



ANNUAL REPORT 2004 - 2005

Northern Territory Legal Aid Commission



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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 2005.

The Commission has continued to operate effectively and efficiently over the past 12 months and has expanded its programs to ensure the maximum number of people are able to make use of its services. The new programs include a new duty lawyer service in the Family Court and Federal Magistrates Service and the Family Law Conferencing program which encourages the settlement of family law disputes without the need to proceed to court.

During the year the Commission entered into a new four year funding agreement with the Commonwealth which provided a substantial increase from previous agreements. Increased funding has enabled the Commission to raise its means test indicators so that more people are able to qualify for legal aid. The Commission has also introduced a lump sum fee model for family law practitioners which will reward those practitioners who operate efficiently.

I am pleased and grateful that the Northern Territory Government has matched the increased funding levels of the Commonwealth over the next four years by providing a substantial increase in funds to the Commission.

The funding provided by the Northern Territory will ensure that the Commission can continue to provide quality legal services in matters arising under NT legislation, and particularly to meet its obligations in the expensive criminal cases in which the Commission acts.

Community legal education continues to be a major part of the Commission's activities and during the past 12 months, the Commission has expanded its education program to ensure that materials produced are relevant and useful to people who don't speak English as a first language. The Commission has produced a video for young people to know their rights and responsibilities when dealing with police, based on the popular Commission booklet "Cop This", and has produced a Kriol version on CD of the Inmates Law Handbook.

Finally I wish to place on record my pride in the commitment and hard work of the Commission's staff in each of our offices. All of the staff combine to provide a professional service of the highest quality. The leadership and management of the Commission by the Director, Suzan Cox QC, and the Deputy Director, Jenny Hardy, makes the work of the Board so much easier.

I am very grateful, Attorney for your continued personal support for the NT Legal Aid Commission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'DF', with a long horizontal stroke extending to the right.

DAVID FARQUHAR
CHAIRMAN
Northern Territory Legal Aid Commission

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DIRECTOR'S REPORT

During this financial year the Commission was predominantly involved in negotiations with the Commonwealth and the Northern Territory Government to secure our funding for the next four years. The new funding Agreements mean that we will be able to continue to deliver the current level of services to the community. The Commission acknowledges the efforts in particular of the Deputy Director Jenny Hardy for her work in preparing the funding submissions, as well as the advice of Commissioner Jane Large.

It was an eventful year for the Family Law Section. The Commonwealth Government announced its intention to make sweeping changes to the family law system in Australia. The Commission made extensive submissions through National Legal Aid to the House of Representatives Committee appointed to inquire into the proposals. I would like to thank Kate Hughes, Principal Solicitor and Manager of the Family Law and Civil Practice, for her efforts in this regard. Under Kate Hughes' management the Family Law Practice has had an increased and positive profile within the community, contributing to the Territory and National Family Law debates as well as delivering better outcomes for clients and families.

The Family Law Conferencing program which commenced in 2004 has continued to be a success. With the recent extension of our premises, we will be able to provide a dedicated conference room for the Family Law Conferencing Program, a Commonwealth initiative, which aims to achieve lasting resolutions between the parties through mediation rather than litigation.

On the 1st August 2003 the Commission began providing services for applicants for Domestic Violence Restraining Orders following our successful tender for the Domestic Violence Legal Service. The Service was located in the Family Law Practice to enable victims of domestic violence to easily access advice and/or assistance in associated family law matters. Over this financial year the Service has succeeded in providing advice, assistance and representation for victims of domestic violence as well as participating in the important area of community legal education on domestic violence issues.

The Domestic Violence Legal Service has been extended for a further three year period. It is anticipated that over the contract period the Service will increase assistance to those in violent domestic situations, especially to those in the regional areas.

We also commenced a Duty Solicitor Service for the Federal Magistrates Court and Family Court following the allocation of specific funding from the Commonwealth for this purpose. The Service is intended to assist unrepresented litigants with advice and minor assistance in accessing the courts and dealing with family law problems.

The Commission has continued to provide immigration advice and minor assistance to those in need. Although we would like to do more in this area we have been constrained by our funding and Commonwealth Guidelines. Despite these limitations, the Commission has a weekly immigration advice clinic and has organised and participated in community education and information forums to assist refugees and others with immigration needs.

The Criminal Law Practice, managed by Ian Read, has continued to maintain a professional and cost effective service in all the courts exercising criminal jurisdiction, despite the pressure of increasing case loads. The Criminal Law Practice provides 95% of the representation in the Courts for those who are legally aided. In Darwin, the Practice is now providing advice to prisoners who are about to be released into the community on specific pre-release programs.

Another significant Commission activity was the organisation in May of the Legal Aid and Pro Bono Conference in Darwin which brought together all of the legal aid service providers in the Northern Territory as well as representatives of large national law firms with significant pro bono practices. The positive outcomes of this meeting included obtaining a commitment from the national pro bono providers across a large range of legal needs as well as a more positive and coordinated approach by the current legal aid providers for the provision of legal services, especially in regional areas. To this end, a reciprocal referral of work between regionally located services was agreed. The future pro bono activities in the Northern Territory will be coordinated by the Northern Territory Law Society.

In June this year I was invited to attend the International Legal Aid Group Conference in Killarney, Ireland, hosted by the Irish Legal Aid Board. Directors from the Queensland Legal Aid Commission and the Victorian Legal Aid Commission were also invited and attended the Conference. The four day conference had delegates from 19 countries. Jurisdictions represented for the first time were Brazil, Chile, Turkey and Hong Kong. It was an opportunity to see how legal aid is operating in different countries under different conditions and provided an invaluable opportunity for delegates and presenters to learn from each other. On the morning prior to the commencement of the ILAG Conference I attended a meeting, held for Chief Executive Officers. The Conference itself had a good mix of Chief Executive Officers, Government Officials and leading academic researchers involved in legal aid research.

The Legal Aid Commission continues to be very fortunate in the calibre of its staff, both legal and non-legal and the positive culture that has developed in our workplace over the years. I would like to thank all our staff in our Alice Springs, Katherine and Darwin offices for their contributions and hard work over this year.

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



SUZAN COX QC
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

A new agreement between the Commonwealth of Australia and the Northern Territory, for the provision of Commonwealth legal aid matters was signed in March 2005. The new agreement commenced on 1 July 2004 for a period of 4½ years and will expire in December 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 (resigned March 2005)

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 15 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 QC —● Director

Jenny Hardy —● Deputy Director

LAW SOCIETY NOMINEES:

P. Barr QC

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:

	2004/05	2003/04	2002/03	2001/02
Applications Received	17	28	28	31
Applications Approved	8	16	16	20
Applications Withdrawn	4	3	3	3
Applications Refused	4	4	2	2
Applications to be Decided	1	5	7	6

Since the fund commenced in March 1993 there have been a total of 279 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 2004/05 the Review Committee met on 11 separate occasions to review 10 client requests. The outcome of their deliberations was that 2 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.

