or merits test.

MERITS TEST

In determining whether to grant legal assistance in relation to any matter, regard is had to all relevant matters including:

- (a) the likely cost to the Commission of providing the assistance;
- (b) the nature and extent of any benefit that may accrue to the applicant from the provision of the assistance or of any detriment that the applicant may suffer if assistance is not provided;
- (c) in the case of assistance in relation to a proceeding - the likelihood of the proceedings terminating in a manner favourable to the applicant;
- (d) whether the legal problem or the applicant come within the Commission's or Commonwealth's priorities for the provision of legal assistance;
- (e) whether the legal problem is one for which, in accordance with the Commission Guidelines, legal assistance may be provided.

COMMISSION GUIDELINES

The Commission is required by Section 12 to determine, and make known to the public, guidelines to be applied in considering applications for legal assistance and in making decisions as to other specified matters involving the exercise of discretion.

The guidelines were originally published in November 1990 and are revised as necessary from time to time. The Commission, in July 2000, approved the latest revision. They are circulated to interested parties and are available from the Office on request.

CONTRIBUTIONS AND RECOVERY OF COSTS

An important component of the Commission's funding base is the amount recovered from client contributions.

Initial contributions, of at least \$55.00, based on the applicant's income and assets are usually imposed. Interim and final contributions may also be imposed, especially where a legally assisted person's financial circumstances have substantially improved during the currency of a grant of aid.

Where an assisted person is successful, the Commission may recover costs either in complete or partial satisfaction of a final contribution. This will depend on the circumstances of the finalisation of the matter.

RECONSIDERATION AND REVIEW OF DECISIONS

An applicant for legal assistance may request that an unfavourable decision be reconsidered.

Where a decision is confirmed or varied following reconsideration by staff of the Commission, the person affected may request that the decision be referred to a Review Committee for review.

The Review Committee consists of an officer of the Commission, a private legal practitioner and another independent person with relevant experience.

LEGAL PRACTICES

Within its overall operations the Commission operates three legal practices, namely:

- Family and Civil Law Practice;
- Criminal Law Practice; and
- Assignments Practice.

LOCATIONS

The Commission maintains offices in Darwin, Alice Springs, and Katherine and currently provides services to other major centres by utilising either its own staff or private practitioners. Office locations and contact numbers are detailed on the last page of this annual report.

ORGANISATIONAL STRUCTURE AND OBJECTIVES

CHIEF EXECUTIVE OFFICER'S UNIT

OVERALL OBJECTIVES:

- In consultation with the Board of Commissioners provide leadership and direction to the operations of the Commission.

FAMILY, CRIMINAL AND CIVIL LEGAL PRACTICES

OVERALL OBJECTIVES:

- Provide concise initial advice to members of the public in respect of their rights and obligations under any Commonwealth or Northern Territory legislation;
- Where appropriate, refer members of the public to appropriate providers of non-legal services; and
- Where legal assistance has been granted provide representation of a high standard in a timely and cost efficient manner to clients of the Commission in order to obtain a just and equitable resolution of their law dispute.

ASSIGNMENTS PRACTICE

OVERALL OBJECTIVES:

- Provide an efficient and effective service in assessing applications for legal aid;
- Ensure that services provided by private legal practitioners to Commission clients are cost effective and efficient;
- Administer the Contingency Legal Aid Fund; and
- Provide input into law reform issues.

COMMUNITY LEGAL EDUCATION

OVERALL OBJECTIVES:

- Inform the community about the range of services offered by the Commission;
- Develop community legal education projects and publications to meet specific legal needs; and
- Respond to policy or law reform issues that are relevant to the Commission's client base.

BUSINESS AND POLICY

OVERALL OBJECTIVES:

- Provide the infrastructure within the Commission so that legal services are provided to the people of the Northern Territory in an efficient and effective manner; and
- Initiate policies, strategies, advising and reporting (in all matters other than those of a direct legal services nature) to external and internal stakeholders so that the Commission's charter may be achieved.

COMMISSION OFFICES AND PRINCIPAL FUNCTIONS

DARWIN

Located within the Darwin office are the following divisions:

- Chief Executive Officer's unit;
- Criminal Law Practice;
- Family Law Practice;
- Civil Law Practice;
- Assignments Practice;
- Community Legal Education unit; and
- Business and Policy unit.

Legal services are provided to residents of Darwin, Palmerston and outlying rural areas as well as foreign nationals who have been charged with committing certain offences under Commonwealth legislation, such as illegal fishing and people smuggling.

Legal support and assistance is provided to the branches as and when required.

Assignments, Community Legal Education, financial management, financial and statistical reporting, accounting, information technology, personnel services and the Review and Contingency Fund Committees are centralised in Darwin.

ALICE SPRINGS OFFICE

The Alice Springs Office provides legal services in criminal, family and civil law in the southern region of the Northern Territory.

Lawyers attend the Alice Springs Courthouse each day and provide free advice and representation to persons requiring assistance. In addition, free legal advice sessions are conducted at the office three days per week and telephone advice is provided to callers from remote areas.

A lawyer also attends Tennant Creek and Yulara to provide legal advice and representation during Court sittings. Solicitors also attend at the Alice Springs gaol/hospital to provide advice and representation as required.

KATHERINE OFFICE

The Katherine Office provides legal services in criminal, family and civil law in the Katherine region of the Northern Territory.

Duty Lawyer services are provided at the Katherine Courthouse as required as well as legal representation. Free legal advice sessions are conducted at the Katherine Office. Where a solicitor is unavailable legal advice is provided to the client via a video conferencing link with the Darwin office.

From time to time the Katherine branch lawyer is required to provide services to the more remote areas of the Katherine region.

STAFFING OF THE COMMISSION

As at 30 June 2003, the following persons were employed:

DIRECTOR	● Suzan Cox BA LLB, LLM
Para Legal Secretary	● Aggie Athanasiou
Corporate Advisor	● Patrick Wright BA (Computing); Grad Dip Ed; CPA; Grad Dip (Applied Fin & Inv); ASIA

DARWIN

CRIMINAL LAW PRACTICE

Senior Solicitor	● Ian Read LLB BEc
	● Louise Bennett LLB
	● Alex Hill Bch Econs (Soc Sci), LLB
	● Helena Blundell BA LLB
Para Legal Secretary	● Gloria Rautamara
Para Legal Secretary	● Monica Settele

FAMILY AND CIVIL LAW PRACTICE

Senior Solicitor	● Stuart Barr LLB
	● Elizabeth Harbour BSc, LLB
	● Jennifer Devlin BA(Hons), LLB(Hons)
	● Deborah Hepburn LLB
	● Sarah Harvey LLB
	● Jonathon Kneebone BA LLB (Hons)
Articled Clerk	● Kris Norrington LLB
Para Legal Secretary	
/Child Support	● Melinda Naismith
Para Legal Secretary	● Sue Gowler

COMMUNITY LEGAL EDUCATION

	● Samantha Willcox BA (Organisational Communications), Grad Dip Adult Ed
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BUSINESS AND POLICY

Business and Policy Manager	● Jenny Hardy BA LLB
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ASSIGNMENTS PRACTICE

Manager	● Haley Richardson
Para Legal Support	● Amanda Bamford

CORPORATE SERVICES

Finance Officer	● Barbara Lelli BA (Business) ASA
Personnel/Accounts	● Leeanne Morris
Accounts Clerk	● Karen Markos
Projects Officer	● Sue Reddy
Projects Officer	● Sally Rush
Administration Officer	● Lucia Vorrasi
Administration Officer	● Mark Wright
Administration Officer	● Vanessa Bamford
Administration Officer	● Laura Sullivan
Office Services	● Jeanon Cubillo
Librarian (Part-time)	● Jane Hill

ALICE SPRINGS

- Senior Solicitor** —● Russell Goldflam BA BLEGS (Hons), Grad Dip Ed
- John Kelly LLB
- Julia Munster BA (Hons) / LLB
- Para Legal Secretary** —● Wendy Vismans
- Para Legal Secretary** —● Jennifer Devine
- Librarian (Part-time)** —● Jodie Siebert (on maternity leave)
- Karen Kairupan

KATHERINE

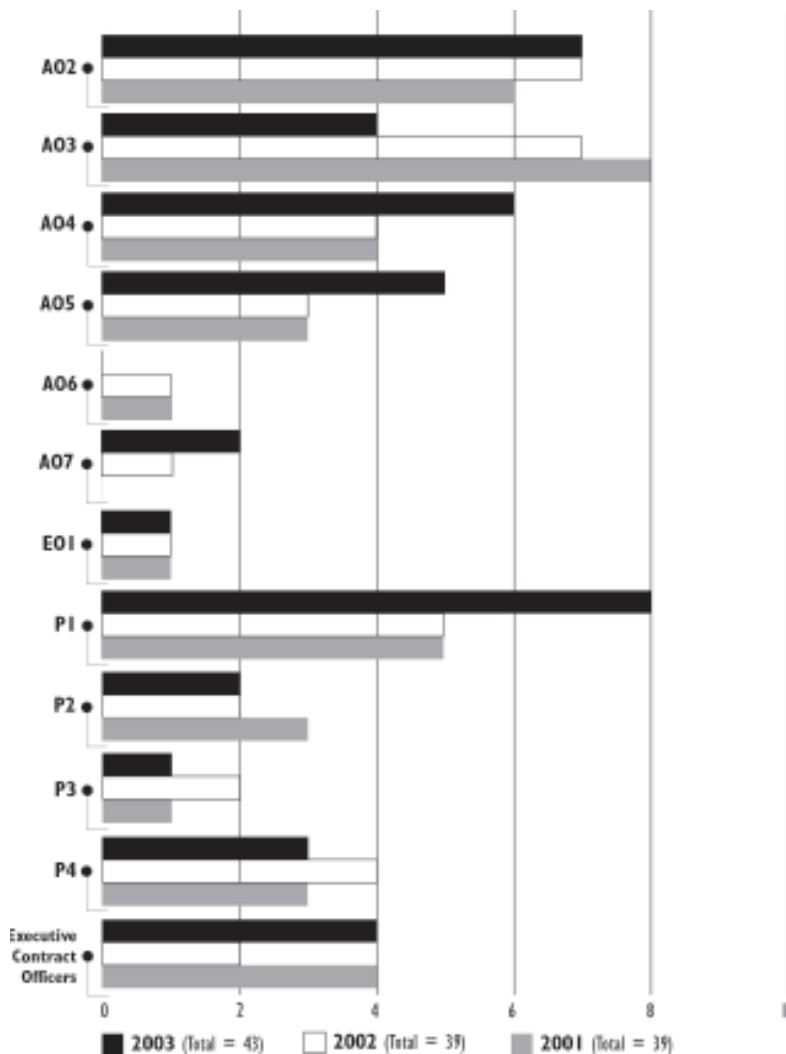
- Solicitor** —● Colin Baker Dip of Law
- Para Legal Secretary** —● Jodie Ah Chin
- Para Legal Secretary Support** —● Cassie Lamb

VOLUNTEERS

Under S.8 of the Act the Commission shall encourage persons who are not legal practitioners to participate, as far as is practicable, in a volunteer capacity whilst under professional supervision. During the year the Commission did not “recruit” any volunteers.

