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Northern Territory Legal Aid Commission

**ANNUAL REPORT**  
**2003 - 2004**



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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 my fellow Commissioners I am pleased to present our Annual Report for the year ended 30 June 2004.

Because I have been tardy in delivering this report I am able to publicly congratulate our Director, Suzan Cox on her appointment as Queen's Counsel. Suzan's appointment is recognition by the Chief Justice and judges of the Supreme Court, and the legal profession of her skills and the importance of the work that she and the Commission lawyers do in the Criminal Courts.

Criminal lawyers are almost always unpopular with the press, occasionally unpopular with the courts, and from time to time with their clients. However popularity is not a good measure of importance. Our society takes its freedoms for granted, and lawyers as a profession are regularly lampooned.

When our rights or our liberty is threatened, we turn to lawyers. When things are really grim we turn to our criminal lawyers who we expect:

- — to be brave,
- — to be the only one we can count on to stand by our side,
- — and to take up the fight against seemingly overwhelming odds and resources.

Suzan has regularly demonstrated all of these qualities while upholding the rule of law and is a role model for legal aid lawyers, criminal lawyers, women lawyers and the Territory legal profession generally.

The Director is supported by a very professional and committed staff in Alice Springs, Katherine and Darwin and by private lawyers throughout the Territory, who together provide high quality legal services to the community, yet work within the stringent budget constraints that the Commission must impose.

On the down side for the Commission, the Commonwealth's proposed tendering of Aboriginal and Torres Strait Islander Legal Services causes us concerns as it is most unclear what is the Commonwealth's attitude to the maintenance of current funding levels for the provision of legal aid services to the aboriginal community or the likely impact of any such tendering. This has made negotiating new funding agreements with both the NT and Commonwealth governments very difficult. This situation will remain uncertain until the newly elected Commonwealth government makes its policy on this vital issue known.

On a more public front, the Commission's community legal education program has continued to be innovative and responsive to community needs in the NT. Over the past 12 months, the Commission has:

- published an *Inmates Law Handbook* which provides important legal information for prisoners in the NT
- published a booklet, *Going to Court* to assist people who are representing themselves in the Magistrates Court; and
- commenced work on a video to inform young people about their rights when dealing with the police, based on the popular "Cop This" booklet, which the Commission has also updated and reprinted.

While the next 12 months will hold many challenges, particularly in relation to perceived international and domestic threats, I am optimistic that the Commission will continue to successfully uphold personal rights and liberties and the rule of law.

I am very grateful Attorney for your continued personal support for the Northern Territory Legal Aid Commission.

Yours sincerely



DAVID FARQUHAR  
CHAIRMAN  
Northern Territory Legal Aid Commission

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## DIRECTOR'S REPORT

In my last annual report I detailed a number of initiatives that we hoped to deliver this financial year to improve and extend the delivery of legal services to the Northern Territory community. I am pleased to report that all but one of those initiatives have been implemented.

- On 26 September 2003 the new Katherine Regional Office was opened. The office has enabled us to provide a superior service for our clients. Our Katherine staff are now working in a comfortable and secure working environment while our clients are provided with greatly improved privacy as well as comfort. As a result of the new 'shop front' position there has been an increase in clients accessing the Commission. The new office provides a meeting room which is available for other community groups and has a video conferencing facility which is also utilized by the private profession in Katherine.
- In Darwin the Commission's Family Law Section, Immigration Advice and Domestic Violence Legal Service have been accommodated permanently on the 5th floor of the Cavenagh Street building. The new premises have provided our clients with a secure and more welcoming environment in which to access legal aid.
- The Commission's contract for the provision of the Domestic Violence Legal Service commenced on 1st August 2003. The service is up and running well and is providing both legal advice and representation for domestic violence victims. The service is located with the Family Law section and is therefore able to provide a seamless service for victims of domestic violence who also have associated family law problems.
- In order to enable us to handle both domestic violence matters and criminal matters we have totally separated the Family Law Division from the Criminal Law Division. This was done so that we could handle as many matters within the Commission and avoid any actual or perceived conflicts. This was achieved largely by housing the sections on separate floors within the building, erecting rigorous 'Chinese Walls' and ensuring the NT Law Society was satisfied with the measures taken to separate the practices.
- The Commission commenced the Family Law Conferencing program in 2004. Under the program grants of legal aid are given for clients to attend a mediation conference with their lawyers. The Conferences are chaired by experienced legal practitioners and the program philosophy is to reach lasting resolutions between the parties through mediation rather than litigation.

The Commission has provided training for both in-house and private practitioners who are involved in the program, both as solicitors and conference chairs.

The results of the conferencing have been very positive with family law practitioners embracing the program and many practitioners now referring matters to the conferencing program rather than seeking grants of aid for litigation.

The report into the needs of the Tennant Creek Region was completed last financial year and to date we have not implemented the recommendations on facilitating access by the community due to funding limitations. We will be signing a new four year agreement with the Commonwealth shortly and we hope to be in a position to allocate resources to this area over the next financial year.

The protocol we established with the North Australian Aboriginal Legal Aid Service (NAALAS) to allow the referral of certain serious indictable criminal matters in limited categories has continued and we have been pleased to be able to assist the Service in this limited way. The Aboriginal Legal Services provide vital assistance to Indigenous Territorians and I have watched with concern the proposed tender for provision of the services. The Aboriginal Legal Services in the NT, despite the uncertainty of continued funding and with limited resources have continued to provide essential access to justice in the urban and remote communities.

In January this year Kate Hughes joined the Commission as the manager of the Family Law Division of the Commission. Kate had been in the equivalent position at the ACT Legal Aid Commission and has brought to the Commission her expertise as both a Family Law Advocate and policy specialist in the family law arena.

The strategies sought to be implemented last financial year and implemented during this year have enabled the Commission to continue to meet the challenge of providing quality legal assistance to our clients. This has been achieved with the assistance of the private profession who are an integral and vital part of the overall provision of legal service. I would like to thank the private profession for their willingness to represent legally aided clients and for their participation on the Review Committees and the Contingency Legal Aid Fund.

I would also like to thank the Board of Commissioners and in particular the Chairman, David Farquhar who is always available for advice and assistance.

The Legal Aid Commission depends on the staff, both legal and non-legal and the Commission continues to be extremely fortunate in the expertise and dedication of its staff. Finally, I would like to thank my Deputy Director, Jenny Hardy and all our staff in the Darwin, Katherine and Alice Springs offices who have helped implement the changes and improvements in providing better access to justice for the Northern Territory community.



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*.

## COMMONWEALTH LEGAL AID AGREEMENT

The current agreement between the Commonwealth of Australia and the Northern Territory, for the provision of Commonwealth legal aid matters, signed in October 2000, expired on 30 June 2004. The current agreement will continue on an interim basis while negotiations are undertaken for a new 4 year agreement which will expire in 2008.

# 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. Reappointment expires 31 July 2005.

### **DEBORAH HEPBURN**

Graduated from Northern Territory University with Bachelor of Laws in 2000, completed Articles of Clerkship in 2001. Commenced employment with NAALAS in the Family Law Section in 2001. Commenced employment with Northern Territory Legal Aid Commission in the Family Law Section in 2003. Worked extensively in Family Law, representing both parents and children, and in Adult Guardianship for those persons under Adult Guardianship orders, representing parents in matters under the Community Welfare Act and clients involuntarily detained under the Mental Health and Related Services Act. Appointed by the Northern Territory Attorney-General after having been elected by staff of the Commission in 2003.

### **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. 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 to 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, Acting 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

**Jenny Hardy** —● Deputy Director

### 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

B. Priestley

D. McConnell

C. Spurr

P. Lazarus

### COMMISSION APPOINTEES:

**S. Reddy**

**P. Wright**

## STATISTICAL INFORMATION

The demands on the fund have been:

	2003/04	2002/03	2001/02	2000/01
Applications Received	28	28	31	17
Applications Approved	16	16	20	13
Applications Withdrawn	3	3	3	1
Applications Refused	4	2	2	1
Applications to be Decided	5	7	6	2

Since the fund commenced in March 1993 there have been a total of 262 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 of the Act 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 2003/2004 the Review Committee met on 10 separate occasions to review 11 client requests. The outcome of their deliberations was that 4 decisions were 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.

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

## 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 of the *Legal Aid Act 1990* 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 Law Practice (incorporating Domestic Violence Unit) 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;
- Domestic Violence 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.