Private Legal Practitioner	—● 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. Tippett QC		
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	—● K. Hughes	M. Orwin	S. Cox
	J. Devlin	E. Harbour	J. Franz
	G. Smith	I. Read	H. Blundell
	K. Norrington	A. Hill	D. Hepburn
Secretary to Committee	—● 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, CIVIL AND DOMESTIC VIOLENCE 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 OFFICE

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 2005, the following persons were employed:

DIRECTOR

- Suzan Cox BA LLB, LLM
- Para Legal Secretary** ● Gloria Rautamara/Susan Gowler
- 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
- Julie Franz LLB
- Thomasin Opie LLB BA
- Anastasia Coroneo LLB
- Louise Bennett 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)
- Gordon Francis LLB
- Sabina Crawley B.A (Soc.Sci), LLB
- Kris Norrington LLB

- Para Legal Secretary /Child Support** ● Laura Sullivan

- Para Legal Secretary** ● Claire Hodgkinson
- Para Legal Support** ● Annette Ross

COMMUNITY LEGAL EDUCATION

- Melinda Naismith

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
- Personnel/Accounts Clerk** —● Leeanne Morris
- Accounts Clerk** —● Karen Markos
- Accounts Clerk/Office Services** —● Jeanon Cubillo
- Projects Officer** —● Sue Reddy
- Administration Officer** —● Denise Oliver
- Kirstie McKellar
- Mark Wright
- Librarian (Part-time)** —● Jane Hill

ALICE SPRINGS

- Senior Solicitor** —● Russell Goldflam BA BLEGS (Hons), Grad Dip Ed
- Mary Spiers- Williams LLB
- Julia Munster BA (Hons) LLB
- Tracey Stevens BA / LLB (Hons)
- Tennant Creek Project** —● Michelle Stevens
- Para Legal Secretary** —● Wendy Vismans
- Eylane Greaves

KATHERINE

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

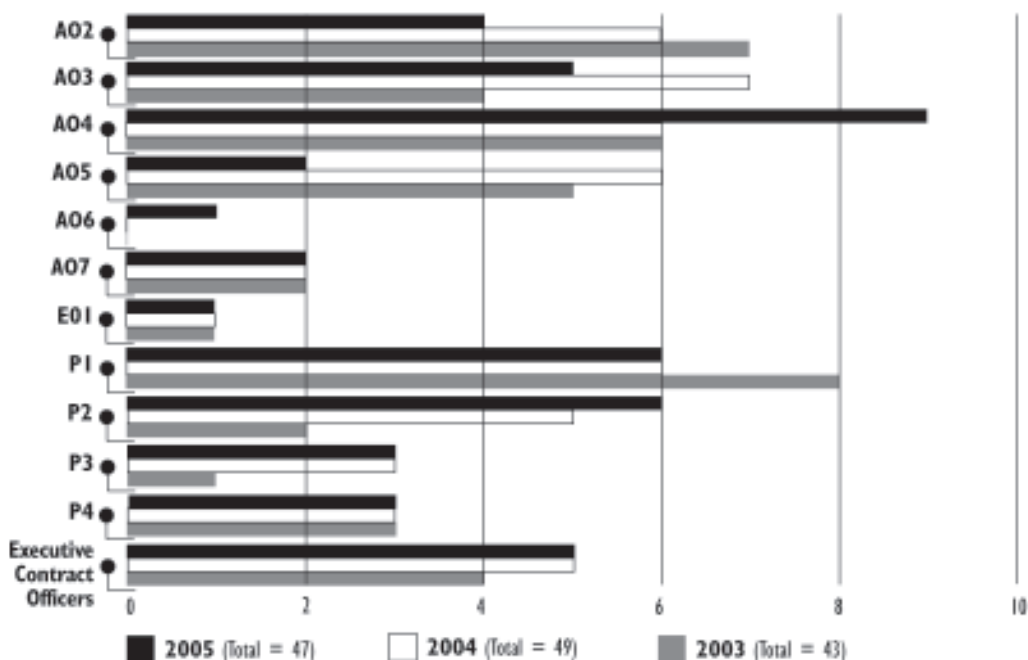
VOLUNTEERS

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 2005 were:

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



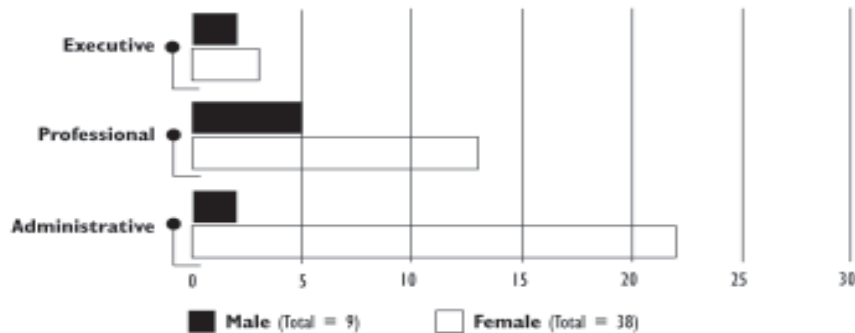
All legal officers are on employment contracts.

RESIGNATIONS/LEAVE WITHOUT PAY

During the year 13 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:

- Darwin Symphony Orchestra
- Refugee Support Network
- Refugee Action Network
- No War Committee
- Melaleuca Refugee Centre
- Multicultural Council
- Relationships Australia
- Peace & Democracy Foundation (East Timor)
- Community Justice Centre
- Ausdance NT
- Planet Organic Darwin
- Alliance Francaise
- NT Pathways Group
- Child Support Forum
- Family Matters Forum
- Central Australian Women's Legal Service – Management Committee member
- Darwin Community Legal Service
- NT Young Lawyers – Committee member
- NAPCAN – Committee member
- Criminal Lawyers' Association of the NT – Committee member
- Relationships Australia – Board member
- Family law Group Law Society – member
- Child Support Regional Registrars Advisory Panel

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:

- Advocacy Course
- Continuing Legal Education sessions provided by the Law Society
- Federal Magistrates Court, Family Court and Judges – various presentations
- South East Queensland Pathways Group Mega Training Day
- Dealing with Difficult Clients
- Time & Stress Management
- Bi-Annual National Family Law Conference
- Mediation Training Course
- Seminar for amendments to *NT Associations Act and Community Welfare Act*
- Bi-Annual Criminal Law Conference
- Family Law Conference