STAFFING LEVELS

Staffing levels as at 30th June 2003 were:



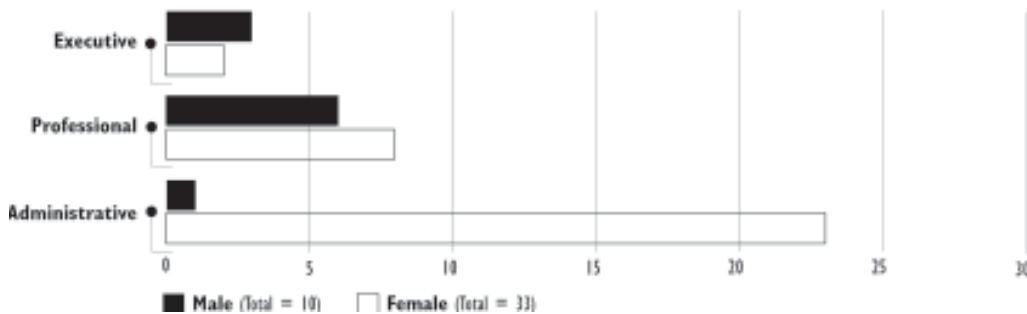
AO - Administrative Grades; P - Professional Grades (Legal Officers)
All legal officers are on employment contracts.

RESIGNATIONS/LEAVE WITHOUT PAY

During the year 7 employees resigned and 1 employee had leave without pay.

EQUAL EMPLOYMENT OPPORTUNITY

Management monitors the internal environment to ensure that equal employment opportunities are present. Because of the nature of the staff who are attracted to the Legal Aid Environment issues of discrimination seldom, if ever, arise.



NORTHERN TERRITORY COMMUNITY INVOLVEMENT

During the year members of staff, in their own time, contributed to the development of their respective professional associations, as well as:

- NT Law Handbook (2nd Edition), Contributor
- NT Crime Prevention committee member
- NT Law Society council member
- Rehabilitation After Prison Program reference group member
- NT Family Law Pathways Group member
- Australian Legal Assistance forum member
- National pro Bono Resource Centre Advisory Council member
- Domestic Violence Legal Service Advisory Committee member
- Commonwealth/NT Agreement for funding of Aboriginal Interpreter Service and Juvenile Diversion Program reference group member
- Inmates Lawbook Contributor
- Central Australian Human Research Ethics Committee member
- NT Magistrates Cross-Cultural Awareness Training Program, presented a paper
- Alice Springs Correctional Centre Education Program, guest lecturer
- Drug and Alcohol Services Association, Alice Springs, member
- Darwin Community Legal Service Management Committee, committee member
- Child Support Agency Public Forum, prepared a talk
- Alternative Law Journal, NT Editorial Committee
- Top End Women's Legal Service, volunteer; management committee member & human resource sub committee member
- Melaleuca Refugee Centre member
- Criminal Lawyers Association of the NT (CLANT) committee member
- Vice Chancellors Advisory Committee NTU committee member
- NT Women Lawyers Association, member
- Portuguese/Timorese Association, information session
- Australia/Burma Friendship Association, member
- Northern Territory Dispute Resolution Association, member
- Planet Organic Darwin, member

STAFF DEVELOPMENT

During the year various members of staff were involved in staff development programs. The nature of the programs included conferences, workshops, seminars and training courses. The programs included:

- National Legal Aid Best Practice Conference
- Primary Dispute Resolution (PDR) course
- NT Criminal Lawyers Conference
- Understanding Accrual Accounting
- Budgeting for Outputs and Outcomes
- Cross Cultural Training course
- Domestic Violence course
- Dealing with Aggressive Clients course
- National Editorial Meeting
- Migration Agent, course
- Relationships Australia Family Mediation Service, mediation training
- Child focussed Family Law Practice Training

Staff attended meetings and seminars organised by their respective Northern Territory Professional Associations.

OCCUPATIONAL HEALTH AND SAFETY

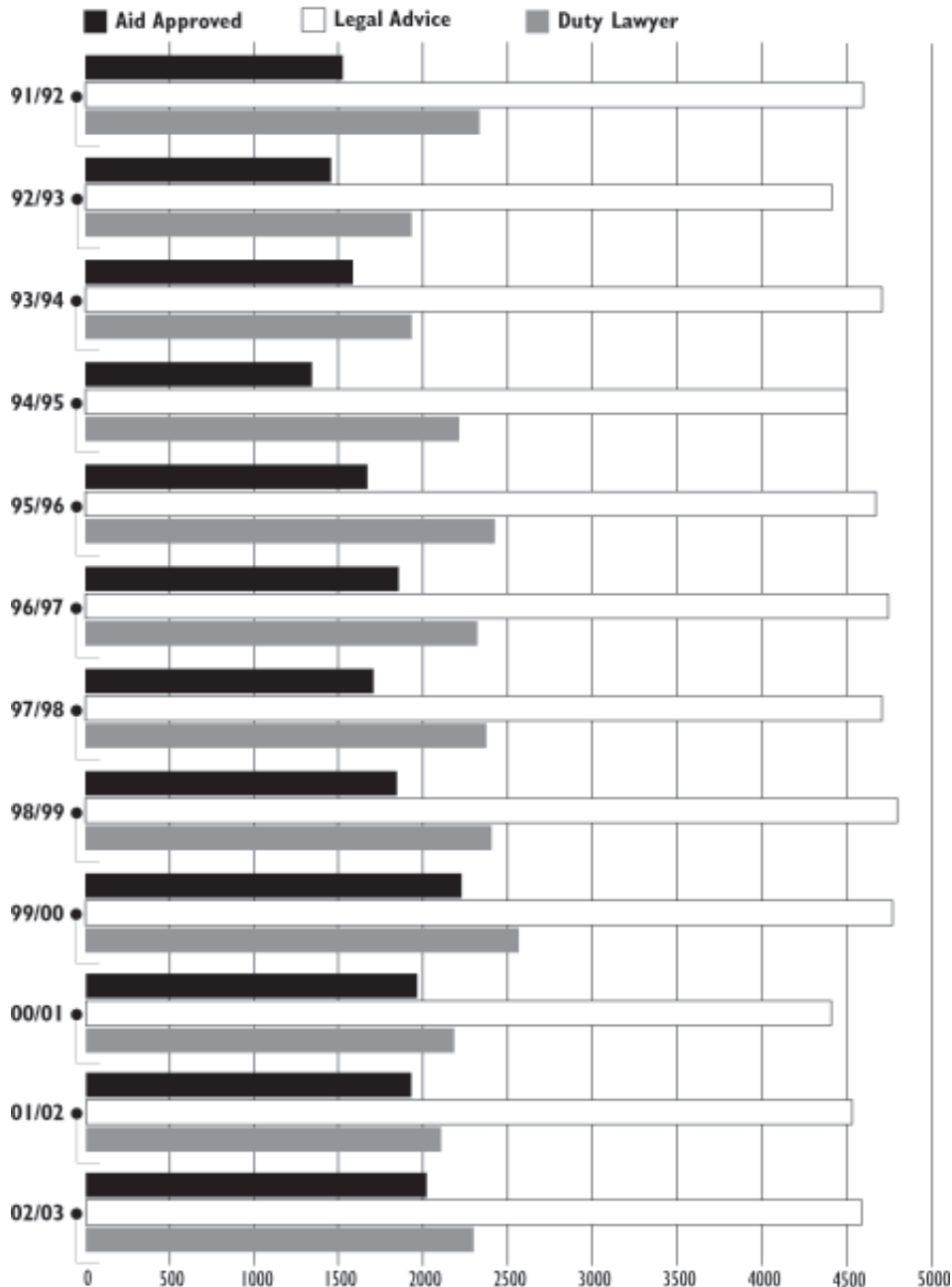
During the year there was one work health claim. A tobacco free environment exists. Employees are encouraged to adopt safe working practices.