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 2004, the following persons were employed:

## DIRECTOR

- Suzan Cox BA LLB, LLM
- Para Legal Secretary** ● Aggie Athanasiou/Gloria Rautamara
- 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
- Greg Smith BA LLB
- Louise Bennett LLB
- Julie Franz LLB
- Alex Hill Bch Econs (Soc Sci), LLB
- Helena Blundell BA LLB
- Gary Strachan LLB
- Para Legal Secretary** ● Monica Settele
- Lucia Vorrasi

### FAMILY (INCORPORATING DOMESTIC VIOLENCE UNIT) AND CIVIL LAW PRACTICE

- Senior Solicitor** ● Kate Hughes BEc LLB
- Elizabeth Harbour BSc LLB
- Margaret Orwin LLB BASW
- Jennifer Devlin BA (Hons) LLB (Hons)
- Deborah Hepburn LLB
- Agata Pukiewicz LLB (Hons) BAS
- Kris Norrington LLB
- Para Legal Secretary /Child Support** ● Melinda Naismith
- Para Legal Secretary** ● Sue Gowler
- Laura Sullivan
- Para Legal Support** ● Annette Ross
- Client Support Officer (DV)** ● Deanna Roberts

### COMMUNITY LEGAL EDUCATION

- Samantha Willcox BA (Organisational Communications), Grad Dip Adult Ed
- Hannah Roe LLB (Hons)

### BUSINESS AND POLICY

- Deputy Director** ● Jenny Hardy BA LLB

### ASSIGNMENTS PRACTICE

- Manager** ● Haley Richardson
- Para Legal Secretary** ● Amanda Bamford



**CORPORATE SERVICES**

- Accounts Officer** —● Barbara Lelli BA (Business) ASA  
● Riccardo Rinaldi BA (Business)
- Personnel/Accounts Clerk** —● Leeanne Morris
- Accounts Clerk** —● Karen Markos
- Accounts Clerk/Office Services** —● Jeanon Cubillo
- Projects Officer** —● Sue Reddy
- Administration Officer** —● Karen Kairupan  
● Christine Taylor  
● Linda Romeo  
● Mark Wright  
● Jane Hill

**ALICE SPRINGS**

- Senior Solicitor** —● Russell Goldflam BA BLEGS (Hons), Grad Dip Ed  
● Mary Spiers- Williams LLB  
● Julia Munster BA (Hons) LLB
- Para Legal Secretary** —● Wendy Vismans  
● Eylane Greaves
- Librarian (Part-time)** —● Jodie Siebert

**KATHERINE**

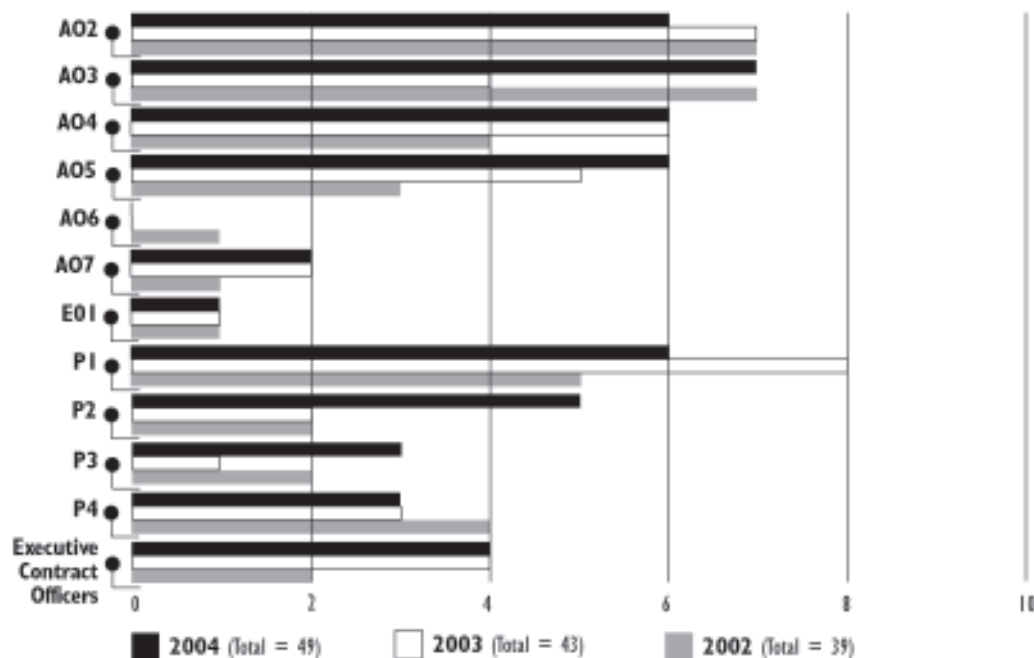
- Solicitor** —● Colin Baker Dip of Law
- Para Legal Secretary** —● Jodie Ah Chin
- Para Legal Secretary Support** —● Cassie Lamb

**VOLUNTEERS**

Under S.8 of the *Legal Aid Act 1990* 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 2004 were:



AO - Administrative Grades; P - Professional Grades (Legal Officers)

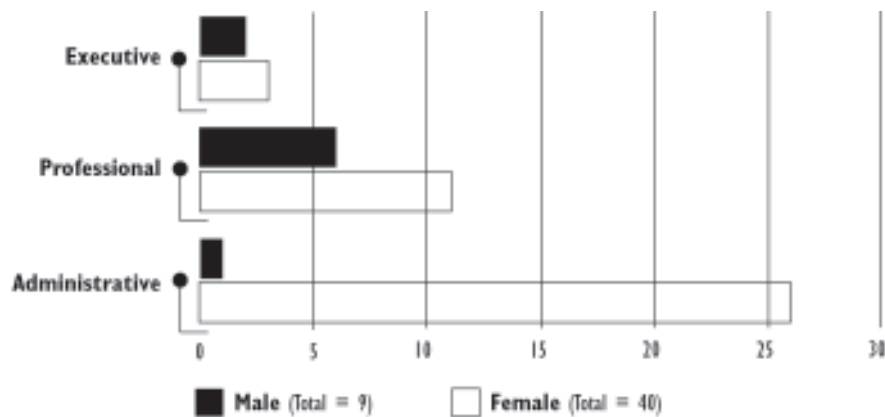
All legal officers are on employment contracts.

## RESIGNATIONS/LEAVE WITHOUT PAY

During the year 8 employees resigned.

## 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:

- Darwin Aboriginal and Islander Women's shelter – Public Officer
- NT Crime Prevention Steering 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
- Central Australian Human Research Ethics Committee – member
- Alice Springs Correctional Centre Education Program – guest lecturer
- Darwin Correctional Centre, Pre-release Program – speaker
- Drug and Alcohol Services Association, Alice Springs – member
- Darwin Community Legal Service Management Committee – committee member
- Child Support Agency Public Forum – prepared talk
- Alternative Law Journal, NT Editorial Committee – member
- Top End Women's Legal Service – volunteer, management committee member, human resource sub committee member and Indigenous 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
- Rotary International – member
- NT Youth Affairs Network – member
- Human Rights Art Exhibition Committee – member
- Offenders Aid and Rehabilitation Service – committee 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
- NT Criminal Lawyers – conference
- Cross Cultural Training – course
- Domestic Violence Awareness – training
- Dealing with Difficult Clients – course
- Child Representative – training
- Family Law Conferencing – Chairperson training
- Family Law Conferencing – Solicitor training
- National Editorial – meeting
- CLE on Credit Court – session
- LEADR Mediation – course
- First Aid – training courses
- Family Law Advocacy – workshop
- Time Management Skills – course
- Working with Interpreters – course
- 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

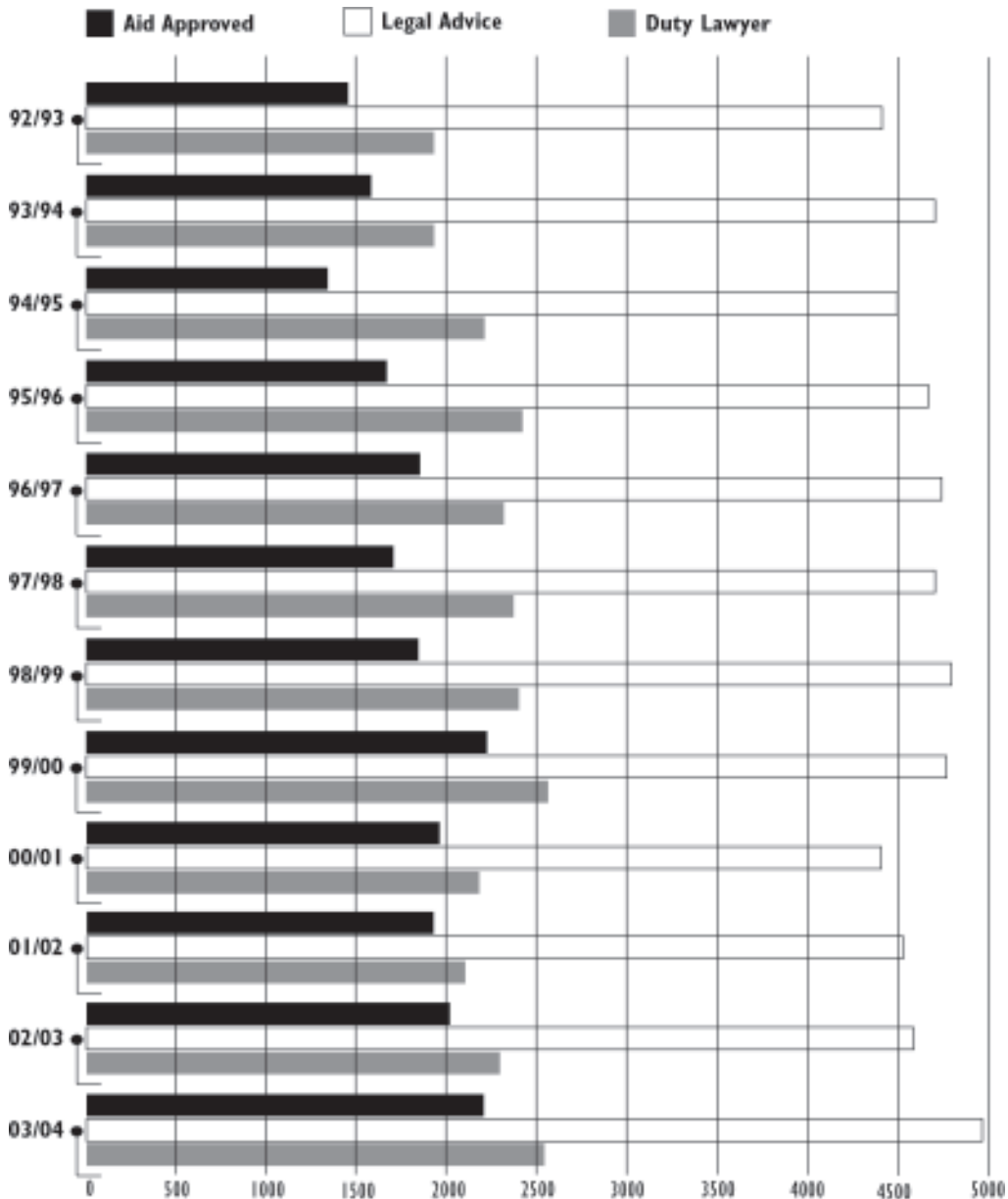
A tobacco free environment exists. Employees are encouraged to adopt safe working practices.