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

OCCUPATIONAL HEALTH AND SAFETY

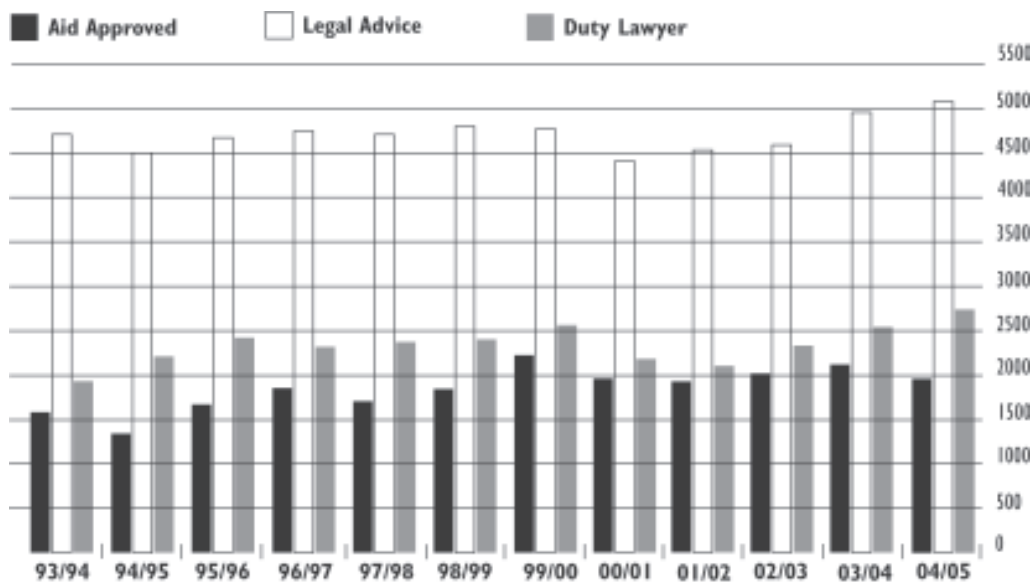
A tobacco free environment exists. Employees are encouraged to adopt safe working practices.

ACHIEVEMENTS

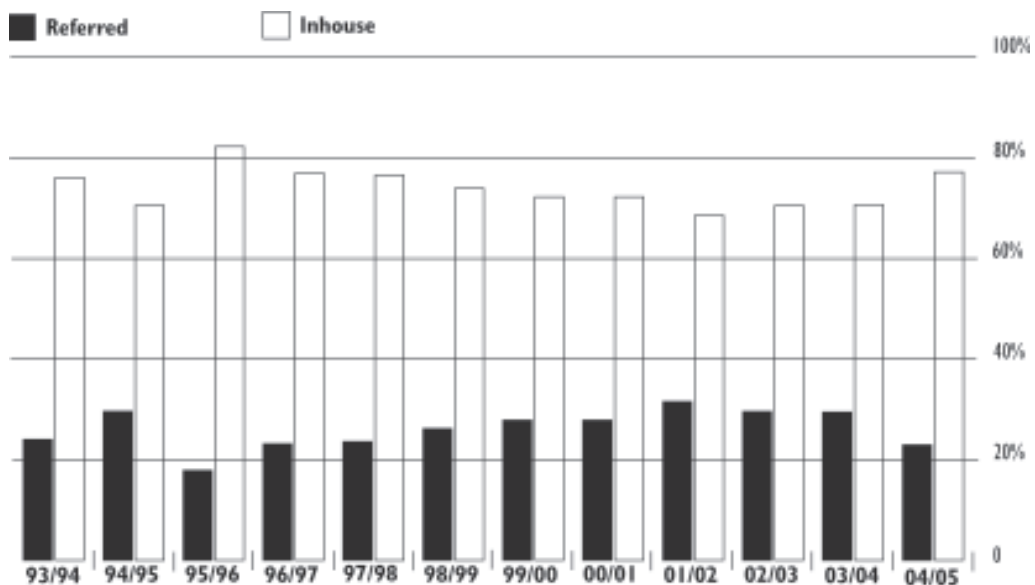
During the year:

- 2466 applications for aid were received.
- 1954 applications for aid were approved.
- 448 approved applications for aid were referred to private practitioners.
- 1506 approved applications for aid were handled by Commission staff.
- 5085 persons received free legal advice.
- 2742 persons received advice and/or were represented by Duty Lawyers.
- 2768 persons accessed the free telephone legal information service.

PRIOR YEARS COMPARATIVE



REFERRED: INHOUSE MATTERS



PERFORMANCE

PERFORMANCE INDICATORS

	00/01	01/02	02/03	03/04	04/05	TARGET
Population	196,300	199,600	197,100	199,200	201,800	
Estimated No. of Clients	11,928	12,607	13,037	12,018	12,549	

PER 1000 HEAD OF POPULATION

Legal Advice Provided	22.79	23.06	23.24	24.92	25.20	26
Duty Lawyer Services	11.24	10.77	11.86	12.73	13.59	14
Applications for Legal Aid						
Received	11.89	11.64	12.24	12.67	12.22	
Approved	10.12	9.81	10.18	10.61	9.68	12
Refused	1.75	1.75	1.94	1.85	2.39	
Telephone Legal						
Information Clients	16.59	19.52	20.87	12.07	13.72	19
Estimated Clients	60.76	63.16	66.14	60.33	62.19	

CUMULATIVE PERCENTAGE OF ACCOUNTS PAID

Within 5 days	90.04	98.98	99.22	99.70	97.84	85
Within 10 days	97.76	99.65	99.95	99.77	99.67	99
Within 15 days	99.66	99.93	99.96	99.85	99.96	
Within 20 days	99.69	99.97	99.96	99.96	99.96	100
Within 30 days	99.97	100.00	100.00	99.96	100.00	

OUTPUT STATISTICS

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

	00/01	01/02	02/03	03/04	04/05
Legal Aid Service					
Applications for Aid Received	2,391	2,323	2,412	2,524	2,466
Applications for Aid Approved	1,974	1,959	2,007	2,114	1,954
Applications for Aid Refused	394	349	382	369	448
Free Legal Advice Sessions	4,465	4,603	4,580	4,964	5,085
Duty Lawyer Services	2,232	2,149	2,337	2,536	2,742
Telephone Information Clients	3,257	3,896	4,113	2,404	2,768

PAYMENTS TO PRIVATE PRACTITIONERS (includes disbursements)

Referred Cases					
Family	577,847	600,412	868,070	542,245	528,869
Criminal	116,622	233,348	232,601	292,848	483,684
Civil	327,317	416,203	387,368	359,639	295,215
Domestic Violence	0	0	0	25,441	30,657
Duty Solicitor	22,102	15,716	14,780	27,417	41,120
Locums	33,255	29,232	38,853	36,499	40,980
TOTAL	1,554,939	1,614,182	2,004,008	2,147,816	2,423,653