ACHIEVEMENTS

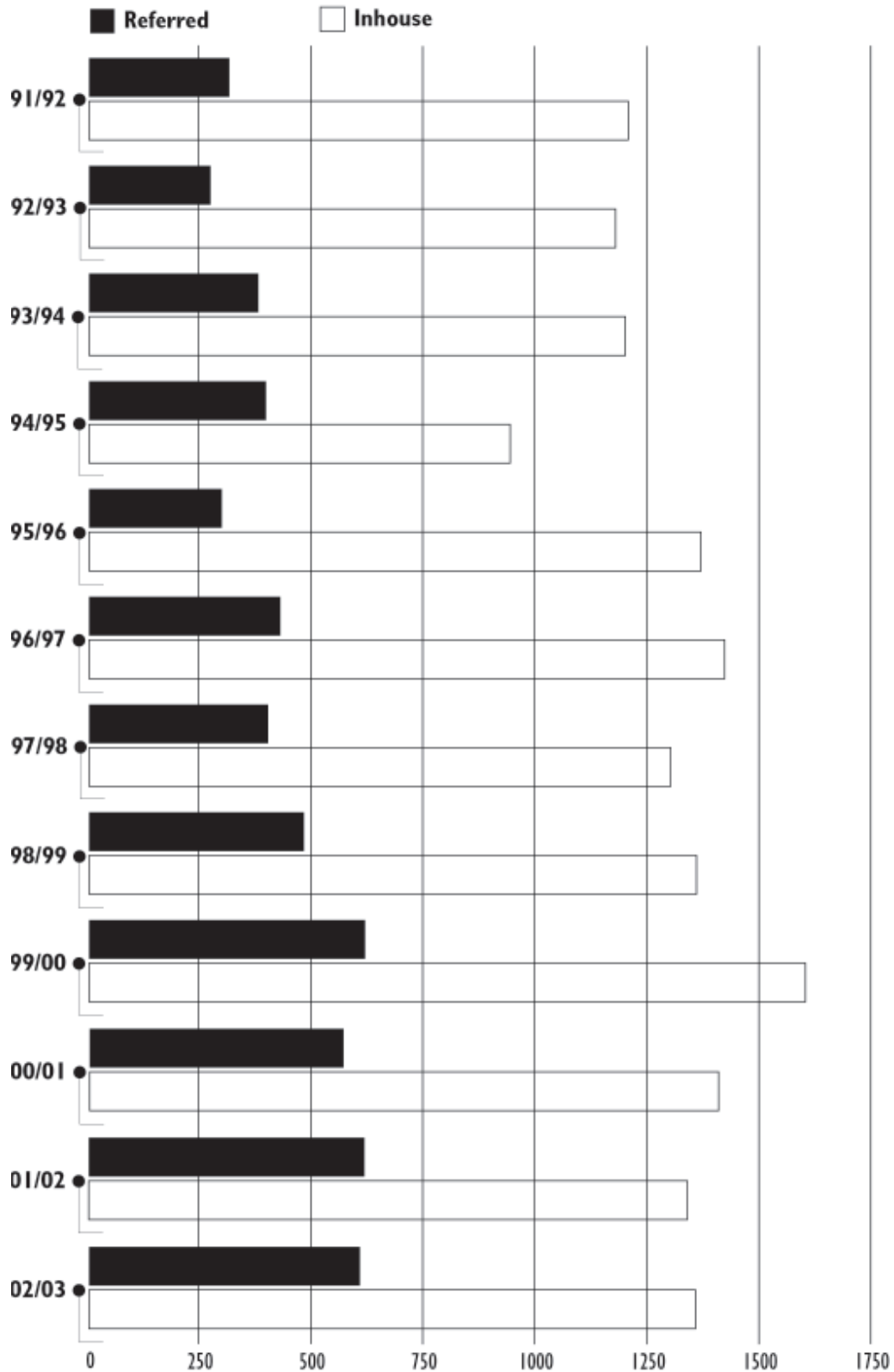
During the year:

- 2412 applications for aid were received.
- 2007 applications for aid were approved.
- 593 approved applications for aid were referred to private practitioners.
- 1414 approved applications for aid were handled by Commission staff.
- 4580 persons received free legal advice.
- 2337 persons received advice and/or were represented by Duty Lawyers.
- 4113 persons accessed the free telephone legal information service.

PRIOR YEARS COMPARATIVE



REFERRED: INHOUSE MATTERS



PERFORMANCE

PERFORMANCE INDICATORS 1998/99 TO 2002/03

	98/99	99/00	00/01	01/02	02/03	TARGET
Population	191400	194500	196300	199600	197100	
Estimated No. of Clients	11955	11894	11928	12607	13037	

PER 1000 HEAD OF POPULATION

Legal Advice Provided	25.06	24.51	22.79	23.06	23.24	26
Duty Lawyer Services	12.53	13.16	11.24	10.77	11.86	14
Applications for Legal Aid						
Received	11.34	13.17	11.89	11.64	12.24	
Approved	9.62	11.42	10.12	9.81	10.18	12
Refused	1.62	1.66	1.75	1.75	1.94	
Telephone Legal Information Clients	15.25	12.05	16.59	19.52	20.87	19
Estimated Clients	62.46	61.15	60.76	63.16	66.14	

CUMULATIVE % OF ACCOUNTS PAID

Within 5 days	79.42	82.25	90.04	98.98	99.22	85
Within 10 days	95.13	96.26	97.76	99.65	99.95	99
Within 15 days	98.54	98.64	99.66	99.93	99.96	
Within 20 days	98.95	99.72	99.69	99.97	99.96	100
Within 30 days	98.78	99.85	99.97	100.00	100.00	

OUTPUT STATISTICS

MEASURING THE ATTAINMENT OF THE COMMISSION'S OBJECTIVES

SUMMARY OF MAJOR ACTIVITIES

	98/99	99/00	00/01	01/02	02/03
Applications for Aid Received	2170	2561	2391	2323	2412
Applications for Aid Approved	1841	2222	1974	1959	2007
Applications for Aid Refused	311	323	394	349	382
Free Advice Sessions	4796	4769	4465	4603	4580
Duty Lawyer Services	2399	2560	2232	2149	2337
Telephone Information Clients	2919	3245	3257	3896	4113
Payments to Private Practitioners (\$)	106033	1222564	1554939	1614182	1488040

NET PAYMENTS TO PRIVATE PRACTITIONERS

Referred Cases					
Family	337306	407270	577847	600412	868070
Criminal	138366	133300	116622	233348	232601
Civil	327007	315414	327317	416203	387368
Inhouse Cases					
Family	14093	34034	91022	66962	34306
Criminal	191898	225239	314301	231552	399492
Civil	6457	76567	72473	20757	28538
Duty Solicitor	3013	12120	22102	15716	14780
Locums	42193	18620	33255	29232	38853
TOTAL	1060333	1222564	1554939	1614182	2004008

APPLICATIONS APPROVED AND REFERRED TO PRIVATE PRACTITIONERS

Family	205	288	217	266	280
Criminal	117	124	114	46	61
Civil	159	206	218	305	252
TOTAL	481	618	549	617	593

APPLICATIONS APPROVED AND HANDLED BY COMMISSION STAFF

Family	266	320	282	273	227
Criminal	963	1156	1072	1029	1125
Civil	131	128	71	40	62
TOTAL	1360	1604	1425	1342	1414

FREE ADVICE SESSIONS

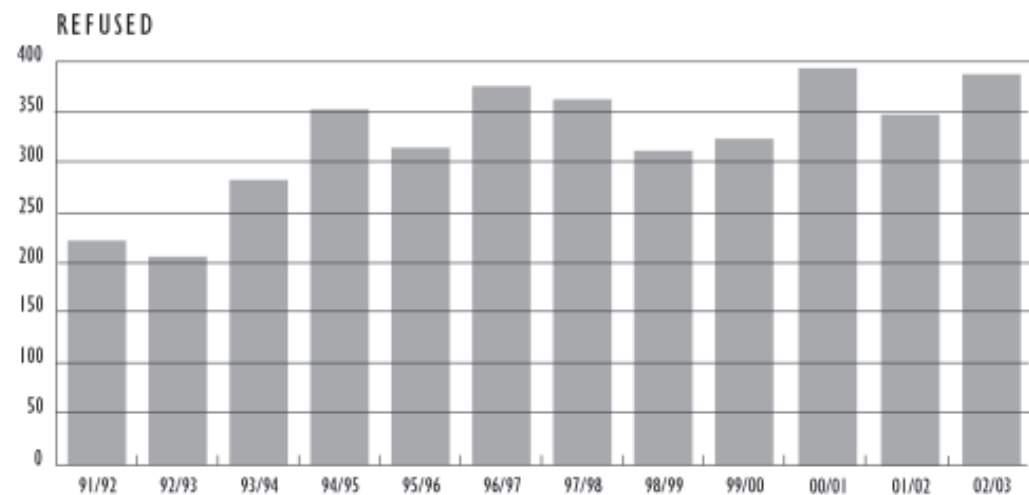
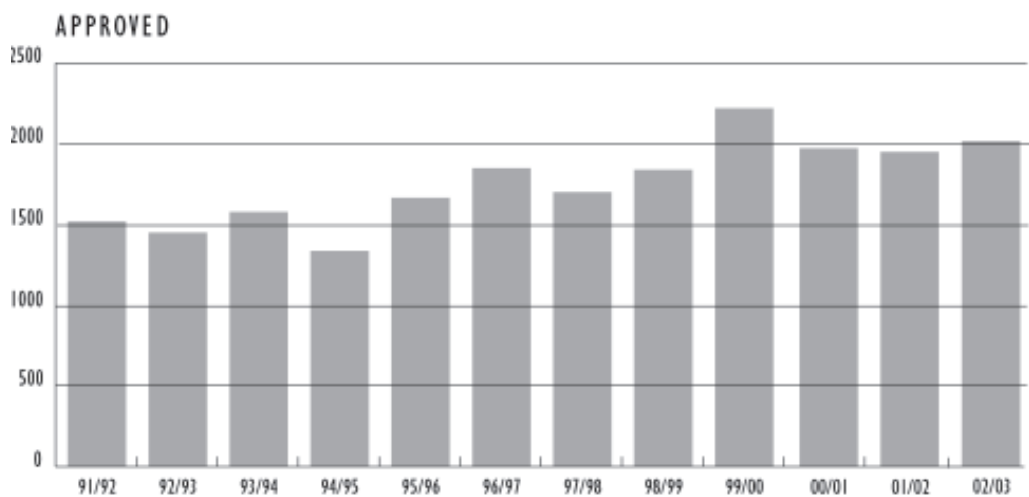
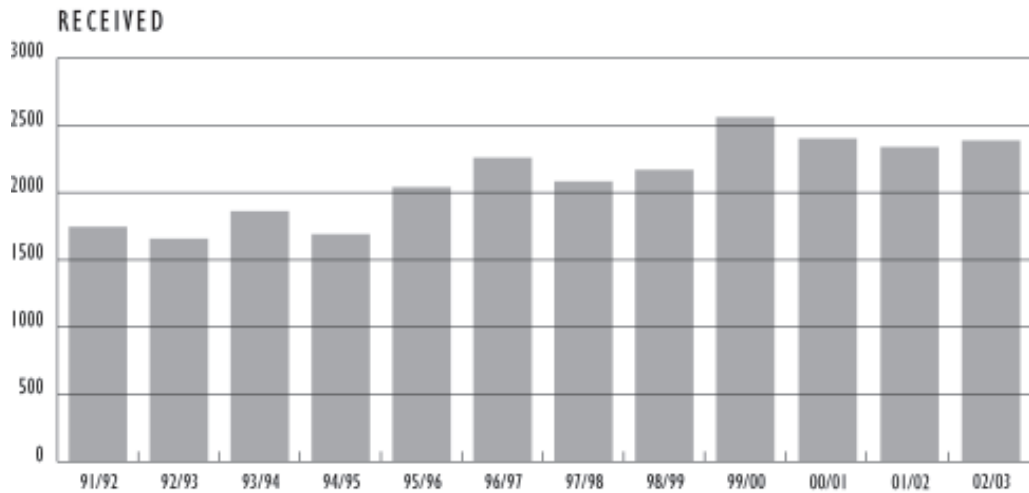
Family	1494	1658	1580	1719	1688
Criminal	1605	1360	1272	1242	1247
Civil	1697	1751	1613	1642	1645
TOTAL	4796	4769	4465	4603	4580