# ACHIEVEMENTS

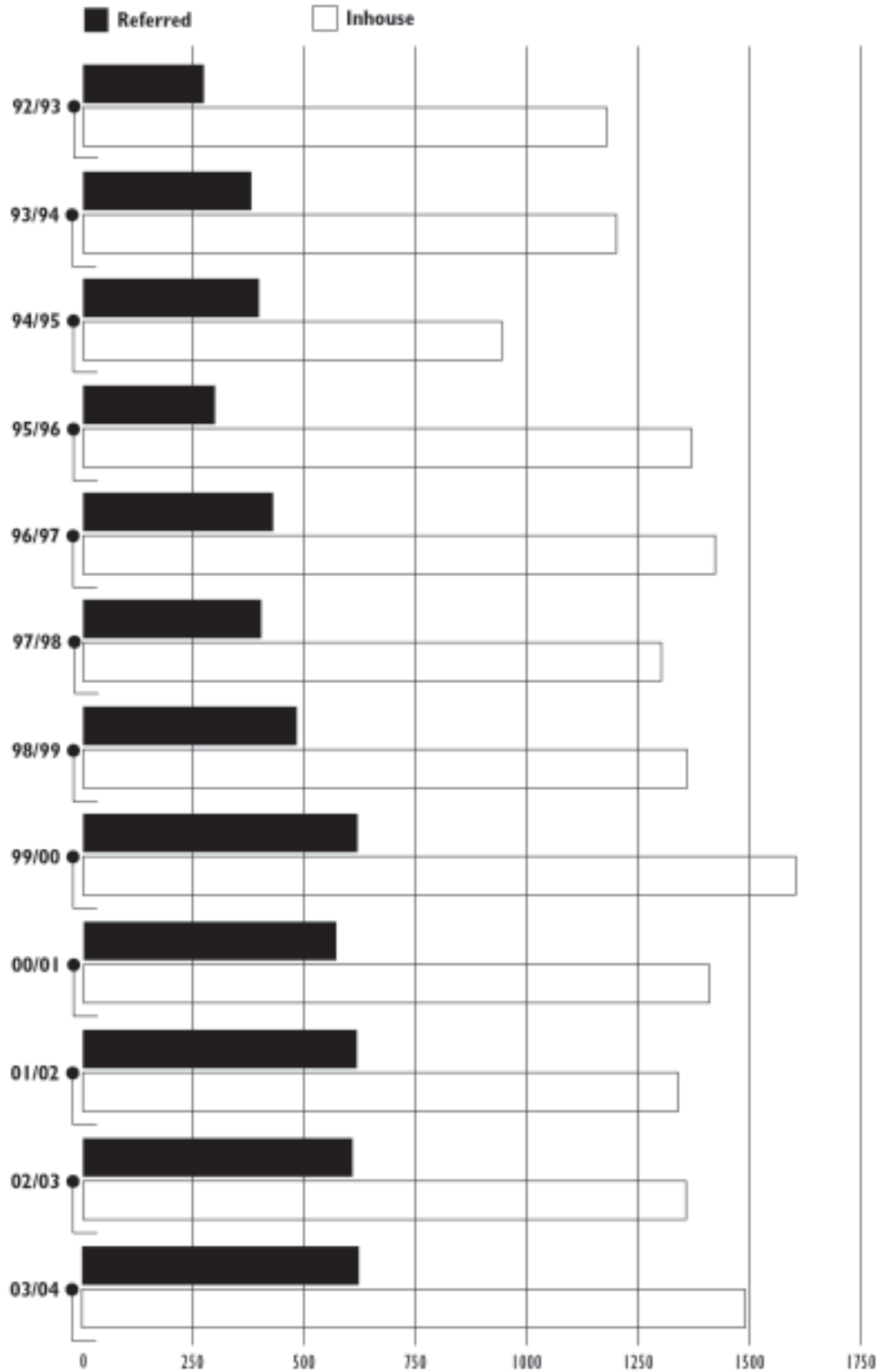
During the year:

- 2524 applications for aid were received.
- 2114 applications for aid were approved.
- 622 approved applications for aid were referred to private practitioners.
- 1492 approved applications for aid were handled by Commission staff.
- 4964 persons received free legal advice.
- 2536 persons received advice and/or were represented by Duty Lawyers.
- 2404 persons accessed the free telephone legal information service.

## PRIOR YEARS COMPARATIVE



## REFERRED: INHOUSE MATTERS



# PERFORMANCE

## PERFORMANCE INDICATORS

	99/00	00/01	01/02	02/03	03/04	TARGET
Population	194,500	196,300	199,600	197,100	199,200	
Estimated No. of Clients	11,894	11,928	12,607	13,037	12,078	

### PER 1000 HEAD OF POPULATION

Legal Advice Provided	24.51	22.79	23.06	23.24	24.92	<b>26</b>
Duty Lawyer Services	13.16	11.24	10.77	11.86	12.73	<b>13</b>
Applications for Legal Aid						
Received	13.17	11.89	11.64	12.24	13.05	
Approved	11.42	10.12	9.81	10.18	10.91	<b>12</b>
Refused	1.66	1.75	1.75	1.94	1.92	
Telephone Legal Information Clients	12.05	16.59	19.52	20.87	12.07	<b>13</b>
Estimated Clients	61.15	60.76	63.16	66.14	60.63	

### CUMULATIVE PERCENTAGE OF ACCOUNTS PAID

Within 5 days	82.25	90.04	98.98	99.22	99.70	<b>95</b>
Within 10 days	96.26	97.76	99.65	99.95	99.77	<b>99</b>
Within 15 days	98.64	99.66	99.93	99.96	99.85	
Within 20 days	99.72	99.69	99.97	99.96	99.96	<b>100</b>
Within 30 days	99.85	99.97	100.00	100.00	99.96	

# OUTPUT STATISTICS

## MEASURING THE ATTAINMENT OF THE COMMISSION'S OBJECTIVES SUMMARY OF MAJOR ACTIVITIES

	99/00	00/01	01/02	02/03	03/04
Applications for Aid Received	2,561	2,391	2,323	2,412	<b>2,524</b>
Applications for Aid Approved	2,222	1,974	1,959	2,007	<b>2,114</b>
Applications for Aid Refused	323	394	349	382	<b>369</b>
Free Advice Sessions	4,769	4,465	4,603	4,580	<b>4,964</b>
Duty Lawyer Services	2,560	2,232	2,149	2,337	<b>2,536</b>
Telephone Information Clients	3,245	3,257	3,896	4,113	<b>2,404</b>
Payments to Private Practitioners (\$)	1,222,564	1,554,939	1,614,182	1,987,728	<b>1,935,841</b>

### NET PAYMENTS TO PRIVATE PRACTITIONERS

Referred Cases					
Family	407,270	577,847	600,412	868,071	<b>542,247</b>
Criminal	133,300	116,622	233,348	232,601	<b>292,849</b>
Civil	315,414	327,317	416,203	387,368	<b>359,639</b>
Domestic Violence					<b>25,441</b>
Inhouse Cases					
Family	34,034	91,022	66,962	34,265	<b>49,957</b>
Criminal	225,239	314,301	231,552	383,571	<b>594,244</b>
Civil	76,567	72,473	20,757	28,218	<b>6,281</b>
Domestic Violence					<b>516</b>
Duty Lawyer	12,120	22,102	15,716	14,781	<b>28,168</b>
Locums	18,620	33,255	29,232	38,853	<b>36,499</b>
<b>TOTAL</b>	<b>1,222,564</b>	<b>1,554,939</b>	<b>1,614,182</b>	<b>1,987,728</b>	<b>1,935,841</b>

### APPLICATIONS APPROVED AND REFERRED TO PRIVATE PRACTITIONERS

Family	288	217	266	280	<b>233</b>
Criminal	124	114	46	61	<b>61</b>
Civil	206	218	305	252	<b>299</b>
Domestic Violence					<b>29</b>
<b>TOTAL</b>	<b>618</b>	<b>549</b>	<b>617</b>	<b>593</b>	<b>622</b>

### APPLICATIONS APPROVED AND HANDLED BY COMMISSION STAFF

Family	320	282	273	227	<b>289</b>
Criminal	1,156	1,072	1,029	1,125	<b>1,129</b>
Civil	128	71	40	62	<b>43</b>
Domestic Violence					<b>31</b>
<b>TOTAL</b>	<b>1,604</b>	<b>1,425</b>	<b>1,342</b>	<b>1,414</b>	<b>1,492</b>