DISBURSEMENTS ON INHOUSE CASES

Family	91,022	66,962	34,306	50,560	29,942
Criminal	314,301	231,552	399,492	559,509	968,754
Civil	72,473	20,757	28,538	6,442	3,825
Domestic Violence	0	0	0	516	607
TOTAL	1,554,939	1,614,182	2,004,008	2,147,816	2,423,653

APPLICATIONS APPROVED AND REFERRED TO PRIVATE PRACTITIONERS

Family	217	266	280	233	185
Criminal	114	46	61	61	67
Civil	218	305	252	299	186
Domestic Violence	-	-	-	29	10
TOTAL	549	617	593	622	448

APPLICATIONS APPROVED AND HANDLED BY COMMISSION STAFF

Family	282	273	227	289	233
Criminal	1,072	1,029	1,125	1,129	1,227
Civil	71	40	62	43	31
Domestic Violence	-	-	-	31	15
TOTAL	1425	1342	1414	1492	1506

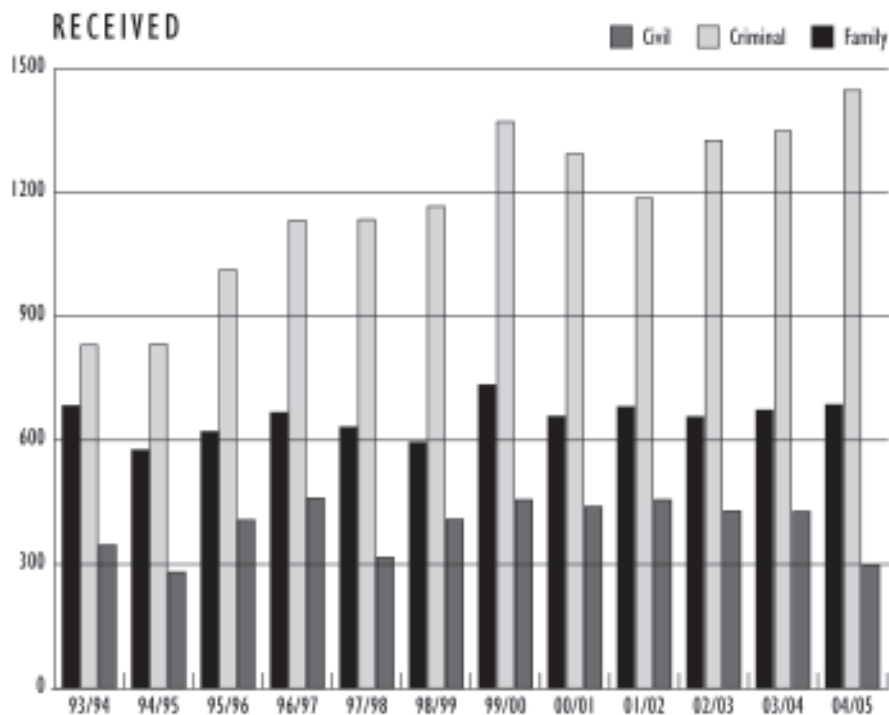
FREE ADVICE SESSIONS

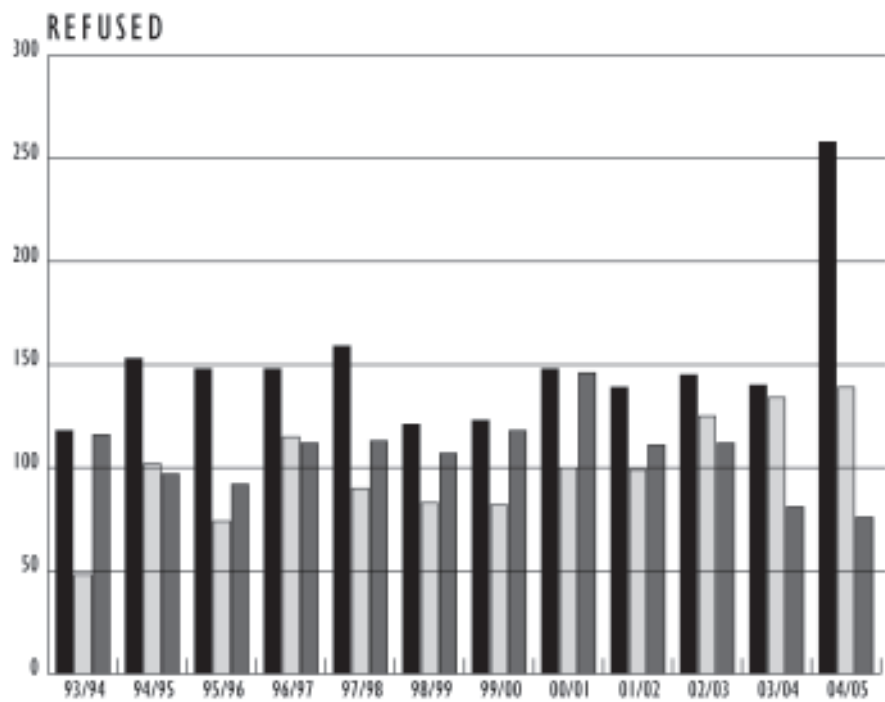
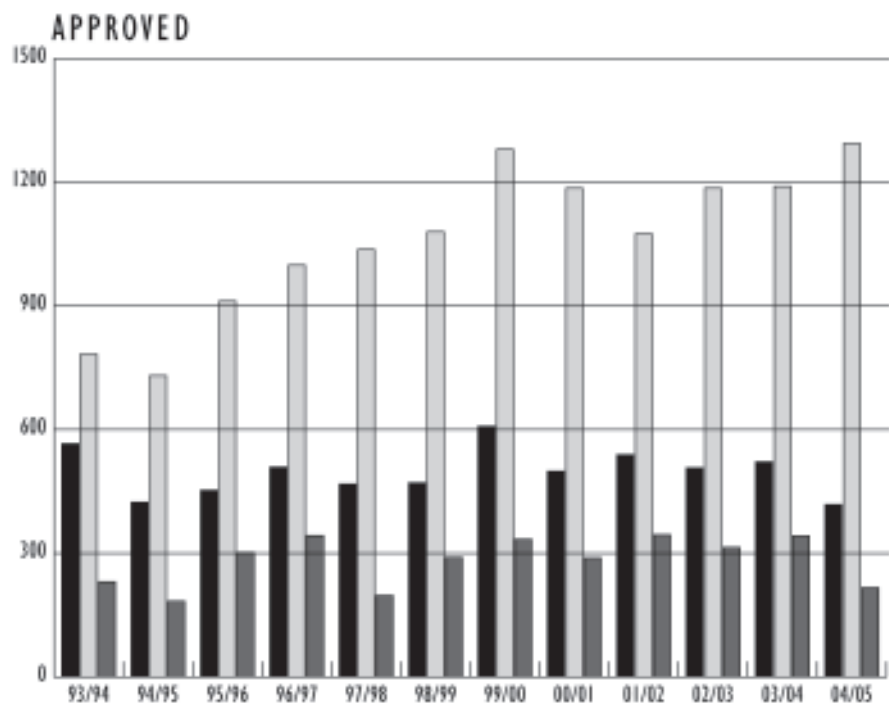
Family	1,580	1,719	1,688	1,697	1,808
Criminal	1,272	1,242	1,247	1,338	1,319
Civil	1,613	1,642	1,645	1,466	1,482
Domestic Violence	-	-	-	463	476
TOTAL	4465	4603	4580	4964	5085