DUTY LAWYER SERVICES

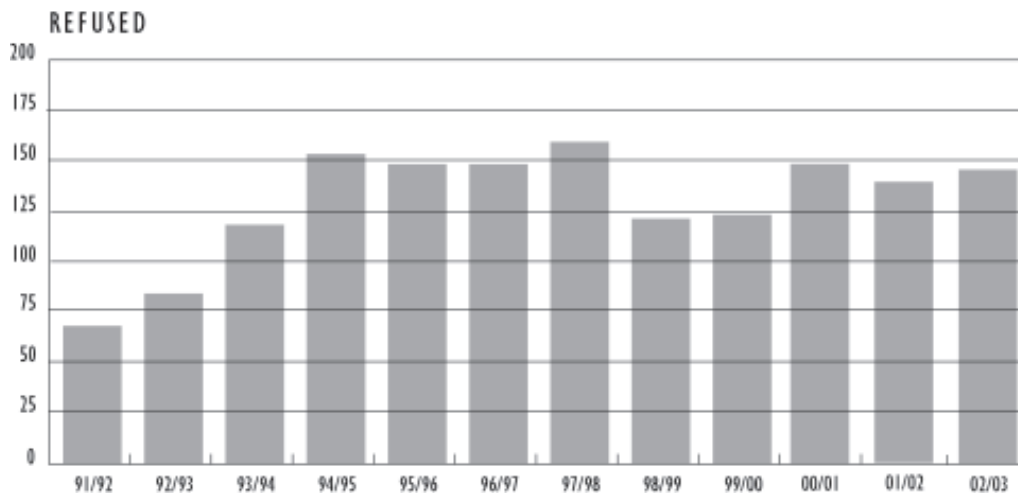
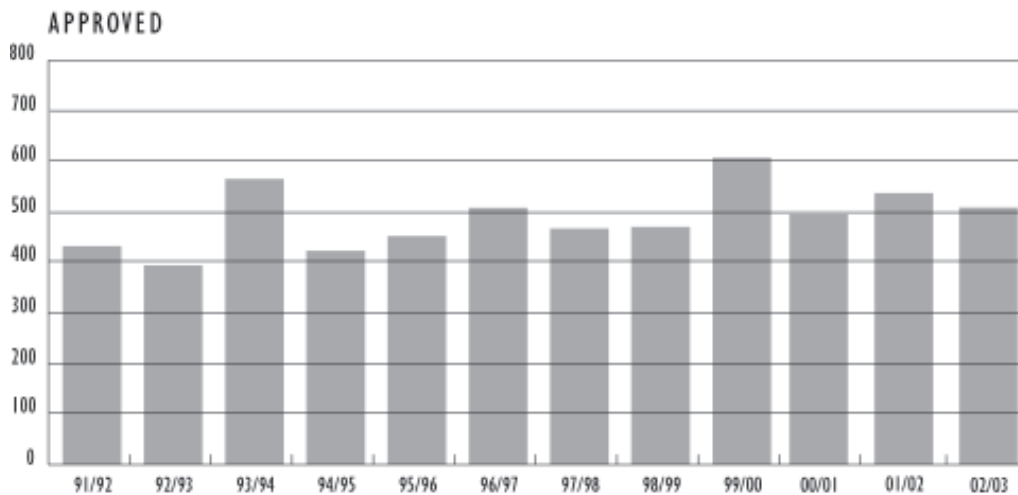
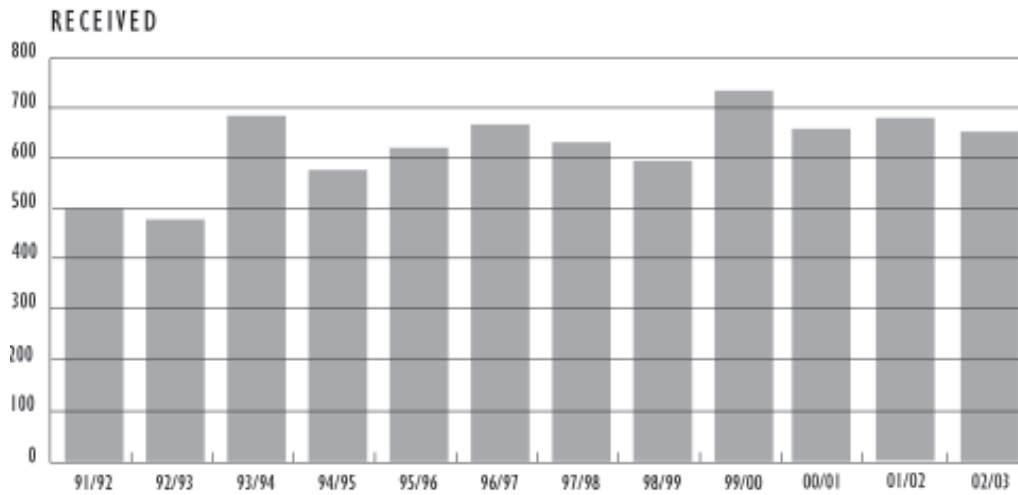
Advice Only	695	614	622	389	380
Representation	102	57	55	12	39
Plea	64	226	111	277	294
Advice and Representation	1482	1618	1410	1444	1589
Negotiations	9	17	32	13	14
Other	47	28	2	14	21
TOTAL	2399	2560	2232	2149	2337

APPLICATIONS FOR AID

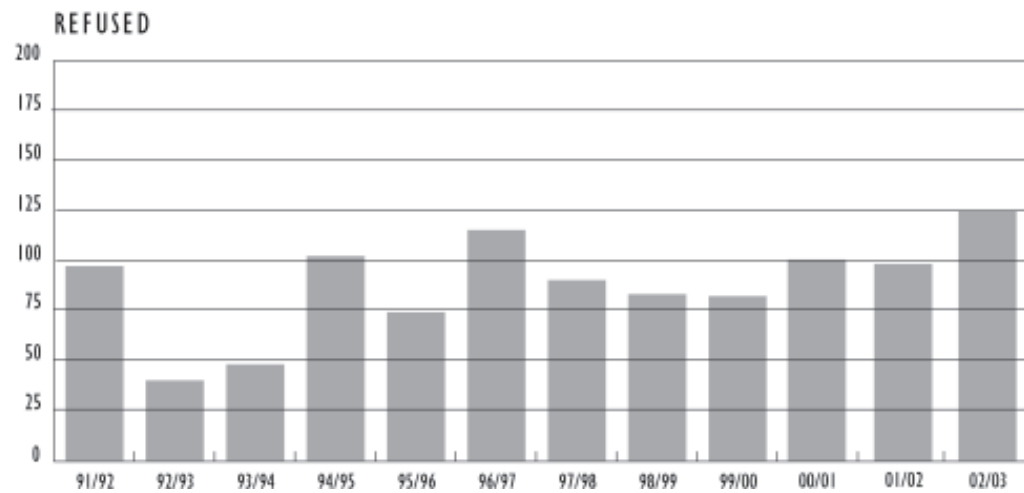
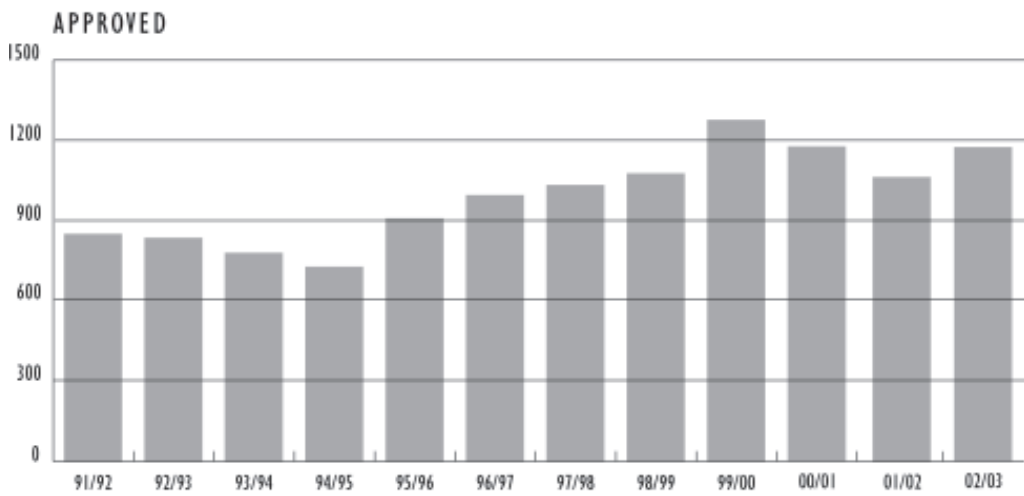
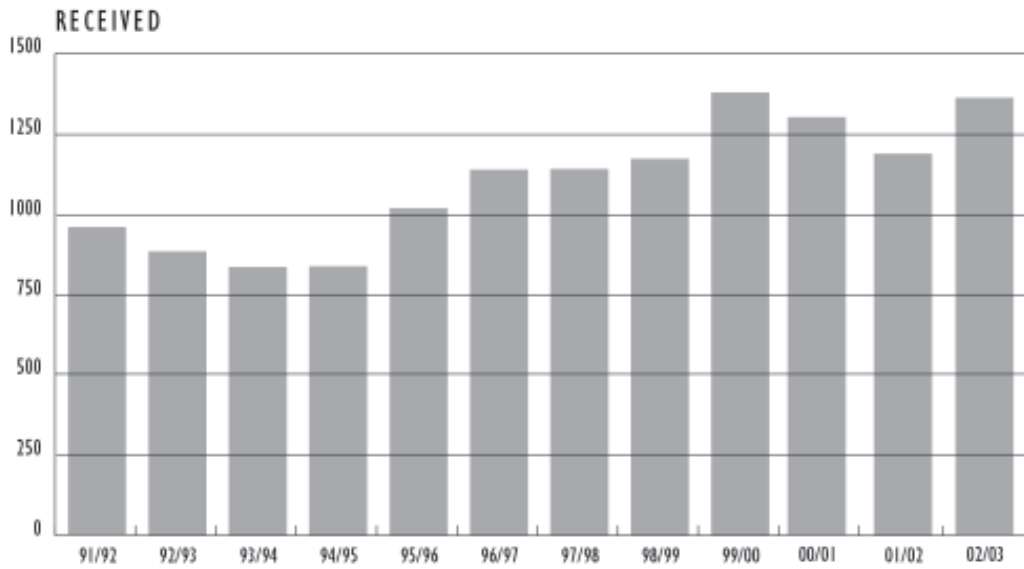
SUMMARY