### FREE ADVICE SESSIONS

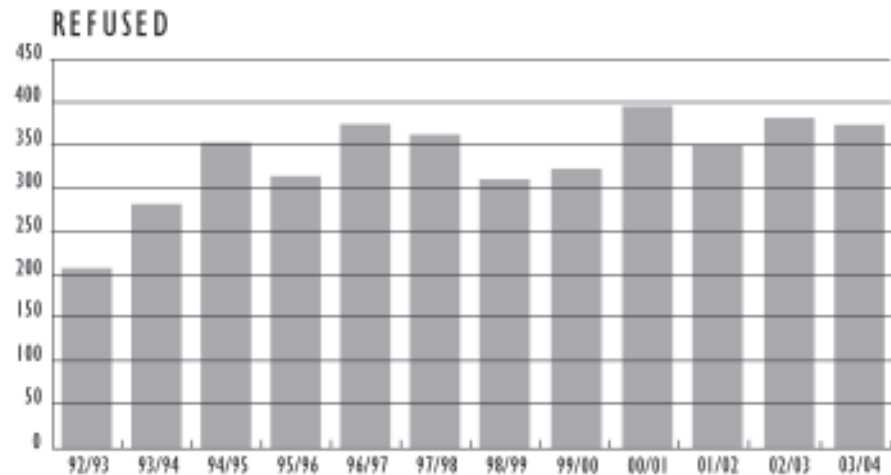
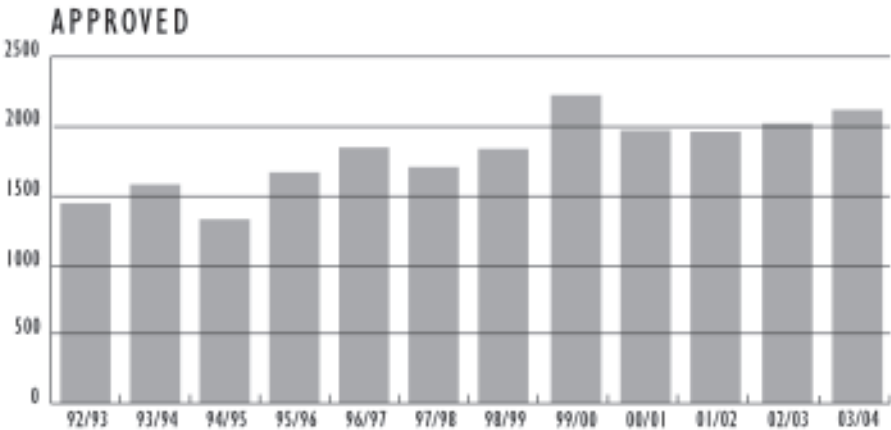
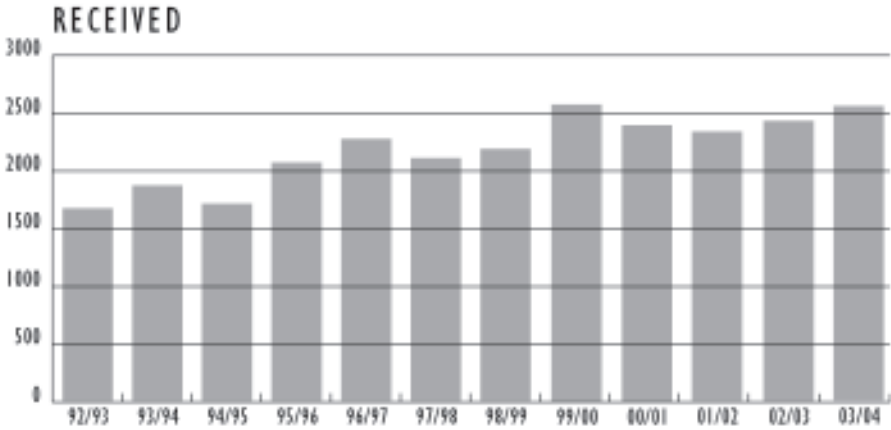
Family	1,658	1,580	1,719	1,688	<b>1,697</b>
Criminal	1,360	1,272	1,242	1,247	<b>1,338</b>
Civil	1,751	1,613	1,642	1,645	<b>1,466</b>
Domestic Violence					<b>463</b>
<b>TOTAL</b>	<b>4,769</b>	<b>4,465</b>	<b>4,603</b>	<b>4,580</b>	<b>4,964</b>

### DUTY LAWYER SERVICES

Advice Only	614	622	389	380	<b>495</b>
Representation	57	55	12	39	<b>26</b>
Plea	226	111	277	294	<b>385</b>
Advice & Representation	1,618	1,410	1,444	1,589	<b>1,576</b>
Negotiations	17	32	13	14	<b>17</b>
Other	28	2	14	21	<b>37</b>
<b>TOTAL</b>	<b>2,560</b>	<b>2,232</b>	<b>2,149</b>	<b>2,337</b>	<b>2,536</b>

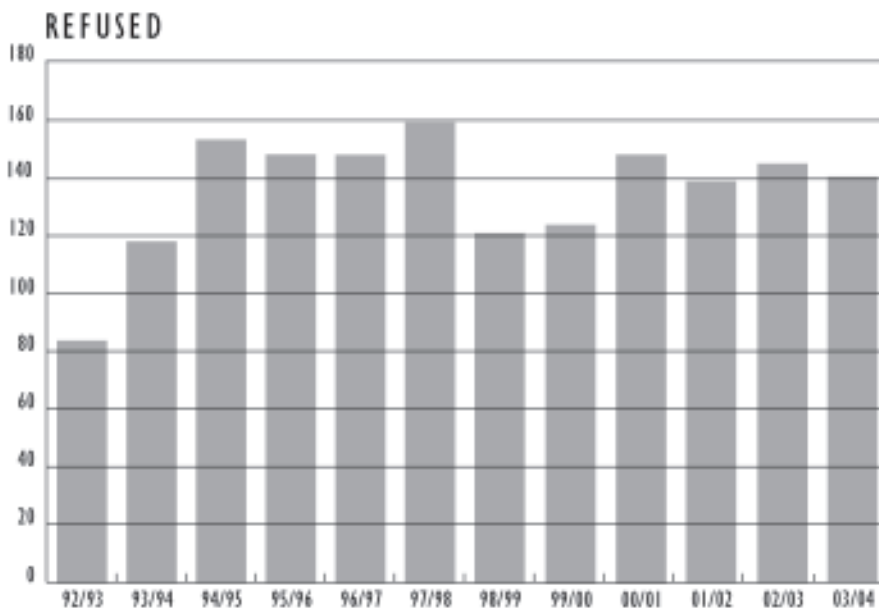
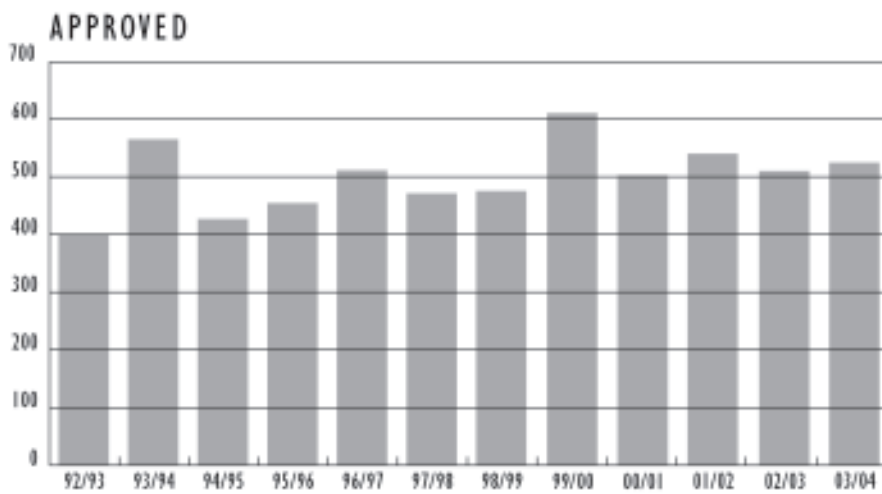
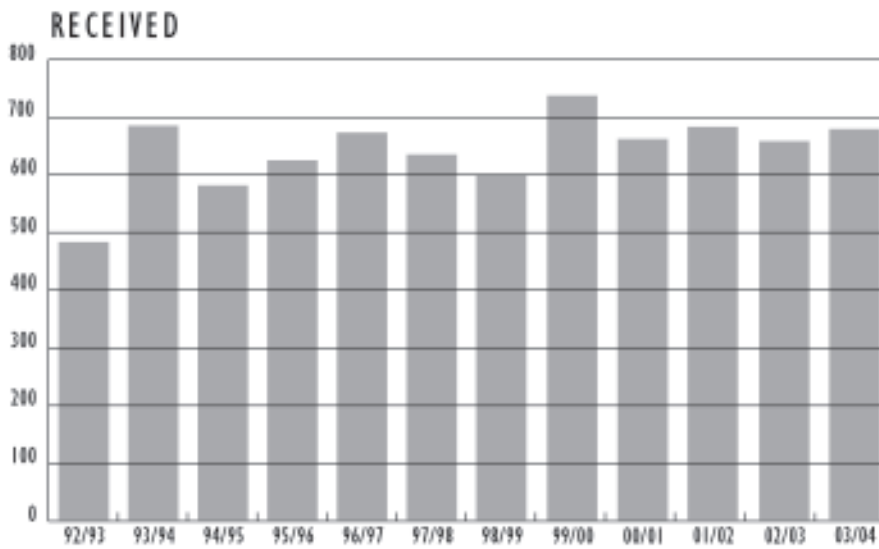
# APPLICATIONS FOR AID