DUTY LAWYER SERVICES

	00/01	01/02	02/03	03/04	04/05
Crime					
Advice Only		389	380	495	228
Representation	55	12	39	26	34
Plea	111	277	294	385	358
Advice and Representation	1,410	1,444	1,589	1,509	1,560
Negotiations	32	13	14	17	14
Other	2	14	21	37	391
Domestic Violence	0	0	0	67	57
TOTAL	2,232	2,149	2,337	2,536	2,742
Family Law Duty Lawyer Service(external provider)					5

APPLICATIONS FOR AID





COMMUNITY LEGAL EDUCATION — 2004/2005

The Northern Territory Legal Aid Commission continues to develop and promote community legal education initiatives in the Northern Territory.

During the past 12 months the Commission has been involved in a broad range of projects that aimed to inform the community about their legal rights and the availability of services throughout the community.

A range of publications have been updated and reprinted throughout the year. Projects aiming to broaden the accessibility of several existing publications have also been undertaken.

The Commission has conducted information sessions and participated in a wide range of community events and agency networks.

Some of the initiatives undertaken in the past 12 months are as follows:

LAW WEEK 2005

The Commission provided free “divorce classes”, at Darwin, Palmerston and Casuarina. The aim of the class was to provide assistance to people to complete the necessary paperwork to be able to file an application for divorce with the Federal Magistrates Court. Information was also provided on how to effect service on the other party. The classes were very popular and further classes may be run in future.

UNTYING THE KNOTS — NATIONAL FAMILY LAW PUBLICATION

Untying the Knots is a national family law publication, produced by Legal Aid Commissions throughout Australia. The Northern Territory publication provides a guide to services provided by the NT Legal Aid Commission, Territory laws in relation to defacto relationships, family violence, victims of crime, changing a name and wills. There is also a comprehensive guide to Commonwealth family law. The publication has proven to be extremely popular. A further reprint is required to meet demand for the publication.

WHERE TO COMPLAIN IN THE NORTHERN TERRITORY — 4TH EDITION

This popular publication was revised and reprinted in October 2004, with the assistance of funding from the Law Society Public Purposes Trust. The publication provides a comprehensive guide to where you can complain about a range of services.

INMATES LAW BOOK — AUDIO VERSION IN KRIOL

This publication is designed to provide information on the legal system, from police arrest through to the rules of being in prison, to inmates of correctional facilities throughout the Northern Territory. Every person entering a correctional facility is provided with a copy. Due to the low level of literacy skills in Indigenous inmates, the book has been translated onto audio cd in Kriol. A version of the law book in Kriol has also been produced. The Department of Correctional Services is currently assessing the project with a view to implementing it in all correctional facilities throughout the Territory.

COP THIS! EDUCATIONAL KIT

This is a joint project between the Commission and the North Australian Aboriginal Legal Aid Service. Funding was obtained from the Commonwealth Attorney General's Department to create an educational kit, to be used in Territory schools. The kit is based on the popular book and video called "CopThis!". Negotiations are continuing with the Education Department on how the project can be implemented in schools. It is being produced as an activity that teachers can use throughout the school year. Work is continuing on this project.

DARWIN FAMILY PATHWAYS NETWORK

The publication "Who Can Help You? Assistance for Separating Families" was produced in August 2004 and distributed throughout the Northern Territory. The publication provides a guide to separating families on services available throughout all regions of the Northern Territory.

The Darwin Family Pathways Network submitted an application for funding to the Commonwealth Attorney General's Department to conduct a Mega Training Day for family law service providers. The training day involves representation by service providers in the family law area who set up staffs to advertise their service. Trainees are divided into groups and given a family law scenario and must then find appropriate help from the service providers. The day aims to increase the awareness of services provided by organisations to ensure that appropriate referrals to organisations are made the first time a separating family comes into contact with a service provider. The funding application was successful and the training day will be held in the next financial year.

COMMUNITY NETWORKS

In order to build and maintain strong relationships, as well as obtaining feedback on community legal education needs, the Commission continues to attend regular meetings of the following organisations: Darwin Family Pathways Network, Domestic Violence Advisory Committee, Domestic Violence Network, Darwin and Rural Workers with Youth Network, Darwin Crime Prevention Committee and the Family Matters Forum.

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
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	2004/05
Applications Received	6	1
Applications Approved	5	1
Applications Pending	1	0
Fees Waived	5	1



Northern Territory Legal Aid Commission
FINANCIALS 2004-2005

COMMENTS

ON FUNDING ARRANGEMENTS, FINANCIAL STATEMENTS AND FINANCIAL PERFORMANCE

FUNDING OF THE COMMISSION

On 23 March 2005 a new agreement was signed between the Commonwealth of Australia and the Northern Territory of Australia. The agreement commenced on 1 July 2004 and will expire on 31 December 2008. The agreement enables the continuity of legal aid services on matters that arise under Commonwealth legislation.

Also in March 2005, the Northern Territory Government approved continued funding to the Commission from 1 July 2005 until 30 June 2009. The funds are used for matters that arise under Northern Territory legislation.

The Domestic Violence Legal Service tender was awarded for a further 3 year period and will expire on 30 June 2008.

FINANCIAL PERFORMANCE

This year the Commission generated a surplus of \$8,209.

The table below presents the percentage distribution of expenses incurred and revenue earned from 1997/98.