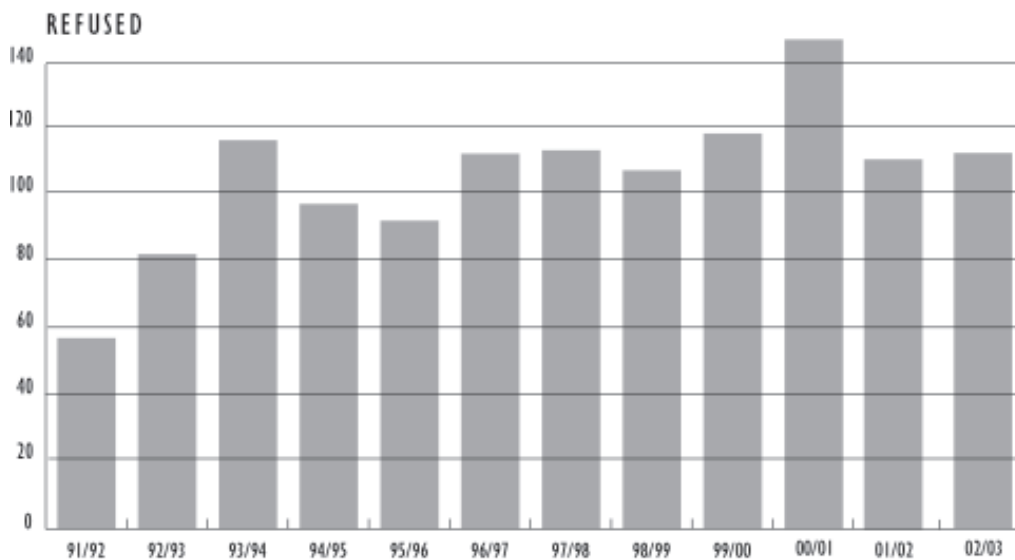
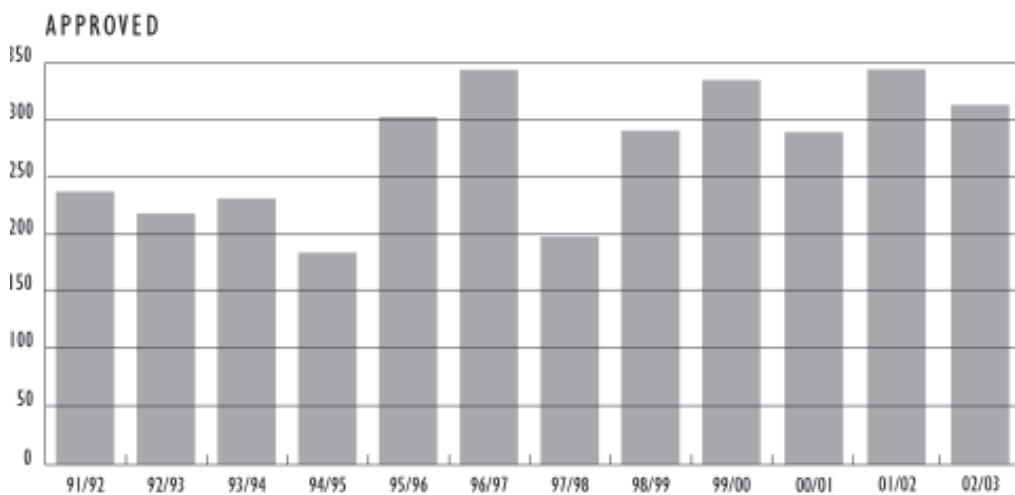
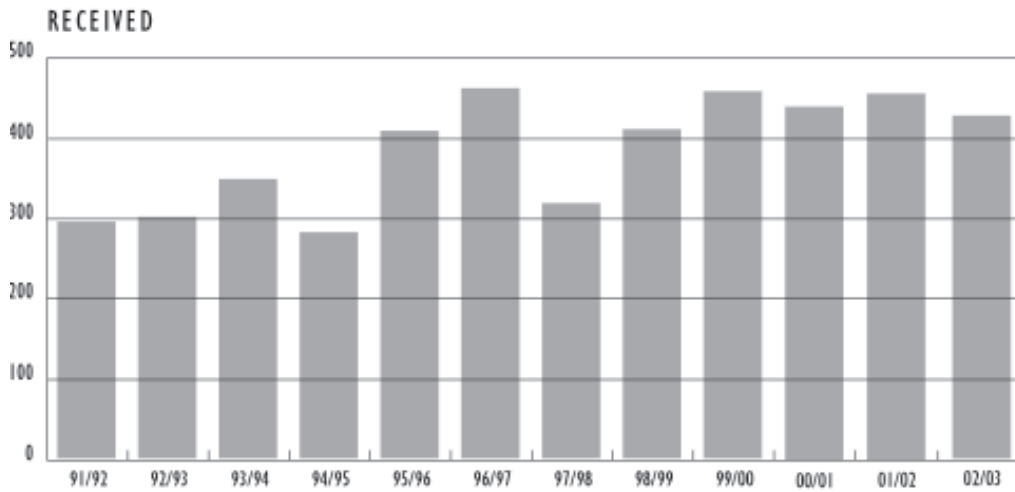
FAMILY LAW



CRIMINAL LAW



CIVIL LAW



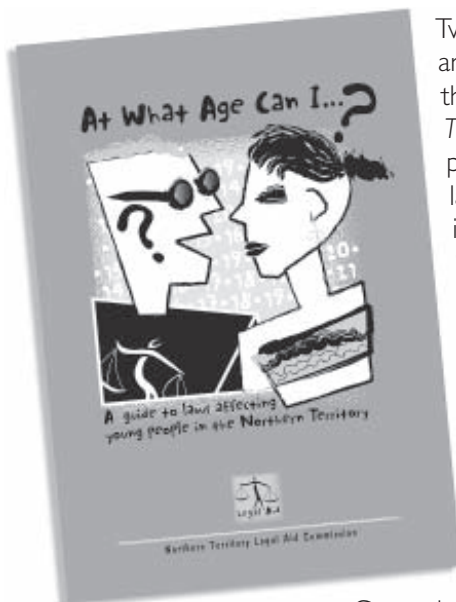
COMMUNITY LEGAL EDUCATION

The Legal Aid Commission has a strong background in developing and promoting community legal education initiatives in the Northern Territory.

Over the last year the Commission committed to a broad range of projects which sought to engage and inform the community about their legal rights and the services available to them. Many of these projects were undertaken with other local legal or community service providers and funding bodies.

Initiatives have included publications, information sessions and workshops, as well as participation in a range of community events and agency networks.

A number of publications have been produced or reprinted by the Commission. The foremost of these was the publication of the Third Edition of the Law Handbook. The Law Handbook, a plain English guide to the laws in the Northern Territory, was co-produced by NTLAC and the Darwin Community Legal Service. This new edition greatly expanded on earlier versions with additional content and a more comprehensive glossary. The Handbook was launched in December 2002 by magistrate Jenny Blokland at the Supreme Court of the Northern Territory.



Two booklets targeted at young people were produced and widely distributed: "At what age can I?", a guide to the laws in the NT as they effect young people, and "Cop This!", a guide to young people in their dealings with police. Youth remain a keen focus of CLE initiatives and law reform strategies for the Commission. For example, in April 2003 NTLAC collaborated with Anglicare Youth Services to support and promote a performance by young people in Youth Week which focused on legal rights and responsibilities for Territory youth. Regular attendance at youth service provider network meetings as well as visits to schools ensure the Commission is accessible to young people and youth workers.

In conjunction with the office of the NT Ombudsman the Commission reprinted the "Where to Complain" publication which outlines complaint agencies and regulatory bodies for complainants in the NT. The

Commission's Information Line is often a portal for callers requiring referral to the relevant consumer or government agencies included in that booklet. A component of the NTLAC CLE program has involved regular Information Line staff training sessions to enable appropriate referrals to be made.

The Law Society Public Purposes Trust granted money to produce two additional publications. The first, a legal handbook for prisoners (the "Inmates Law Book"), will also be produced in audio format to cater for prisoners with low literacy levels. The second, "Going to Court", is a booklet for people appearing in the Magistrates Court. These publications will be completed by the end of 2003.



Regular participation in community events has promoted the profile of the Commission within the Territory. During Law Week 2003 the Commission co-hosted an information stall in the Alice Springs mall and jointly presented a series of Law Handbook Live information sessions with Darwin Community Legal Service. Staff have attended events such as careers expos at local high schools, University market days, public forums about family law and others.

Community legal education has been promoted through the local media. In particular, 105.7 ABC radio has broadcast regular monthly law segments on the morning program to explain legal concepts to listeners. Feature articles about the Commission and its services have been contributed to local media outlets in Darwin and Alice Springs. An awareness campaign about the Commission's Information Line was also conducted utilizing regional newspapers throughout the Northern Territory in order to promote the service.