## SUMMARY

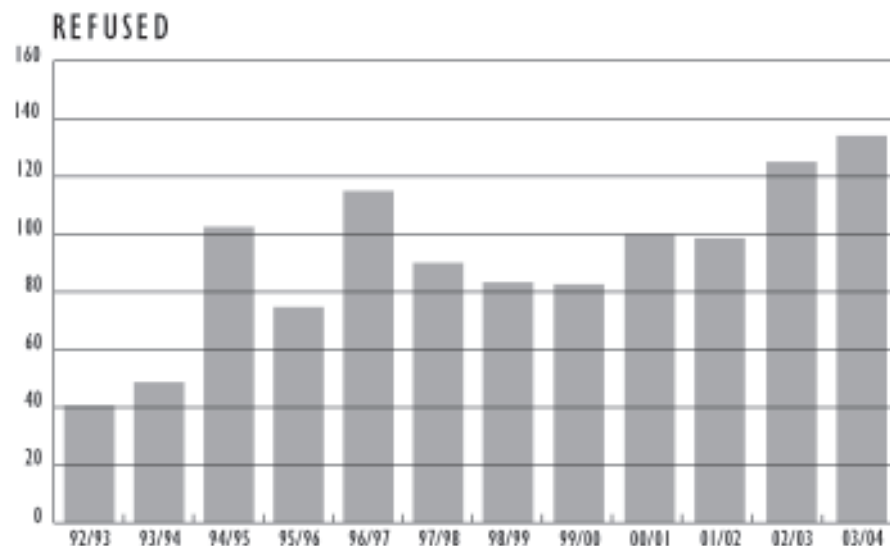
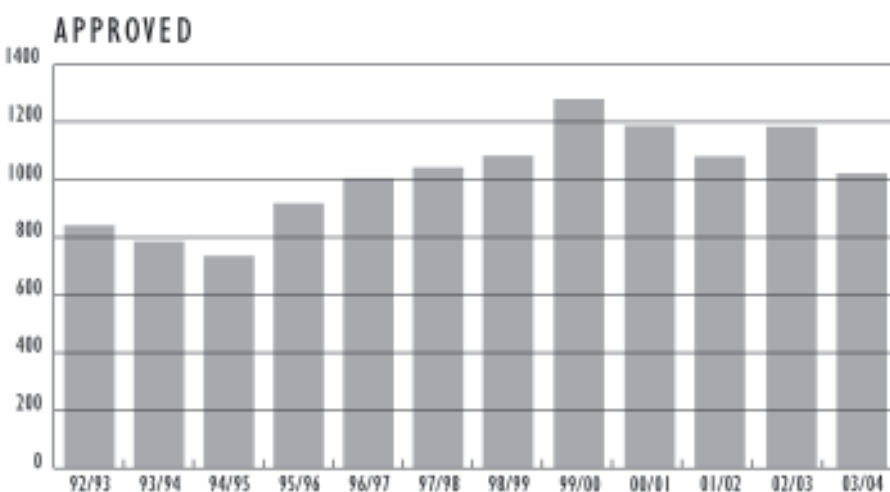
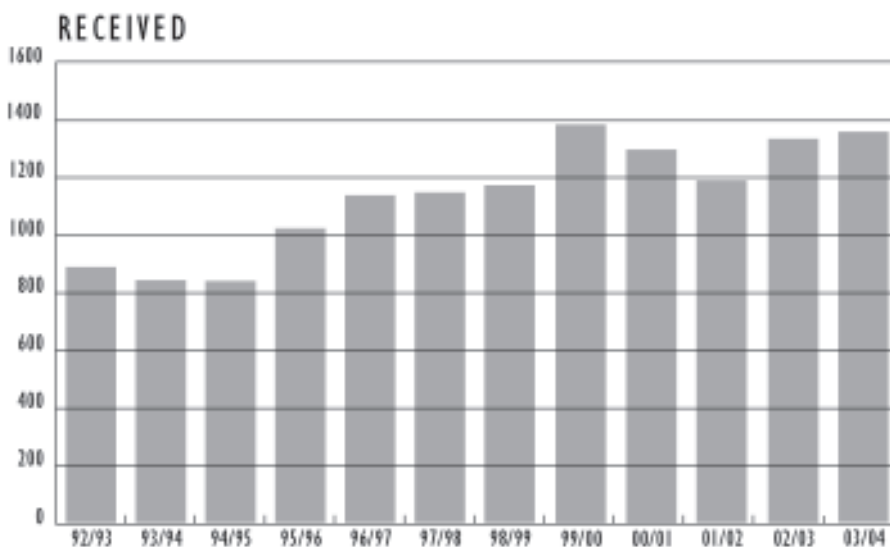




## FAMILY LAW

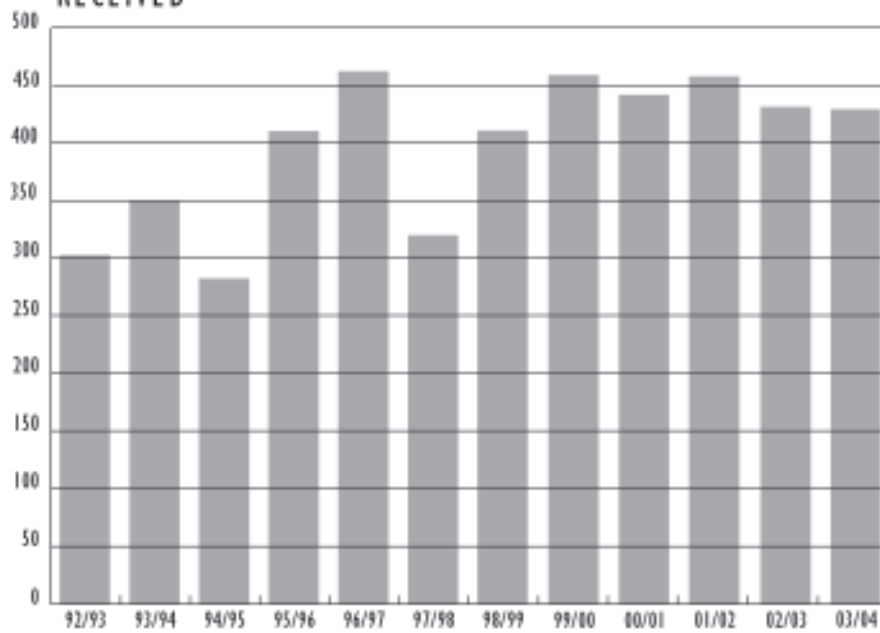


## CRIMINAL LAW

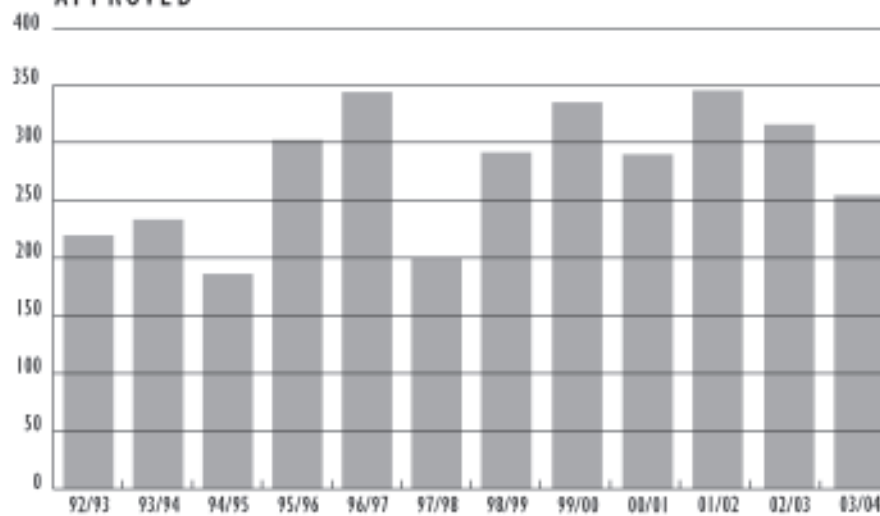


## CIVIL LAW

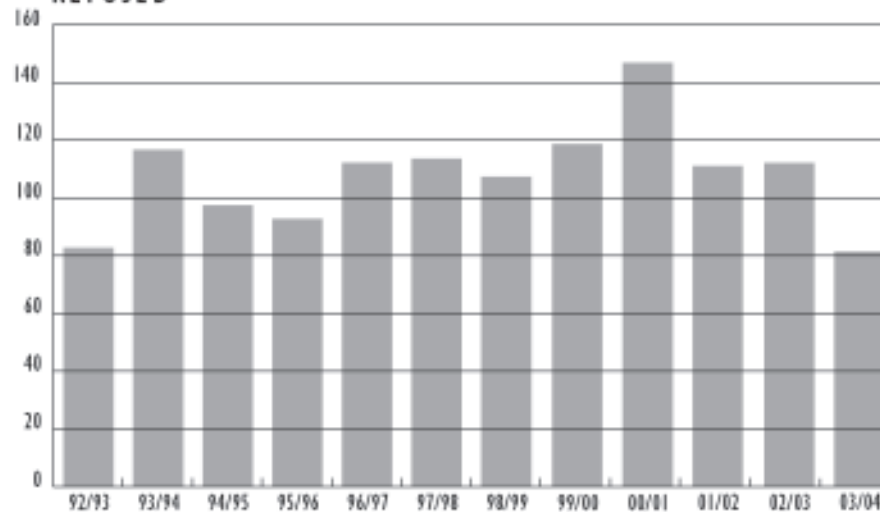
## RECEIVED



## APPROVED



## REFUSED



# COMMUNITY LEGAL EDUCATION — 2003/2004

The Northern Territory Legal Aid Commission has continued its strong history of developing and providing effective community legal education throughout the Territory.