PERCENTAGE OF TOTAL EXPENDITURE

	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05
PERCENTAGE OF TOTAL EXPENDITURE								
Personnel Costs	46.89	50.17	51.95	49.28	44.72	46.88	47.62	45.14
Administration Costs	21.60	19.71	22.81	16.87	21.39	12.65	17.58	19.44
Legal Costs	25.94	25.56	21.35	30.78	31.19	36.60	31.80	34.42
Minor Assets	2.05	2.17	1.92	1.77	1.81	1.97	1.78	0.11
Depreciation	3.52	2.39	1.97	1.30	0.89	1.90	1.22	0.89

PERCENTAGE OF REVENUE								
Commonwealth	49.36	44.91	43.28	42.94	41.60	39.65	40.29	43.05
NT Government	38.88	43.46	40.53	38.76	34.42	39.85	41.26	36.52
Commonwealth Other			3.23	7.97	9.84	5.65	8.25	13.00
Total Government Funding	88.24	88.37	87.04	89.67	85.86	85.15	89.80	92.57
Contributions and Recovered Costs	8.69	8.09	9.46	6.93	9.52	8.99	6.52	4.82
Interest Earned	2.20	3.49	3.33	3.40	2.56	3.05	2.70	2.36
Other	0.87	0.05	0.16	0.00	2.06	2.81	0.98	0.25
Total Self-Generated	11.76	11.63	12.96	10.33	14.14	14.85	10.20	7.43

FINANCIAL ANALYSIS

EXPENDITURE

Personnel costs include salaries and associated expenditure for both administrative and professional staff. The expense rose 6.66% on the previous year. The increase is a combination of enterprise bargaining and employees progressing to the next increment in their salary bracket.

Administration costs include such payments as information technology expenditure, telecommunications, official travel and insurance premiums. This expenditure increased by around \$175,000 with the grants in aid provision contributing \$121,557 to the increase.

As well as having an in-house practice, the Commission 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. To a large extent the increase of legal costs by \$433,041 can be attributed to one case. 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 costs that do not satisfy the criteria of an asset, i.e. under \$2,000.

Depreciation is calculated using the diminishing value method, which allocates a greater portion of depreciation early in the assets life. Depreciation expense decreased as no significant assets were purchased during the financial year.

REVENUE

Although client contributions and recovered costs have declined the increase in Commonwealth funding had a net effect of increasing total revenue by almost \$1m.

Other revenue represents income earned that is outside the ordinary course of the Commission's activities. This figure will fluctuate from year to year.

ASSETS

Total assets increased by \$307,686. The greatest movements occurred in Other which increased from \$90,121 to \$189,913 due to the prepayment of Professional Indemnity Insurance in June; and Property Plant and Equipment which increased by \$258,939 which was the net result of depreciation accumulating during the year and also the property in Alice Springs undergoing a revaluation.

LIABILITIES

Current Liabilities increased by \$42,628. An increase in Provisions was offset by a decrease in Payables.

ACCUMULATED FUNDS AND RESERVES

In May 2005 the Commission sought a valuation report on the Alice Springs property. It was overdue as a valuation had not been done since the property was originally purchased in June 1995. This resulted in a revaluation increment of \$281,086 and the creation of an Asset Revaluation Reserve.

A handful of expensive cases were identified and as the aggregate of those cases were almost \$700,000 it was decided to utilise the reserves. As a result of the drawdown from reserves and the surplus generated the Accumulated Funds account jumped to \$794,171 from its opening balance of \$88,682.

GENERAL PURPOSE FINANCIAL STATEMENTS

AS AT 30 JUNE 2005

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AUDITOR-GENERAL

**AUDITOR-GENERAL'S REPORT
TO THE DIRECTOR OF NORTHERN TERRITORY LEGAL AID COMMISSION
ON THE AUDITED ANNUAL REVENUE & EXPENDITURE STATEMENT
FOR THE FINANCIAL YEAR 2004-2005**

Scope

I have audited the attached special purpose financial report of the Northern Territory Legal Aid Commission, being an Audited Annual Revenue & Expenditure Statement for the year ended 30 June 2005 (the financial report).

The Northern Territory Legal Aid Commission is responsible for the financial report. 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. I have conducted an independent audit of the financial report in order to express an opinion on it to the Director of Northern Territory Legal Aid Commission for the purpose of fulfilling the requirements of an Agreement between the Commonwealth and the Northern Territory for the provision of legal assistance services (the Agreement).

The attached financial report has been prepared pursuant to clause 10 of the Agreement, for the purpose of reporting to the Commonwealth Attorney-General's Department. I disclaim any assumption of responsibility for any reliance on this report, or on the financial report to which it relates, for any purpose other than for which they were prepared.

My audit has been planned and performed in accordance with Australian Auditing Standards to provide a reasonable level of assurance as to whether the financial report is free of material misstatement and that the Commonwealth Legal Aid Monies have been expended for the purposes of the provision of the Legal Aid Services, or otherwise in accordance with the Agreement, and have been attributed in accordance with the Commonwealth Attribution Statement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and in respect of the other information required to be provided in this report. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly, and that funds were expended in accordance with the requirements of the Agreement.

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

Audit Opinion

In my opinion;

- (a) the accompanying financial report for the year end 30 June 2005 fairly presents the financial information required by the Attorney-General's Department in accordance with the Agreement; and
- (b) the Commonwealth Legal Aid Monies have been expended for the purposes of the provision of the Legal Aid Services, or otherwise in accordance with the Agreement, and have been attributed in accordance with the Commonwealth Attribution Statement.

Frank McGuinness
Auditor-General for the Northern Territory
Darwin, Northern Territory
1 December 2005

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 2005, 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 29 day of November 2005.



Suzan Cox
DIRECTOR



Jenny Hardy
DEPUTY DIRECTOR

STATEMENT OF FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	2	7,049,920	6,058,520
Depreciation expense	3	(62,967)	(76,603)
Salaries and employee benefits expense		(3,178,423)	(2,979,897)
Legal Expense		(2,423,655)	(1,990,614)
Administration Expense		(993,849)	(818,165)
Other expenses from ordinary activities		(382,817)	(412,911)
NET PROFIT/(DEFICIT)		8,209	(219,670)

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 2005

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash	4	2,067,185	2,092,272
Receivables	5	142,209	164,138
Investments	6	1,430,313	1,434,342
Other	7	189,913	90,121
TOTAL CURRENT ASSETS		3,829,620	3,780,873
NON-CURRENT ASSETS			
Property, plant and equipment	8	604,411	345,472
Other	15	200,000	200,000
TOTAL NON-CURRENT ASSETS		804,411	545,472
TOTAL ASSETS		4,634,031	4,326,345
CURRENT LIABILITIES			
Payables	9	155,845	304,425
Provisions	10	690,036	498,828
TOTAL CURRENT LIABILITIES		845,881	803,253
NON-CURRENT LIABILITIES			
Provisions	10	110,173	134,410
TOTAL NON-CURRENT LIABILITIES		110,173	134,410
TOTAL LIABILITIES		956,054	937,663
NET ASSETS		3,677,977	3,388,682
ACCUMULATED FUNDS AND RESERVES			
Accumulated funds	17	794,171	88,682
Reserves	16	2,883,806	3,300,000
TOTAL ACCUMULATED FUNDS AND RESERVES		3,677,977	3,388,682