Membership and involvement with committees and projects run by non-government and government agencies forms an important component of effective engagement with the broader community. The Commission has had representatives attend regular meetings of the Darwin Crime Prevention Committee, NT Family Law Pathways Group, Human Rights Art Exhibition Committee, the NAIDOC Week Committee, the Domestic Violence Network Committee and the Darwin and Rural Workers with Youth Network. This community engagement has fostered strong relationships with service providers and continues to provide opportunities for community legal education.

The Northern Territory presents unique challenges for the Commission in its work to ensure equal access to justice for a culturally diverse population. NTLAC will continue to explore and develop innovative and effective ways to deliver community legal education to meet those challenges.

INFORMATION ACT 2003 (NT)

The following information is held by the Commission:

Publications	Personal Information	Other Information
NTLAC Guidelines and Scale of Costs	Client	Financial
NTCLAF Guidelines	Personnel	Statistical
Community Legal Education Booklets (various topics)		Policies
Pamphlets (various topics)		Manuals
Annual Reports		Administration
		Law Reform

Publications are available upon request free of charge.

Access to other information, including personal information must be made on the appropriate application form obtainable from and returnable to:

The Information Officer

NT Legal Aid Commission
6th Floor, 9-11 Cavenagh Street Darwin

Postal: Locked Bag 11, Darwin NT 0801

Telephone: (08) 89993000

Fax: (08) 89993099

NB: Applications must be accompanied by proof of identity (eg. Passport, Drivers' Licence etc). To facilitate the identity check, applications may be lodged in person at any of the Commission's offices listed below. The Application form will be forwarded to the Information Officer in Darwin, if the local office is unable to assist.

DARWIN

6th Floor, 9-11 Cavenagh Street

KATHERINE

20 Second Street

ALICE SPRINGS

77 Hartley Street

FEES:

Access to or Correction of Personal Information	No Fee
Access to published information	No fee
Access to information other than personal information or published information	A \$30.00 fee and a 60¢ per page charge for photocopying of documents of more than 20 pages may apply



Northern Territory Legal Aid Commission
FINANCIALS 2002-2003

COMMENTS

ON FUNDING ARRANGEMENTS, FINANCIAL STATEMENTS AND FINANCIAL PERFORMANCE

FUNDING OF THE COMMISSION

The Commission continued to receive funding from the Commonwealth pursuant to the agreement between the Northern Territory and the Commonwealth Governments that was signed in October 2000. These funds are used for matters that arise under Commonwealth legislation. The agreement ends on 30 June 2004 and renegotiations are taking place for a further four-year funding arrangement.

Funding from the Northern Territory Government was approved in August 2000. The funds are used for matters that arise under Northern Territory legislation. This arrangement also expires on 30 June 2004.

FINANCIAL PERFORMANCE

This year the Commission generated a deficit of \$99,068. The factors that contributed to the deficit were a decrease in revenue and an increase in legal, salaries and employee benefits and depreciation expenses. As at 30 June 2002 the Commission had accumulated funds of \$407,420, which decreased to \$308,352 as a result of the deficit.

The table below presents the percentage distribution of expenses incurred and revenue earned from 1995/96.

PERCENTAGE OF TOTAL EXPENDITURE

	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03
PERCENTAGE OF TOTAL EXPENDITURE								
Personnel Costs	38.86	45.61	46.89	50.17	51.95	49.28	44.72	46.88
Administration Costs	19.19	20.54	21.60	19.71	22.81	16.87	21.39	12.65
Legal Costs	36.71	27.94	25.94	25.56	21.35	30.78	31.19	36.60
Minor Assets	2.30	2.66	2.05	2.17	1.92	1.77	1.81	1.97
Depreciation	2.94	3.25	3.52	2.39	1.97	1.30	0.89	1.90

PERCENTAGE OF REVENUE

Commonwealth	53.31	61.04	49.36	44.91	43.28	42.94	41.60	39.65
NT Government	23.20	26.81	38.88	43.46	40.53	38.76	34.42	39.85
Commonwealth Other					3.23	7.97	9.84	5.65
Total Government Funding	76.51	87.85	88.24	88.37	87.04	89.67	85.86	85.15
Contributions and Recovered Costs	20.75	9.91	8.69	8.09	9.46	6.93	9.52	8.99
Interest Earned	2.38	2.10	2.20	3.49	3.34	3.40	2.56	3.05
Other	0.36	0.14	0.87	0.05	0.16	0.00	2.06	2.81
Total Self-Generated	23.49	12.15	11.76	11.63	12.96	10.33	14.14	14.85

FINANCIAL ANALYSIS

EXPENDITURE

Personnel costs include salaries and associated costs for administrative and professional staff. The expenses rose 10.92% on the previous year. The increase is a combination of enterprise bargaining and an increase in personnel.

Administration costs include such payments as information technology charges, telecommunications, official travel and insurance premiums. The decrease is due substantially to a downward revision of the provision of grants in aid.

As well as having an in-house practice the Commission also refers a portion of its casework to private practitioners. Legal costs include the payments to private practitioners for matters that are referred out as well as disbursements incurred on in-house casework. The increase this financial year stems from a greater percentage of family law matters being referred out. Legal costs also reflect payments on casework that were approved in previous financial years.

Minor assets include purchases of furniture and fittings, other plant and equipment and library costs that do not satisfy the criteria of an asset, i.e. under \$2,000. The increase this year is due to the Commission upgrading some of the older style desks to the more ergonomic style.

Depreciation is calculated using the diminishing value method, which allocates a greater portion of depreciation early in the assets life. During the latter part of the previous financial year the Commission spent a substantial amount of money in a long overdue upgrade of its information technology software and hardware. As a result the Commission's depreciation expense increased by \$58,174 during 2002/03.

REVENUE

This year the Commission saw a decrease of \$459,318 in total revenue from the previous financial year. Several factors contributing to that decrease were: the reduction in Commonwealth funding as a result of a prepayment that occurred in 2001/02; a decrease in Commonwealth other funding; and a decrease in contributions and recovered costs. Contributions and Recovered costs are monies collected from clients.

The Commission was able to earn more interest this year as a result of increased cash flows last financial year and slightly higher interest rates during the year. This amount will fluctuate according to the cash held by the Commission and the rates at which these funds can be invested.

Other revenue represents miscellaneous income. Part of that income was reimbursement from other Australian Legal Aid Commissions for expenses incurred by NT Legal Aid on behalf of National Legal Aid. The arrangement came to an end in October 2002. Also, during the year the Commission was able to recover \$67,630 for incorrect charges that were incurred over several years.

ASSETS

Cash at bank decreased by \$1,143,057 part of this decrease was due to an additional investment of \$987,180 in bank bills.

Receivables decreased this financial year due to a reduction in trade debtors and a slight decrease in Recovered Costs.

Prepayments increased substantially due to a further increase in Professional Indemnity and Workers Compensation Insurances.

LIABILITIES

Total liabilities decreased by \$48,044. The significant decrease of the Provision for Grants in Aid was offset by an increase in accounts payable and accrued expenses and long service leave provisions.

ACCUMULATED FUNDS AND RESERVES

As the Commission has been able to retain surpluses generated in previous financial years the deficit was absorbed through an offset to Accumulated Funds. Total Accumulated Funds and Reserves have decreased to \$3,608,352.

GENERAL PURPOSE FINANCIAL STATEMENTS

30 JUNE 2003

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STATEMENT OF FINANCIAL POSITION	38
STATEMENT OF CASH FLOWS	39
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AUDITOR-GENERAL

AUDITOR-GENERAL'S REPORT TO THE ATTORNEY-GENERAL
NORTHERN TERRITORY LEGAL AID COMMISSION
YEAR ENDED 30 JUNE 2003

Scope

I have audited the accompanying financial report of the Northern Territory Legal Aid Commission for the year ended 30 June 2003, comprising Statement by Director, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and associated Notes to the financial statements. The Director is responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion upon it to it to the Attorney-General.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the *Legal Aid Act* so as to present a view which is consistent with my understanding of the Northern Territory Legal Aid Commission's financial position, its financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly the financial position of the Northern Territory Legal Aid Commission as at 30 June 2003, its financial performance and its cash flows for the year ended on that date in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the *Legal Aid Act*.

A handwritten signature in black ink, appearing to read 'H M Blake'.

H M Blake
Auditor-General for the Northern Territory
Darwin, Northern Territory

27 October 2003

STATEMENT BY DIRECTOR

In the opinion of the Director of the Northern Territory Legal Aid Commission:

- (a) the accompanying general purpose financial statements of the Commission present fairly the Commission's financial position as at 30 June 2003, and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements; and
- (b) at the date of this statement there are reasonable grounds to believe that the Commission will be able to pay its debts as and when they become due and payable.

Signed in Darwin this 30th day of September 2003.