The Commission's community legal education program has had a busy year. Commission staff have been involved in the production of publications, conducting information sessions and workshops and participating in community events and agency networks.

Community legal education projects have focused on informing the community about their legal rights and the services available with a strong focus on young people and domestic violence.

The delivery of community legal education within the Northern Territory presents the Commission with many hurdles given the culturally diverse backgrounds of residents and the distance from legal services. The Commission endeavors to continue to develop innovative and effective community legal education and ensure equal access to justice for all Territorians.

The community legal education initiatives undertaken by the Commission in the past 12 months include:

## ● — **Inmates Law Book**

This publication is an initiative of the NT Legal Aid Commission with funding from the Law Society Public Purposes Trust. The publication is a plain English guide to the courts, sentencing, parole and the rules of 'being inside'. It was written in consultation with prisoners and ex-prisoners in the Territory. As of January 2004 every inmate entering the prison either in Darwin or Alice Springs is given a copy of the book. The Commission is now in the process of producing the booklet into an audio format in Kriol for inmates with an Indigenous background and low literacy levels.

## ● — **Going To Court**

The Commission produced the *Going to Court* booklet which is a practical and informative booklet for people appearing before a magistrate particularly those representing themselves. It was produced with the financial assistance of the Law Society's Public Purposes Trust.

## ● — **Sentencing Education Program – Judgment Day**

The Commission in conjunction with the Law Society and Neighborhood Watch organised 'Judgment Day' Workshops. The workshops were held in an effort to address the myths and misunderstanding about sentencing practices within the community. They were held in Darwin, Litchfield, Katherine, Tennant Creek and Alice Springs.

## ● — **Cop This! Video**

The Commission received funding from the Law Society's Public Purposes Trust to turn the popular *Cop This!* booklet into a video. *Cop This!* provides information to young people about their rights when dealing with police. The necessity for a video version arose out of recognition of the language and literacy difficulties faced by many Indigenous young people in remote communities. These young people, particularly males, have a disproportionately high rate of contact with police and the criminal justice system in general. The project is still in the script development stage and the production will be a school project with students from Ludmilla primary school. Keep a watch out for *Cop This!*

- **National Family Law Publication**

In early 2003 all Legal Aid Commissions agreed to produce a national family law publication. The Commission has been involved in drafting the Territory content of this publication which will be available in the next financial year.

- **At What Age Can I? Publication**

The popular *At What Age Can I?* publication which is a guide to the laws in the NT as they effect young people was revised and reprinted.

- **Domestic Violence CLE activities**

The Northern Territory Legal Aid Commission has been very active in domestic violence community legal education projects since taking over the provision of the Domestic Violence Legal Service. The Commission established a Domestic Violence Advisory Committee. Community legal education activities include promoting the service and notifying people in the Top End of the Territory about the location and functions of the new service. The development of a series of Radio scripts outlining various domestic violence situations and where to get help to be played on the local Indigenous Radio station and the production of a Streetwise publication *Its Not Our Way* addressing domestic violence issues particularly for Indigenous people.

- **NT Family Pathways Publication**

The Commission on behalf of the NT Family Pathways Group and with the financial assistance of the Commonwealth Attorney General's Department is in the process of developing a publication to assist separating families. The publication is designed to provide a holistic picture of the services available to separating couples in the NT and includes contact details of services which may be able to assist including services in small remote communities.

- **Community Networking**

Building strong relationships with government and non-government organisations is crucial to gauging broader community needs and has continued to be a source of innovative community legal education projects.

The Commission has had representatives attend regular meetings of many community agencies, including the Darwin Crime Prevention Committee, NT Family Pathways Group, Human Rights Art Exhibition, Domestic Violence Network Committee and the Darwin and Rural Workers with Youth Network.



# INFORMATION ACT 2003 (NT)

The following information is held by the Commission:

Publications	Personal Information	Other Information
NLAC 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  
6<sup>th</sup> 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

6<sup>th</sup> Floor, 9-11 Cavenagh Street

## KATHERINE

20 Second Street

## ALICE SPRINGS

77 Hartley Street

## FEES:

Access to or correction of personal information  
Access to published information  
Access to information other than personal information or published information

No Fee

No fee

A \$30.00 fee and a 60¢ per page charge for photocopying of documents of more than 20 pages may apply

**APPLICATIONS:**

	2003/04
Applications Received	6
Applications Approved	5
Applications Pending	1
Fees Waived	5



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Northern Territory Legal Aid Commission  
**FINANCIALS 2003-2004**



## 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 ended on 30 June 2004 and renegotiations are taking place for a further four year funding arrangement. The agreement will continue on the funding level provided in 2003/2004 until the new agreement is signed.

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 expired on 30 June 2004 and renegotiations are taking place for a further 4 year funding period. Arrangements will continue on the funding level provided in 2003/2004 until the new agreement is signed.

#### FINANCIAL PERFORMANCE

This year the Commission generated a deficit of \$219,670. The factors that contributed to the deficit were an increase in salaries and employee benefits, administration expenses and other expenses from ordinary activities. As at 30 June 2003 the Commission had accumulated funds of \$308,352, which decreased to \$88,682 as a result of the deficit.

The table below presents the percentage distribution of expenses incurred and revenue earned from 1996/1997.

#### PERCENTAGE OF TOTAL EXPENDITURE

	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04
<b>PERCENTAGE OF TOTAL EXPENDITURE</b>								
Personnel Costs	45.61	46.89	50.17	51.95	49.28	44.72	46.88	47.46
Administration Costs	20.54	21.60	19.71	22.81	16.87	21.39	12.65	17.83
Legal Costs	27.94	25.94	25.56	21.35	30.78	31.19	36.60	31.71
Minor Assets	2.66	2.05	2.17	1.92	1.77	1.81	1.97	1.78
Depreciation	3.25	3.52	2.39	1.97	1.30	0.89	1.90	1.22

#### PERCENTAGE OF REVENUE

Commonwealth	61.04	49.36	44.91	43.28	42.94	41.60	39.65	40.29
NT Government	26.81	38.88	43.46	40.53	38.76	34.42	39.85	38.54
Commonwealth Other				3.23	7.97	9.84	5.65	8.25
NT Government Other								2.72
<b>Total Government Funding</b>	<b>87.85</b>	<b>88.24</b>	<b>88.37</b>	<b>87.04</b>	<b>89.67</b>	<b>85.86</b>	<b>85.15</b>	<b>89.80</b>
Contributions and Recovered Costs	9.91	8.69	8.09	9.46	6.93	9.52	8.99	6.52
Interest Earned	2.10	2.20	3.49	3.34	3.40	2.56	3.05	2.70
Other	0.14	0.87	0.05	0.16	0.00	2.06	2.81	0.98
<b>Total Self-Generated</b>	<b>12.15</b>	<b>11.76</b>	<b>11.63</b>	<b>12.96</b>	<b>10.33</b>	<b>14.14</b>	<b>14.85</b>	<b>10.20</b>

## FINANCIAL ANALYSIS

### EXPENDITURE

Personnel costs include salaries and employee benefits for administrative and professional staff. The expenses rose 16.06% 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 increase is due substantially to the provision of grants in aid being attributed to administrative expenses instead of legal expenses. Also, due to the expansion of services and personnel during the last 12 months, these expenses have increased.

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 minor decrease this financial year stems from a greater percentage of family law matters being conducted in-house and less cases 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 minor increase this year is due to the Commission purchasing additional workstations for increased personnel.

Depreciation is calculated using the diminishing value method, which allocates a greater portion of depreciation early in the assets life. There was a decrease in the purchase of information technology software and hardware from the previous financial year. As a result the Commission's depreciation expense decreased by \$27,587 during 2003/2004.

### REVENUE

This year the Commission saw an increase of 12.67% in total revenue from the previous financial year. Several factors contributing to that increase were: that in the previous financial year there had been a reduction in Commonwealth funding as a result of a prepayment that occurred in 2001/02; an increase in Commonwealth Expensive Criminal Case funding; and an increase in NT funding for the provision of the Domestic Violence Legal Service which the Commission commenced in August 2003.

While the Commission experienced a decrease in cash at bank, this was offset by higher interest rates during the year. The amount of interest earned therefore remained similar to the previous 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. The decrease this year is partly as a result of increased income last financial year which 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.

## ASSETS

Cash at bank decreased by 7.73%. The decrease was mainly due to the loss made in 2003/2004. Receivables increased this financial year due to an increase in trade debtors and an increase in GST receivable.

Prepayments decreased substantially due to a decrease in prepayments for Professional Indemnity and Workers Compensation Insurances.

## LIABILITIES

Total liabilities decreased by \$99,923. There was a decrease of the Provision for Grants in Aid and a decrease in accounts payable and accrued expenditure.

## 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 \$3,388,682.

# GENERAL PURPOSE FINANCIAL STATEMENTS

AS AT 30 JUNE 2004

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## AUDITOR-GENERAL

### AUDITOR-GENERAL'S REPORT TO THE ATTORNEY-GENERAL NORTHERN TERRITORY LEGAL AID COMMISSION YEAR ENDED 30 JUNE 2004

#### Scope

##### *The financial report and the Directors responsibility*

The financial report of Northern Territory Legal Aid Commission comprises Statement by the Director and Statements of Financial Position, Financial Performance and Cash Flows and the accompanying Notes to the financial statements for the year ended 30 June 2004.