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 2005

	Notes	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts in the course of operations		358,778	444,880
Interest received in the course of operations		159,888	163,759
Grants received in the course of operations	2	6,526,436	5,440,383
Cash Payments in the course of operations		(7,033,398)	(6,185,993)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	13	11,704	(136,971)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(40,820)	(39,601)
Proceeds from investments		4,029	1,228
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		(36,791)	(38,373)
Net (decrease)/increase in cash held		(25,087)	(175,344)
Add: Opening cash brought forward		2,092,272	2,267,616
CLOSING CASH CARRIED FORWARD	4	2,067,185	2,092,272

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 2005

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 47 employees as at 30 June 2005 (2004 - 49 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 AABS 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

Freehold land and buildings on freehold land are measured on a fair value basis. At each reporting date, the value of each asset in these classes is reviewed to ensure that it does not differ materially from the assets' fair value at that date. Where necessary, the asset is revalued to reflect its fair value.

All other classes of property, plant and equipment are measured 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 and are measured at cost.

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 useful lives are:

	2005	2004
Buildings	10 years	10 years
Leasehold Improvements	3 years	3 years
Plant & Equipment	2.5-5 years	2.5-5 years

(H) EMPLOYEE BENEFITS

Provision is made for the Commission's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits 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.

Employee's Superannuation entitlements are provided through the NT Government and Public Authorities Superannuation Scheme (NTGPASS), Commonwealth Superannuation Scheme (CSS) and non-government employee nominated schemes for those employees commencing on or after 10 August 1999.

The Commission contributes 9% on behalf of the majority of employees. Any liability for superannuation is met directly by the NT Government and the entity has and will continue to have no other direct superannuation liability.

(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. During the 2002/03 financial year, the Commission analysed the invoices received during that year 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 and Maintenance Reserve

The asset revaluation reserve is used to record increments and decrements in the value of non-current assets.

(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 uncollectible 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

	2005 \$	2004 \$
Grant revenue from ordinary activities - NT	2,575,000	2,500,000
- Commonwealth	3,951,436	2,940,383
Rendering of services revenue from ordinary activities		
- Client contributions	72,226	85,264
- Recovered costs	267,342	309,914
Other revenue from ordinary activities - Interest	166,641	163,759
- Others	17,275	59,200
	7,049,920	6,058,520

3. EXPENSES FROM ORDINARY ACTIVITIES

Depreciation expense	62,967	76,603
Salaries and employee benefits expense	3,178,423	2,979,897
Other expenses from ordinary activities		
- Administration costs	993,849	818,165
- Legal costs	2,423,655	1,990,614
- Minor assets	8,070	111,606
- Operating lease expenditure	374,747	301,305
	7,041,711	6,278,190

	2005 \$	2004 \$
4. CASH		
Cash on hand	850	850
Cash at bank	2,056,335	2,081,422
Advance account	10,000	10,000
	2,067,185	2,092,272
5. RECEIVABLES		
Current		
Trade debtors	10,285	12,926
Less Provision for Doubtful Debts	-	(2,609)
	10,285	10,317
Recoveries Receivable	42,555	88,550
Less Provision for Doubtful Debts	(2,335)	(15,786)
	40,220	72,764
Interest Receivable	8,523	7,331
GST Receivable	83,181	73,726
	142,209	164,138
6. INVESTMENTS		
Current		
Westpac Banking Corporation Bills – at cost	1,430,313	1,434,342
7. OTHER CURRENT ASSETS		
Prepayments		
- Insurances	139,832	46,535
- Rent	25,011	25,011
- Software Licence	4,371	8,215
- Salaries	4,558	0
- Other	9,388	10,360
Accrued revenue	6,753	0
	189,913	90,121

		2005	2004
		\$	\$
8. PROPERTY, PLANT AND EQUIPMENT			
Freehold land	- at cost	0	140,000
	- at fair value	280,000	0
		280,000	140,000
Buildings	- at cost	5,982	120,982
	Less: Accumulated depreciation	(1,876)	(84,591)
		4,106	36,391
Buildings	- at fair value	170,000	0
	Less: Accumulated depreciation	(1,417)	0
		168,583	0
Leasehold improvements	- at cost	198,675	198,675
	Less: Accumulated depreciation	(179,594)	(171,412)
		19,081	27,263
Plant and equipment	- at cost	598,743	557,922
	Less: Accumulated depreciation	(466,102)	(416,104)
		132,641	141,818
Total property, plant and equipment - net book value			
	Cost	803,400	1,017,579
	Fair value	450,000	0
		1,253,400	1,017,579
Accumulated depreciation		(648,989)	(672,107)
		604,411	345,472

(A) RECONCILIATIONS

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

	2005	2004
	\$	\$
Freehold Land		
Carrying amount at beginning of year	140,000	140,000
Net amount of revaluation increments	140,000	0
Additions	0	0
Disposals	0	0
CARRYING AMOUNT AT END OF YEAR	280,000	140,000
Buildings		
Carrying amount at beginning of year	36,391	40,434
Net amount of revaluation increments	141,086	0
Additions	0	0
Disposals	0	0
Depreciation	(4,788)	(4,043)
CARRYING AMOUNT AT END OF YEAR	172,689	36,391
Leasehold Improvements		
Carrying amount at beginning of year	27,263	13,202
Additions	0	22,226
Disposals	0	0
Depreciation	(8,182)	(8,165)
CARRYING AMOUNT AT END OF YEAR	19,081	27,263
Plant and Equipment		
Carrying amount at beginning of year	141,815	188,838
Additions	40,820	17,372
Disposals	0	0
Depreciation	(49,997)	(64,395)
CARRYING AMOUNT AT END OF YEAR	132,638	141,815

(B) VALUATIONS

The fair values of freehold land and buildings have been determined by reference to director valuations, based upon independent valuations previously obtained from the Australian Valuation Office dated 23 May 2005. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date.

9. PAYABLES

	2005 \$	2004 \$
Current		
Accounts payable and accrued expenses	155,845	304,425
TOTAL PAYABLES	155,845	304,425

10. PROVISIONS

Current		
Employee benefits		
- annual leave	276,568	258,339
- long service leave	188,988	140,172
- leave loading	31,388	32,721
	496,944	431,232
Fringe Benefits Tax	18,189	14,250
Grants in aid	174,903	53,346
	690,036	498,828
Non-Current		
Employee entitlements - long service leave	110,173	134,410

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 2005 total superannuation commitments amounted to \$270,147 (2004 - \$259,267).