Suzan Cox
DIRECTOR

STATEMENT OF FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2003

	Notes	2003 \$	2002 \$
Revenue from ordinary activities	3	5,377,138	5,836,456
Depreciation expense	4	(104,190)	(46,016)
Salaries and employee benefits expense		(2,567,470)	(2,314,681)
Legal Expense		(2,004,011)	(1,614,181)
Administration Expense		(464,373)	(827,019)
Other expenses from ordinary activities		(336,162)	(374,060)
NET (DEFICIT)/PROFIT AND TOTAL CHANGES IN EQUITY		(99,068)	660,499

The statement of financial performance is to be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2003

	Notes	2003 \$	2002 \$
CURRENT ASSETS			
Cash	5	2,267,616	3,410,673
Receivables	6	154,640	184,491
Investments	7	1,435,570	448,390
Prepayments	8	186,771	57,725
TOTAL CURRENT ASSETS		4,044,597	4,101,279
NON-CURRENT ASSETS			
Property, plant and equipment	9	382,474	472,904
Other	16	200,000	200,000
TOTAL NON-CURRENT ASSETS		582,474	672,904
TOTAL ASSETS		4,627,071	4,774,183
CURRENT LIABILITIES			
Payables	10	431,372	262,749
Provisions	11	491,558	731,988
TOTAL CURRENT LIABILITIES		922,930	994,737
NON-CURRENT LIABILITIES			
Provisions	11	95,789	72,026
TOTAL NON-CURRENT LIABILITIES		95,789	72,026
TOTAL LIABILITIES		1,018,719	1,066,763
NET ASSETS		3,608,352	3,707,420
ACCUMULATED FUNDS AND RESERVES			
Accumulated funds	18	308,352	407,420
Reserves	17	3,300,000	3,300,000
TOTAL ACCUMULATED FUNDS AND RESERVES		3,608,352	3,707,420

The statement of financial position is to be read in conjunction with the notes to the financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2003

	Notes	2003 \$	2002 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts in the course of operations		669,743	710,535
Interest received in the course of operations		163,674	149,363
Grants received in the course of operations	3	4,578,907	5,010,986
Cash Payments in the course of operations		(5,549,106)	(4,954,878)
NET CASH FLOWS (USED IN)/			
FROM OPERATING ACTIVITIES	14	(136,782)	916,006
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(19,095)	(209,431)
Proceeds from investments		(987,180)	(3,650)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(1,006,275)	(213,081)
Net (decrease)/increase in cash held		(1,143,057)	702,925
Add: Opening cash brought forward		3,410,673	2,707,748
CLOSING CASH CARRIED FORWARD	5	2,267,616	3,410,673

The statement of cash flows should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Northern Territory Legal Aid Commission was established on 11 June 1990 by the Legal Aid Act 1990. The Commission is subject to the directions of the Minister for the appointment of a Chairman and a Commissioner. The function of the Commission is to provide legal assistance in accordance with this Act. The Commission commenced its activities on 1 July 1990.

PRINCIPAL PLACE OF BUSINESS

The Commission holds its principal place of business at Level 6, 9-11 Cavenagh Street, Darwin.

NO OF EMPLOYEES

The Commission had 43 employees as at 30 June 2003 (2002 – 39 employees).

BASIS OF ACCOUNTING

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The accounting policies used in the preparation of this report are consistent with previous years and are described below:

- (a) The accounts have been prepared using the accrual basis of accounting applying the historical cost convention and the going concern assumption.
- (b) Cost in relation to assets represents the amount incurred or the fair value of the asset given in exchange adjusted to recoverable amount where necessary. In determining recoverable amount the expected net cash flows have not been discounted to their present value.
- (c) Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous year except for the accounting policies with respect to the provision for employee benefits. The entity has adopted the revised Accounting Standard AASB 1028 "Employee Benefits", which has resulted in a change in the accounting policy for the measurement of employee benefit liabilities. Previously, the entity measured the provision for annual leave based on remuneration rates at the date of recognition of the liability. In accordance with the requirements of the revised Standard, the provision for employee benefits is now measured based on the remuneration rates expected to be paid when the liability is settled. The effect of the revised policy has been to decrease retained profit and increase employee benefits by the beginning of the year by \$7,544. In addition, current year profits have decreased by \$7,544 due to an increase in employee benefit expense. Current provisions at 30 June 2003 have also increased by \$7,544 as a result of the change in accounting policy.

GOVERNMENT APPROPRIATION AND GRANTS

Government appropriation and grants are recognised in the statement of financial performance at the time of their receipt.

All revenue is stated net of the amount of Goods and Services Tax (GST).

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost.

Property, plant and equipment purchased for less than \$2,000 during the year have been expensed.

DEPRECIATION AND AMORTISATION OF FIXED ASSETS

Property, plant and equipment, including buildings and leasehold property but excluding freehold land, are depreciated/amortised over their expected useful economic lives using the diminishing value method.

Assets are first depreciated or amortised in the year of acquisition or, in respect of internally constructed assets, from the time an asset is held ready for use. Major depreciation rates are:

	2003	2002
Buildings	10%	10%
Leasehold Improvements	30%	30%
Plant & Equipment	20 – 40%	20 – 40%

EMPLOYEE ENTITLEMENTS

Provision is made for the Commission's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave have been measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. Both current and non-current long service leave are measured at their net present value.

SUPERANNUATION ARRANGEMENTS

Contributions made by the Commission to employee superannuation funds are expensed.

The Commission contributes 9% on behalf of the majority of employees. Employees that commenced on or after 10 August 1999 have their contributions paid directly to their nominated fund. Extra contributions are made by the Commission for those employees that are members of the NT Government Superannuation Scheme.

INCOME TAX

The Northern Territory Legal Aid Commission is a public authority within the meaning of Section 50-25 of the Income Tax Assessment Act 1997 and its income is exempt under the provisions of that Act.

INVESTMENTS

Investments are valued at cost.

LIABILITY ON CURRENT GRANTS IN AID

The Commission brings to account as a current liability an estimate of the value of the work completed by private practitioners but not invoiced to the Commission as at 30 June. The amount of this liability is shown in Note 11. In the prior year, the estimate has been determined from an analysis of the time taken to complete cases referred to private practitioners and the time periods billed by those practitioners. In the current year, however, the Commission has analysed all invoices received during the financial year 2002/03 and calculated the percentage that related to the prior years. This percentage has then been used to calculate the liability for the current year as the Commission expects a similar percentage in the current year. Should this calculation have been used in the prior year, the liability for 2002 would have been \$168,781. Profit for the year would have increased by \$192,164.

RESERVES

The Commission maintains reserves that are funded by cash and investments.

The funded reserves are:

- NT Expensive Civil Cases Reserve
- Information Technology Development and Replacement Reserve
- NT Expensive Criminal Cases Reserve
- Premises Replacement & Maintenance Reserve

CASH AND CASH EQUIVALENTS

Cash on hand and in banks and short-term deposits are stated at the lower of cost and net realisable value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days.

TRADE AND OTHER RECEIVABLES

Trade receivables are carried at original invoice amount less a provision for any uncollectable debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due.

TRADE AND OTHER PAYABLES

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Commission.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

RENDERING OF SERVICES

Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract.

Where the contract outcome cannot be reliably measured, revenue is only recognised only to the extent that costs have been incurred.

INTEREST

Control of the right to receive the interest payment.

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of the GST is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO are classified as operating cash flows.

2. ECONOMIC DEPENDENCE

The Commission is funded predominantly by annual appropriations from the Northern Territory Government and the Commonwealth Government to meet proposed cash expenditure on both operational and capital items in the current financial year. These financial statements have been prepared on a going concern basis in the expectation that such funding will continue.

3. REVENUE FROM ORDINARY ACTIVITIES

	2003	2002
	\$	\$
Grant revenue from ordinary activities - NT	2,143,000	2,009,000
- Commonwealth	2,435,907	3,001,986
Rendering of services revenue from ordinary activities		
- Client contributions	70,576	95,478
- Recovered costs	412,696	460,431
Other revenue from ordinary activities - Interest	163,674	149,363
- Others	151,285	120,198
	5,377,138	5,836,456

4. EXPENSES FROM ORDINARY ACTIVITIES

Depreciation expense	104,190	46,016
Salaries and employee benefits expense	2,567,470	2,314,681
Other expenses from ordinary activities		
- Administration costs	464,373	827,019
- Legal costs	2,004,011	1,614,181
- Minor assets	107,883	93,824
- Operating lease expenditure	228,279	278,418
- Other	0	1,818
	5,476,206	5,175,957

5. CASH

Cash on hand	850	850
Cash at bank	2,256,766	3,399,823
Advance account	10,000	10,000
	2,267,616	3,410,673

6. RECEIVABLES

	2003 \$	2002 \$
Current		
Trade debtors	9,998	53,733
Less Provision for Doubtful Debts	(635)	(6,319)
	9,363	47,414
Recoveries Receivable	93,835	112,592
Less Provision for Doubtful Debts	(1,371)	(30,659)
	92,464	81,933
Interest Receivable	14,904	11,309
GST Receivable	37,909	43,835
	154,640	184,491

7. INVESTMENTS

Current		
Westpac Banking Corporation Bills - at cost	1,435,570	448,390

8. PREPAYMENTS

Current		
- Insurances	150,333	30,277
- Rent	18,867	18,867
- Software Licence	16,303	7,917
- Salaries	1,268	0
- Other	0	664
	186,771	57,725

9. PROPERTY, PLANT AND EQUIPMENT

Freehold land - at cost	140,000	140,000
Buildings - at cost	120,982	120,982
Less: Accumulated depreciation	(80,548)	(76,055)
	40,434	44,927
Leasehold improvements - at cost	176,449	168,249
Less: Accumulated depreciation	(163,247)	(158,174)
	13,202	10,075
Plant and equipment - at cost	540,550	632,735
Less: Accumulated depreciation	(351,712)	(354,833)
	188,838	277,902
TOTAL PROPERTY, PLANT AND EQUIPMENT - NET BOOK VALUE	382,474	472,904

RECONCILIATIONS

Reconciliations of the carrying amounts of each class of property, plant and equipment are set out below:

	2003	2002
	\$	\$
Freehold Land		
Carrying amount at beginning of year	140,000	140,000
Additions	0	0
Disposals	0	0
CARRYING AMOUNT AT END OF YEAR	140,000	140,000
Buildings		
Carrying amount at beginning of year	44,927	43,663
Additions	0	5,982
Disposals	0	0
Depreciation	(4,493)	(4,718)
CARRYING AMOUNT AT END OF YEAR	40,434	44,927
Leasehold Improvements		
Carrying amount at beginning of year	10,075	14,371
Additions	8,200	0
Disposals	0	0
Depreciation	(5,073)	(4,296)
CARRYING AMOUNT AT END OF YEAR	13,202	10,075
Plant and Equipment		
Carrying amount at beginning of year	277,902	111,455
Additions	10,895	203,449
Disposals	(103,080)	0
Depreciation	(94,624)	(37,002)
Writeback Depreciation on Disposal	97,745	0
CARRYING AMOUNT AT END OF YEAR	188,838	277,902
10. PAYABLES		
Current		
Accounts payable and accrued expenses	431,372	262,749
TOTAL PAYABLES	431,372	262,749
11. PROVISIONS		
Current		
Employee entitlements		
- annual leave	228,063	229,026
- long service leave	108,049	97,121
- leave loading	30,934	39,096
	367,046	365,243
Fringe Benefits Tax	0	5,800
Grants in aid	124,512	360,945
	491,558	731,988
Non-Current		
Employee entitlements - long service leave	95,789	72,026

12. SUPERANNUATION COMMITMENTS

Employees' superannuation entitlements are principally provided through the Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS) and the Commonwealth Superannuation Scheme (CSS). Benefits from these schemes are supplemented by an additional "3% productivity" benefit from the Northern Territory Supplementary Superannuation Scheme (NTSSS).