The Director is responsible for the preparation and presentation of the financial report in accordance with the requirements of the *Legal Aid Act*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

##### *Audit approach*

I conducted an independent audit in order to express an opinion to the Attorney-General. My audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control systems and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements or control deficiencies have been detected.

I performed procedures to assess whether, in all material respects, the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and with the requirements of the *Legal Aid Act*, a view which is consistent with my understanding of the Northern Territory Legal Aid Commission's financial position and its financial performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of accounting estimates made by the Director.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

My audit did not involve an analysis of the prudence of business decisions made by the Director or management.

### **Independence**

I am independent of the Northern Territory Legal Aid Commission and, in conducting my audit, I followed applicable independence requirements of the *Audit Act* and of Australian professional ethical pronouncements.

### **Audit Opinion**

In my opinion, the financial report of Northern Territory Legal Aid Commission:

- presents fairly the financial position of Northern Territory Legal Aid Commission as at 30 June 2004, and its financial performance for the year ended on that date; and
- is presented in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and the requirements of the *Legal Aid Act*.



Frank McGuinness  
Auditor-General for the Northern Territory  
Darwin, Northern Territory  
17 November 2004

## 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 2004, and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements;
- (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; and
- (c) at the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.

Signed in Darwin this 16th day of November 2004.



Suzan Cox  
DIRECTOR



Jenny Hardy  
DEPUTY DIRECTOR

# STATEMENT OF FINANCIAL PERFORMANCE

## YEAR ENDED 30 JUNE 2004

	Notes	2004 \$	2003 \$
Revenue from ordinary activities	2	6,058,520	5,377,138
Depreciation expense	3	(76,603)	(104,190)
Salaries and employee benefits expense		(2,979,897)	(2,567,470)
Legal Expense		(1,990,614)	(2,004,011)
Administration Expense		(818,165)	(464,373)
Other expenses from ordinary activities		(412,911)	(336,162)
<b>NET (DEFICIT)/SURPLUS AND TOTAL CHANGES IN EQUITY</b>		<b>(219,670)</b>	<b>(99,068)</b>

*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 2004

	Notes	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash	4	2,092,272	2,267,616
Receivables	5	164,138	154,640
Investments	6	1,434,342	1,435,570
Prepayments	7	90,121	186,771
<b>TOTAL CURRENT ASSETS</b>		<b>3,780,873</b>	<b>4,044,597</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	345,472	382,474
Other	15	200,000	200,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>545,472</b>	<b>582,474</b>
<b>TOTAL ASSETS</b>		<b>4,326,345</b>	<b>4,627,071</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	304,425	431,372
Provisions	10	498,828	491,558
<b>TOTAL CURRENT LIABILITIES</b>		<b>803,253</b>	<b>922,930</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	134,410	95,789
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>134,410</b>	<b>95,789</b>
<b>TOTAL LIABILITIES</b>		<b>937,663</b>	<b>1,018,719</b>
<b>NET ASSETS</b>		<b>3,388,682</b>	<b>3,608,352</b>
<b>ACCUMULATED FUNDS AND RESERVES</b>			
Accumulated funds	17	88,682	308,352
Reserves	16	3,300,000	3,300,000
<b>TOTAL ACCUMULATED FUNDS AND RESERVES</b>		<b>3,388,682</b>	<b>3,608,352</b>

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 2004

	Notes	2004 \$	2003 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts in the course of operations		444,880	669,743
Interest received in the course of operations		163,759	163,674
Grants received in the course of operations	2	5,440,383	4,578,907
Cash Payments in the course of operations		(6,185,993)	(5,549,106)
<b>NET CASH FLOWS (USED IN)/</b>			
<b>FROM OPERATING ACTIVITIES</b>	13	<b>(136,971)</b>	<b>(136,782)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		(39,601)	(19,095)
Payments received from investments		1,228	(987,180)
<b>NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES</b>		<b>(38,373)</b>	<b>(1,006,275)</b>
Net (decrease)/increase in cash held		(175,344)	(1,143,057)
Add: Opening cash brought forward		2,267,616	3,410,673
<b>CLOSING CASH CARRIED FORWARD</b>	4	<b>2,092,272</b>	<b>2,267,616</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

## YEAR ENDED 30 JUNE 2004

### 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 function of the Commission is to provide legal assistance in accordance with this Act. The Commission commenced its activities on 1 July 1990.

#### (A) PRINCIPAL PLACE OF BUSINESS

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

#### (B) NO OF EMPLOYEES

The Commission had 49 employees as at 30 June 2004 (2003 – 43 employees).

#### (C) 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:

- (i) The accounts have been prepared using the accrual basis of accounting applying the historical cost convention and the going concern assumption.
- (ii) 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.
- (iii) Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

These financial statements do not comply with International Accounting Standards, as Australia is not adopting these requirements until reporting periods commencing on or after 1 January 2005. However, the potential impact on accounting policies that will arise from the transition to AASB equivalents of IASB pronouncements is disclosed in note 24.

#### (D) CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the current period are consistent with those of the previous year.

#### (E) 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).

#### (F) 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.

## (G) 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:

	2004	2003
Buildings	10%	10%
Leasehold Improvements	30%	30%
Plant & Equipment	20 – 40%	20 – 40%

## (H) 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.

## (I) 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.

## (J) 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.

## (K) INVESTMENTS

Investments are valued at cost.

## (L) 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 10. In the previous year, the Commission has analysed all invoices received during the financial year 2002/2003 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.

## **(M) 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

## **(N) 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.

## **(O) 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.

## **(P) 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.

## **(Q) 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 recognised only to the extent that costs have been incurred.

### **INTEREST**

Interest revenue is recognised when control of the right to receive the interest payment passes.

## **(R) 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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### (S) 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.

## 2. REVENUE FROM ORDINARY ACTIVITIES

	<b>2004</b>	<b>2003</b>
	<b>\$</b>	<b>\$</b>
Grant revenue from ordinary activities - NT	2,500,000	2,143,000
- Commonwealth	2,940,383	2,435,907
Rendering of services revenue from ordinary activities		
- Client contributions	85,264	70,576
- Recovered costs	309,914	412,696
Other revenue from ordinary activities - Interest	163,759	163,674
- Others	59,200	151,285
	<b>6,058,520</b>	<b>5,377,138</b>

## 3. EXPENSES FROM ORDINARY ACTIVITIES

Depreciation expense	76,603	104,190
Salaries and employee benefits expense	2,979,897	2,567,470
Other expenses from ordinary activities		
- Administration costs	818,165	464,373
- Legal costs	1,990,614	2,004,011
- Minor assets	111,606	107,883
- Operating lease expenditure	301,305	228,279
	<b>6,278,190</b>	<b>5,476,206</b>

## 4. CASH

Cash on hand	850	850
Cash at bank	2,081,422	2,256,766
Advance account	10,000	10,000
	<b>2,092,272</b>	<b>2,267,616</b>

## 5. RECEIVABLES

	2004 \$	2003 \$
<b>Current</b>		
Trade debtors	12,926	9,998
Less Provision for Doubtful Debts	(2,609)	(635)
	<b>10,317</b>	<b>9,363</b>
Recoveries Receivable	88,550	93,835
Less Provision for Doubtful Debts	(15,786)	(1,371)
	<b>72,764</b>	<b>92,464</b>
Interest Receivable	7,331	14,904
GST Receivable	73,726	37,909
	<b>164,138</b>	<b>154,640</b>

## 6. INVESTMENTS

<b>Current</b>		
Westpac Banking Corporation Bills - at cost	<b>1,434,342</b>	<b>1,435,570</b>

## 7. PREPAYMENTS

<b>Current</b>		
- Insurances	46,535	150,333
- Rent	25,011	18,867
- Software Licence	8,215	16,303
- Salaries	0	1,268
- Other	10,360	0
	<b>90,121</b>	<b>186,771</b>

## 8. PROPERTY, PLANT AND EQUIPMENT

Freehold land - at cost	140,000	140,000
Buildings - at cost	120,982	120,982
Less: Accumulated depreciation	(84,591)	(80,548)
	<b>36,391</b>	<b>40,434</b>
Leasehold improvements - at cost	198,675	176,449
Less: Accumulated depreciation	(171,412)	(163,247)
	<b>27,263</b>	<b>13,202</b>
Plant and equipment - at cost	557,922	540,550
Less: Accumulated depreciation	(416,104)	(351,712)
	<b>141,818</b>	<b>188,838</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT - NET BOOK VALUE</b>	<b>345,472</b>	<b>382,474</b>

## RECONCILIATIONS

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

	<b>2004</b>	<b>2003</b>
	<b>\$</b>	<b>\$</b>
<b>Freehold Land</b>		
Carrying amount at beginning of year	140,000	140,000
Additions	0	0
Disposals	0	0
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>140,000</b>	<b>140,000</b>
<b>Buildings</b>		
Carrying amount at beginning of year	40,434	44,927
Additions	0	0
Disposals	0	0
Depreciation	(4,043)	(4,493)
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>36,391</b>	<b>40,434</b>
<b>Leasehold Improvements</b>		
Carrying amount at beginning of year	13,202	10,075
Additions	22,226	8,200
Disposals	0	0
Depreciation	(8,165)	(5,073)
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>27,263</b>	<b>13,202</b>
<b>Plant and Equipment</b>		
Carrying amount at beginning of year	188,838	277,902
Additions	17,372	10,895
Disposals	0	(103,080)
Depreciation	(64,395)	(94,624)
Writeback Depreciation on Disposal	0	97,745
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>141,815</b>	<b>188,838</b>
<b>9. PAYABLES</b>		
<b>Current</b>		
Accounts payable and accrued expenses	304,425	431,372
<b>TOTAL PAYABLES</b>	<b>304,425</b>	<b>431,372</b>



## 10. PROVISIONS

	2004 \$	2003 \$
<b>Current</b>		
Employee entitlements		
- annual leave	258,339	228,063
- long service leave	140,172	108,049
- leave loading	32,721	30,934
	<b>431,232</b>	<b>367,046</b>
Fringe Benefits Tax	14,250	0
Grants in aid	53,346	124,512
	<b>498,828</b>	<b>491,558</b>
<b>Non-Current</b>		
Employee entitlements - long service leave	<b>134,410</b>	<b>95,789</b>

## 11. 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 2004 total superannuation commitments amounted to \$259,267 (2003 - \$229,372).