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 2005 the trust account had a balance of \$17,000 (2004 - \$7,042).

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

	2005 \$	2004 \$
Reconciliation of net cash used in operating activities to operating surplus		
Operating surplus/(deficit)	12,230	(219,670)
Net proceeds from disposal of assets	0	0
Depreciation	62,967	76,603
Increase/(Decrease) in provisions	166,971	45,891
Increase/(Decrease) in creditors	(140,877)	(126,947)
Decrease/(Increase) in receivables	(4,818)	(9,498)
Decrease/(Increase) in prepayments (non-capital)	(84,769)	96,650
NET CASH FLOWS USED IN/FROM OPERATING ACTIVITIES	11,704	(136,971)

14. EXPENDITURE COMMITMENTS

Building lease expenditure commitments

Operating leases (non-cancellable)		
- not later than one year	407,452	300,231
- later than one year but not later than five years	1,585,808	367,416
Grants In Aid	729,603	849,118
AGGREGATE LEASE EXPENDITURE AND GRANTS IN AID CONTRACTED FOR AT BALANCE DATE BUT NOT PROVIDED FOR	2,722,863	1,516,765

15. 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 2005 the financial position of the fund which is managed by the Commission was as follows:

	2005 \$	2004 \$
Opening balance	632,084	601,612
Add: Adjustment for cancelled cheque issued in previous financial year	3,233	0
Income:		
Interest earned	29,284	26,996
Client contributions	1,320	860
Cost recovered	27,494	39,702
Contingency fees	2,695	12,388
	60,793	79,946
Expenditure:		
Disbursements	60,386	49,239
Bank charges	84	35
Return of Application Fee	0	200
	60,470	49,474
Cash balance at year end	635,640	632,084
Less - Clients/grants approved but not paid at year end	195,664	100,438
NET FUNDS AVAILABLE	439,976	531,646

16. RESERVES

	2005 \$	2004 \$
NT Expensive Civil Cases Reserve	350,000	850,000
Information Technology Development and Replacement Reserve	400,000	400,000
NT Expensive Criminal Cases Reserve	1,652,720	1,500,000
Premises Replacement & Maintenance Reserve	200,000	550,000
Asset Revaluation	281,086	0
	2,883,806	3,300,000
Movements in reserves		
(a) NT Expensive Civil Cases Reserve (funded)		
Balance at beginning of year	850,000	850,000
Redistribution to NT Expensive Criminal Cases Reserve	(500,000)	0
Redistribution from Employee Entitlements reserve	0	0
BALANCE AT END OF YEAR	350,000	850,000
(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	1,500,000
Redistribution from NT Expensive Civil Cases Reserve	500,000	0
Redistribution from Premises Replacement and Maintenance Reserve	350,000	0
Transfer to accumulated funds	(697,280)	0
BALANCE AT END OF YEAR	1,652,720	1,500,000
(d) Premises Replacement & Maintenance Reserve (funded)		
Balance at the beginning of the year	550,000	550,000
Redistribution to NT Expensive Criminal Cases Reserve	(350,000)	0
Transfer from accumulated funds	0	0
BALANCE AT THE END OF THE YEAR	200,000	550,000
(e) Asset Revaluation		
Balance at the beginning of the year	0	0
Revaluation increments on revaluation of:		
- land	140,000	0
- buildings	141,086	0
BALANCE AT THE END OF THE YEAR	281,086	0

17. ACCUMULATED FUNDS

	2005 \$	2004 \$
Accumulated Funds at beginning of year	88,682	308,352
Net (Deficit)/Profit	8,209	(219,670)
Transfer from Reserves	697,280	0
ACCUMULATED FUNDS AT END OF YEAR	794,171	88,682

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
(I) FINANCIAL ASSETS			
Receivables -trade	5	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	6	Commercial Bills are carried at nominal amounts.	This amount is invested with Westpac Banking Corporation at a rate between 5.28% – 5.39%pa.
Advances	4	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 4.32% – 4.72%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	9	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	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 %	2004 %
FINANCIAL ASSETS								
Cash	2,067	2,092	-	-	2,067	2,092	4.43	4.15
Receivables - trade (net)	-	-	142	164	142	164	-	-
Westpac Banking Corporation Bills	1,430	1,434	-	-	1,430	1,434	5.33	4.95
Prepayments	-	-	190	90	190	90	-	-
Advance to Contingency Fund	-	-	200	200	200	200	-	-
TOTAL FINANCIAL ASSETS	3,497	3,526	532	454	4,029	3,980	-	-
FINANCIAL LIABILITIES								
Accounts payable and accruals	-	-	156	304	156	304	-	-
TOTAL FINANCIAL LIABILITIES	-	-	156	304	156	304	-	-

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	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
FINANCIAL ASSETS				
Cash	2,067	2,092	2,067	2,092
Receivables - trade (net)	142	164	142	164
Westpac Banking Corporation Bills	1,430	1,434	1,430	1,434
Prepayments	190	90	190	90
Advance to Contingency Fund	200	200	200	200
TOTAL FINANCIAL ASSETS	4,029	3,980	4,029	3,980
FINANCIAL LIABILITIES				
Accounts payable and accruals	156	304	156	304
TOTAL FINANCIAL LIABILITIES	156	304	156	304

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.

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 2005 (2004 – 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
- D Hepburn (Resigned 1/3/05)
- J Large
- E Terrill
- S Oliver

(II) TRANSACTIONS WITH COMMISSIONERS

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 COMMISSIONERS

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 for the 2003/04 financial year. However, there would be a charge for the 2004/05 financial year in relation to an audit cost to the Commission as part of the new Commonwealth funding agreement of an amount which could not be determined yet.

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

AASB 1047 requires the Northern Territory Legal Aid Commission to disclose within their 30 June 2005 financial reports the impacts of adopting the Australian equivalents to International Financial Reporting Standards ("A-IFRS"). Specifically, AASB 1047 requires disclosing:

- any known or reliably estimable information about the impacts on the financial report which are likely to result from the adoption of the new standards; or
- if the impacts above are not known or not reliably estimable, a statement to that effect.

At this point in time, the Northern Territory Legal Aid Commission is managing the transition through attendance at seminars and workshops.

While it cannot be reliably estimated at this point in time, there is not expected to be any significant impact on the financial report from the transition to AIFRS.

NORTHERN TERRITORY LEGAL AID COMMISSION OFFICES

LOCATION	POSTAL ADDRESS	TELEPHONE/ FACSIMILE
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Northern Territory Legal Aid Commission