Employee contributions for NTGPASS members are based on an elected rate of 2% to 6% salary. CSS members must contribute 5% of salary and may elect to contribute up to an additional 5% of salary as supplementary contributions. NTSSS benefits are entirely employer funded and do not require employee contributions. As at 30 June 2003 total superannuation commitments amounted to \$229,372 (2002 - \$223,617).

From 10 August 1999, new employees are unable to join the above funds and must nominate their own fund into which contributions will be paid.

13. TRUST ACCOUNTS

The Commission operates a solicitor's trust account and the funds are not used in the achievement of its objectives. Therefore, these monies are not brought to account in the financial reports but are disclosed by way of note. The trust account is maintained for verdict and settlement monies held on behalf of legally aided persons. The Commission may recover some costs upon finalisation of these matters. As at 30 June 2003 the trust account had a balance of \$12,043 (2002 - \$5,043).

To satisfy the requirements of the Legal Practitioners Act, the Commission was required to open another Trust Account for the Alice Springs Office. However, no transactions occur on this account and a nil balance is maintained at all times.

14. STATEMENT OF CASH FLOWS

	2003 \$	2002 \$
Reconciliation of net cash used in operating activities to operating surplus		
Operating surplus/(deficit)	(99,068)	660,499
Net proceeds from disposal of assets	5,335	
Depreciation	104,190	46,016
Increase/(Decrease) in provisions	(216,667)	163,778
Increase/(Decrease) in creditors	168,623	(40,372)
Decrease/(Increase) in receivables	29,851	34,428
Decrease/(Increase) in prepayments (non-capital)	(129,046)	51,657
NET CASH FLOWS USED IN/FROM OPERATING ACTIVITIES	(136,782)	916,006

15. EXPENDITURE COMMITMENTS

Lease expenditure commitments		
Operating leases (non-cancellable)		
- not later than one year	22,000	207,452
- later than one year but not later than five years	88,000	0
Grants In Aid	881,251	688,045
AGGREGATE LEASE EXPENDITURE AND GRANTS IN AID CONTRACTED FOR AT BALANCE DATE BUT NOT PROVIDED FOR	991,251	895,497

16. OTHER NON-CURRENT ASSETS

- CONTINGENCY LEGAL AID FUND

Under Section 44 of the Northern Territory of Australia Legal Aid Act 1990 the Contingency Legal Aid Fund was established towards the end of the 1992/93 financial year. The fund is available to provide financial assistance to eligible persons to enable them to bring or defend civil proceedings. It was set up with a seeding grant from the Law Society Public Purpose Trust. The value of the seeding grant was \$200,000. In 1997, the Commission contributed a further \$200,000 to the Contingency Legal Aid fund which is due and payable on demand to the Commission.

As at the 30 June 2003 the financial position of the fund which is managed by the Commission was as follows:

	2003	2002
	\$	\$
Opening balance	456,430	518,058
Income:		
Interest earned	21,845	17,725
Client contributions	2,615	2,390
Cost recovered	134,690	45,727
Contingency fees	33,039	9,973
	192,189	75,815
Expenditure:		
Disbursements	46,970	137,296
Bank charges	37	147
	47,007	137,443
Cash balance at year end	601,612	456,430
Less - Clients/grants approved but not paid at year end	117,181	120,393
NET FUNDS AVAILABLE	484,431	336,037

17. RESERVES

NT Expensive Civil Cases Reserve	850,000	850,000
Information Technology Development and Replacement Reserve	400,000	400,000
NT Expensive Criminal Cases Reserve	1,500,000	1,500,000
Premises Replacement & Maintenance Reserve	550,000	550,000
	3,300,000	3,300,000
Movements in reserves		
(a) NT Expensive Civil Cases Reserve (funded)		
Balance at beginning of year	850,000	700,000
Redistribution from General Contingencies reserve	0	31,921
Redistribution from Employee Entitlements reserve	0	118,079
BALANCE AT END OF YEAR	850,000	850,000

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	2003	2002
	\$	\$
(b) Information Technology Development and Replacement Reserve (funded)		
Balance at beginning of year	400,000	400,000
Transfer from accumulated funds	0	0
BALANCE AT END OF YEAR	400,000	400,000
(c) NT Expensive Criminal Cases Reserve (funded)		
Balance at beginning of year	1,500,000	1,250,000
Redistribution from Employee Entitlements reserve	0	250,000
BALANCE AT END OF YEAR	1,500,000	1,500,000
(d) Premises Replacement & Maintenance Reserve (funded)		
Balance at the beginning of the year	550,000	200,000
Redistribution from Employee Entitlements reserve	0	96,921
Transfer from accumulated funds	0	253,079
BALANCE AT THE END OF THE YEAR	550,000	550,000

18. ACCUMULATED FUNDS

Accumulated Funds at beginning of year	407,420	0
Adjustment arising from adoption of revised accounting standard: AASB 1028 "Employee Benefits"	(7,544)	0
Net (Deficit)/Profit	(91,524)	660,499
Transfer to Reserves	0	(253,079)
ACCUMULATED FUNDS AT END OF YEAR	308,352	407,420

19. FINANCIAL INSTRUMENTS

NOTE 19(A). TERMS, CONDITIONS AND ACCOUNTING POLICIES

The commission's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instruments	Balance Sheet Notes	Accounting Policies	Terms and Conditions
(I) FINANCIAL ASSETS			
Receivables -trade	6	Trade receivables are carried at nominal amounts less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Fees are on 30 day terms.
Westpac Banking Corporation - Commercial Bills	7	Commercial Bills are carried at nominal amounts.	This amount is invested with Westpac Banking Corporation at a rate between 4.50% – 4.80%pa.
Advances	5	An advance account is set up to cover urgent expenses that are unable to be paid from petty cash. The Advance Account is reimbursed monthly from the Commission's main Operating Account.	Interest earned on this account is deposited into the Operating Account. The interest rate was between 3.72% – 3.90%pa.
Advance to Contingency legal aid fund		Long Term Loan.	Due and payable on demand to the Commission.
(II) FINANCIAL LIABILITIES			
Accounts Payable and accruals	10	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the company.	Trade liabilities are normally settled on 30 day terms.

(B) INTEREST RATE RISK

The Northern Territory's Legal Aid Commission's exposure to interest rate risks and the effective interest rates of the financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating Interest		Non-interest bearing		Total carrying amount as per the balance sheet		Weighted average effective interest rate	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 %	2002 %
FINANCIAL ASSETS								
Cash	2,268	3,411			2,268	3,411	3.79	3.53
Receivables-trade (net)			155	184	155	184		
Westpac Banking Corporation Bills	1,436	448			1,436	448	4.70	4.38
Prepayments			187	58	187	58		
Advance to Contingency Fund			200	200	200	200		
TOTAL FINANCIAL ASSETS	3,704	3,859	542	442	4,246	4,301		
FINANCIAL LIABILITIES								
Accounts payable and accruals	0	0	431	262	431	262		-
TOTAL FINANCIAL LIABILITIES	0	0	431	262	431	262		-

The Commission has no fixed interest financial instruments.

(C) CREDIT RISK

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets of NTLAC that have been recognised on the statement of financial position is the carrying amount net of any provision for doubtful debts. The NTLAC has a minimal concentration of credit risk as it undertakes transactions with a large number of customers and counterparties. There are no major concentrations of credit risk on trade debtors due from customers within particular industries.

(D) NET FAIR VALUES

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date, are as follows:

	Total carrying amount as per the balance sheet		Aggregate net fair value	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
FINANCIAL ASSETS				
Cash	2,268	3,411	2,268	3,411
Receivables - trade (net)	155	184	155	184
Westpac Banking Corporation Bills	1,436	448	1,436	448
Prepayments	187	58	187	58
Advance to Contingency Fund	200	200	200	200
TOTAL FINANCIAL ASSETS	4,246	4,301	4,246	4,301
FINANCIAL LIABILITIES				
Accounts payable and accruals	431	262	431	262
TOTAL FINANCIAL LIABILITIES	431	262	431	262

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

(E) RECOGNISED FINANCIAL INSTRUMENTS

Cash, cash equivalents and short-term investments: The carrying amount approximates fair value because of their short-term to maturity.

Trade receivables and payables: The carrying amount approximates fair value.

20. SEGMENT INFORMATION

The organisation operates in one industry segment and one geographic location, being the provision of legal services in the Northern Territory of Australia.

21. CONTINGENT ASSETS/LIABILITIES

There were no known contingent assets or contingent liabilities of a significant nature at 30 June 2003 (2002 – NIL).

22. ADDITIONAL DISCLOSURES

(I) EXECUTIVE MEMBERS

The Executive members of the Northern Territory Legal Aid Commission during the financial year were:

- Susan Cox
- D Farquhar
- Dr V Asche
- S Barr
- J Large
- E Terrill
- J Blokland (resigned 30/7/02)
- S Oliver (appointed 30/7/02)

(II) TRANSACTIONS WITH EXECUTIVE MEMBERS

During the year, surplus legal work has been allocated to legal firms in which some Executive members also hold Executive positions. These transactions are considered to be on an arm's length basis under normal terms and conditions.

23. REMUNERATION OF EXECUTIVE MEMBERS

The following sitting fees were paid to Commissioners during the year:

D Farquhar	\$233.32;
Dr V Asche	\$253.32;
E Terrill	\$200.00;
J Large	\$260.00.

24. AUDITOR'S REMUNERATION

Audit services are provided without charge through the Office of the Auditor-General (2002 – NIL).

NORTHERN TERRITORY LEGAL AID COMMISSION OFFICES

LOCATION	POSTAL ADDRESS	TELEPHONE/ FACSIMILE
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ALICE SPRINGS NT 0870

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ALICE SPRINGS NT 0871

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