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.

## 12. 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 2004 the trust account had a balance of \$7,042 (2003 - \$12,043).

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.

### 13. STATEMENT OF CASH FLOWS

	2004 \$	2003 \$
<b>Reconciliation of net cash used in operating activities to operating surplus</b>		
Operating surplus/(deficit)	(219,670)	(99,068)
Net proceeds from disposal of assets	0	5,335
Depreciation	76,603	104,190
Increase/(Decrease) in provisions	45,891	(216,667)
Increase/(Decrease) in creditors	(126,947)	168,623
Decrease/(Increase) in receivables	(9,498)	29,851
Decrease/(Increase) in prepayments (non-capital)	96,650	(129,046)
<b>NET CASH FLOWS USED IN/FROM OPERATING ACTIVITIES</b>	<b>(136,971)</b>	<b>(136,782)</b>

### 14. EXPENDITURE COMMITMENTS

<b>Lease expenditure commitments</b>		
Operating leases (non-cancellable)		
- not later than one year	300,231	22,000
- later than one year but not later than five years	367,416	88,000
Grants In Aid	849,118	881,251
<b>AGGREGATE LEASE EXPENDITURE AND GRANTS IN AID CONTRACTED FOR AT BALANCE DATE BUT NOT PROVIDED FOR</b>	<b>1,516,765</b>	<b>991,251</b>

## 15. OTHER NON-CURRENT ASSETS

### - CONTINGENCY LEGAL AID FUND

Under Section 44 of the *Legal Aid Act 1990* the Contingency Legal Aid Fund was established towards the end of the 1992/1993 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 2004 the financial position of the fund which is managed by the Commission was as follows:

	2004 \$	2003 \$
Opening balance	601,612	456,430
<b>Income:</b>		
Interest earned	26,996	21,845
Client contributions	860	2,615
Cost recovered	39,702	134,690
Contingency fees	12,388	33,039
	<b>79,946</b>	<b>192,189</b>
<b>Expenditure:</b>		
Disbursements	49,239	46,970
Bank charges	35	37
Return of Application Fee	200	0
	<b>49,474</b>	<b>47,007</b>
Cash balance at year end	632,084	601,612
Less - Clients/grants approved but not paid at year end	100,438	117,181
<b>NET FUNDS AVAILABLE</b>	<b>531,646</b>	<b>484,431</b>

## 16. 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
	<b>3,300,000</b>	<b>3,300,000</b>
<b>Movements in reserves</b>		
(a) NT Expensive Civil Cases Reserve (funded)		
Balance at beginning of year	850,000	850,000
Redistribution from General Contingencies reserve	0	0
Redistribution from Employee Entitlements reserve	0	0
<b>BALANCE AT END OF YEAR</b>	<b>850,000</b>	<b>850,000</b>

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	<b>2004</b>	<b>2003</b>
	<b>\$</b>	<b>\$</b>
(b) Information Technology Development and Replacement Reserve (funded)		
Balance at beginning of year	400,000	400,000
Transfer from accumulated funds	0	0
<b>BALANCE AT END OF YEAR</b>	<b>400,000</b>	<b>400,000</b>
(c) NT Expensive Criminal Cases Reserve (funded)		
Balance at beginning of year	1,500,000	1,500,000
Redistribution from Employee Entitlements reserve	0	0
<b>BALANCE AT END OF YEAR</b>	<b>1,500,000</b>	<b>1,500,000</b>
(d) Premises Replacement & Maintenance Reserve (funded)		
Balance at the beginning of the year	550,000	550,000
Redistribution from Employee Entitlements reserve	0	0
Transfer from accumulated funds	0	0
<b>BALANCE AT THE END OF THE YEAR</b>	<b>550,000</b>	<b>550,000</b>

## 17. ACCUMULATED FUNDS

Accumulated Funds at beginning of year	308,352	407,420
Adjustment arising from adoption of revised accounting standard: AASB 1028 "Employee Benefits"	0	(7,544)
Net (Deficit)/Surplus	(219,670)	(91,524)
Transfer to Reserves	0	0
<b>ACCUMULATED FUNDS AT END OF YEAR</b>	<b>88,682</b>	<b>308,352</b>

## 18. FINANCIAL INSTRUMENTS

### (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
<b>(I) FINANCIAL ASSETS</b>			
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 4.91% – 5.02%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 3.68% – 4.45%pa.
Advance to Contingency Legal Aid Fund		Long Term Loan.	Due and payable on demand to the Commission.
<b>(II) FINANCIAL LIABILITIES</b>			
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 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	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 %	2003 %
<b>FINANCIAL ASSETS</b>								
Cash	2,092	2,268	-	-	2,092	2,268	4.15	3.79
Receivables-trade (net)	-	-	164	155	164	155	-	-
Westpac Banking Corporation Bills	1,434	1,436	-	-	1,434	1,436	4.95	4.70
Prepayments	-	-	90	187	90	187	-	-
Advance to Contingency Fund	-	-	200	200	200	200	-	-
<b>TOTAL FINANCIAL ASSETS</b>	<b>3,526</b>	<b>3,704</b>	<b>454</b>	<b>542</b>	<b>3,980</b>	<b>4,246</b>	<b>-</b>	<b>-</b>
<b>FINANCIAL LIABILITIES</b>								
Accounts payable and accruals	-	-	304	431	304	431	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>286</b>	<b>431</b>	<b>286</b>	<b>431</b>	<b>-</b>	<b>-</b>

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	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
<b>FINANCIAL ASSETS</b>				
Cash	2,092	2,268	2,092	2,268
Receivables - trade (net)	164	155	164	155
Westpac Banking Corporation Bills	1,434	1,436	1,434	1,436
Prepayments	90	187	90	187
Advance to Contingency Fund	200	200	200	200
<b>TOTAL FINANCIAL ASSETS</b>	<b>3,980</b>	<b>4,246</b>	<b>3,980</b>	<b>4,246</b>
<b>FINANCIAL LIABILITIES</b>				
Accounts payable and accruals	304	431	304	431
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>286</b>	<b>431</b>	<b>286</b>	<b>431</b>

The above 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.

**19. 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.

**20. CONTINGENT ASSETS/LIABILITIES**

There were no known contingent assets or contingent liabilities of a significant nature at 30 June 2004 (2003 – NIL).

## 21. ADDITIONAL DISCLOSURES

### (I) COMMISSIONERS

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

- Susan Cox
- D Farquhar
- Dr V Asche
- S Barr (Resigned 07/7/03)
- D Hepburn (Appointed 24/12/03)
- J Large
- E Terrill
- S Oliver

### (II) TRANSACTIONS WITH EXECUTIVE MEMBERS

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

## 22. REMUNERATION OF EXECUTIVE MEMBERS

No sitting fees were paid to Commissioners during the year.

## 23. AUDITOR'S REMUNERATION

Audit services are provided without charge through the Office of the Auditor-General (2003 – NIL).

## 24. DISCLOSING THE IMPACT OF ADOPTING AASB EQUIVALENT TO IASB PRONOUNCEMENTS

In accordance with the Financial Reporting Council's strategic directive, the Northern Territory Legal Aid Commission will be required to prepare financial statements that comply with Australian equivalents to International Financial Reporting Standards ("A-IFRS") for annual reporting periods beginning on or after 1 January 2005. Accordingly, the Northern Territory Legal Aid Commission's first annual report prepared under A-IFRS will be for the year ended 30 June 2006. At this point in time the Northern Territory Legal Aid Commission is managing the transition through attendance at seminars conducted by CPA Australia. Three Commission officers attended a seminar during the year and further seminars will be attended next year. In addition, NT Treasury updates on proposed reporting standards are received on a regular basis.

At this stage the likely key differences in accounting policy are anticipated to be:

### IMPAIRMENT TESTING

Under AASB 136 Impairment of Assets, the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the Northern Territory Legal Aid Commission's current accounting policy as currently under AAS10 the recoverable amounts test does not apply to not-for-profit entities.

### REVENUE

Rules governing grants to entities to be altered from a reciprocal/non-reciprocal approach to encompass in substance agreements whereby income in certain circumstances can be matched over the period the service is provided rather than treated as revenue in the year of receipt.

The future financial effect of the above changes in accounting policy cannot be reliably estimated at this stage.



# NORTHERN TERRITORY LEGAL AID COMMISSION OFFICES

LOCATION	POSTAL ADDRESS	TELEPHONE/ FACSIMILE
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## DARWIN

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## KATHERINE

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## OFFICE HOURS

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## FREE CALL TELEPHONE LEGAL INFORMATION:

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## WEBSITE ADDRESS:

**[www.nt.gov.au/ntlac](http://www.nt.gov.au/ntlac)**





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Northern Territory Legal Aid Commission