



LEGAL AID
WESTERN AUSTRALIA



ANNUAL REPORT
2016-2017

Statement Of Compliance

For the year ended 30 June 2017

HON JOHN QUIGLEY MLA
ATTORNEY GENERAL

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Legal Aid Commission of Western Australia for the financial year ended 30 June 2017.

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



John Prior
Member of the Commission
Date: 20/09/2017



Lex Payne
Director of Legal Aid
Member of the Commission
Date: 20/09/2017

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1. Chairman's Report

On 18 January 2017 the Legal Aid Commission of Western Australia held its 500th meeting. The milestone came at a challenging time for Legal Aid WA with demand for services continuing to rise and funding remaining problematic.

In spite of those challenges, Legal Aid WA has continued to serve and assist the most vulnerable members of our community.

Demand for duty lawyer services in the Family Court, Children's Court, care and protection matters and applications for violence restraining orders continues to be high. Unsurprisingly, such services are highly valued by clients and the courts.

Since 31 March 2017, Family Advisory and Support Services funding provided by the Commonwealth Government has enabled the Legal Aid duty lawyer service at the Family Court of Western Australia to provide social support services, including risk assessment, counselling, safety planning and referrals to Western Australian families affected by family violence.

The next phase of the project will be providing support to the Family Court of Western Australia on circuit, utilising regional Legal Aid WA offices and partnerships with local community legal centres.

It is intended that duty lawyers at Legal Aid WA's Broome, Geraldton and Kalgoorlie offices, will provide Family Advisory and Support Services in those locations.

In addition to the provision of Family Advisory and Support Services, Legal Aid WA has played a significant role as a stakeholder in the development of new Family Violence Lists and provision of duty lawyer services to a pilot scheme based at Fremantle Magistrates Court.

During the year, Legal Aid WA has made an important contribution to the successful "Court Status Conference Blitz" conducted in metropolitan Magistrates Courts. The principal object of the scheme is to reduce the number of matters going to trial. Success of the scheme will assist the efficient allocation of court and Legal Aid WA resources.

Legal Aid WA has continued to contribute to the development of the mental health START Court Pilot Scheme, providing vital duty lawyer services. Funding for the scheme has been extended to June 2019.

Funding has also been secured for a further three years to provide the Self-represented Litigants' Service in the Perth registry of the Federal Court of Australia and Federal Circuit Court of Australia. The service provides assistance to litigants in person dealing with matters involving administrative law, appeals (in particular migration appeals), bankruptcy applications, consumer law, fair work, human rights applications, industrial law and migration.

The service provides advice and assistance to self-represented litigants. It focuses on analysing the merits of an application or appeal, explaining court process and procedure, assistance with disclosure and evidence, and the drafting of documents, forms and pleadings. In addition, it assists litigants in person to consider and make use of alternative procedures to resolve the person's legal problems.

In 2016-17, Legal Aid WA rolled out a comprehensive person to person community legal education program. The program provided legal information to over 15,000 Western Australians during the year. That number includes over 10,000 high school students who participated in education sessions including "R U Legal?" and relating to issues such as sex and consent, cyber bullying, sexting and identity theft.

On 5 October 2016, a small ceremony was held to mark the opening of the "WREN" facility in Wanneroo.

"WREN" is an information and referral service for women who are the victims of family violence. The service is funded as a health/justice pilot project under the Prime Minister's \$100 million Women's Safety Package. The service has been developed and implemented by Legal Aid WA in partnership with the Northern Suburbs Community Legal Centre, working with Joondalup Health Campus and other local health services.

Mr Ian Goodenough MP, Federal Member for Moore, representing the Commonwealth Attorney-General, officially opened the facility. The Hon. Paul Miles MLA, Minister for Communities and Member for Wanneroo attended the opening.

A matter of great concern to the Commissioners during the year was the ongoing funding position of the State's community legal centres.

Western Australian community legal centres faced a 32% cut to Commonwealth funding from 1 July 2017, and, in addition, were likely to suffer a \$1.2 million funding shortfall due to funds from the Legal Contribution Trust being unavailable for distribution in 2017-18 as a result of an increase in claims on the Solicitor's Guarantee Fund.

On 24 April 2017, the Federal Attorney-General announced that the proposed Commonwealth Community Legal Centre funding cuts would not proceed and that the funding shortfall would be made up with additional Commonwealth funding for family law and domestic violence services by community legal centres.

Details of the additional funding allocation are still being negotiated between the Commonwealth and the State as an amendment to the current National Partnership Agreement. Legal Aid WA has confirmed that funding allocated to Western Australia will cover the anticipated Commonwealth shortfall for 2017-18 onwards.

On 26 April 2017, the Western Australian Attorney General announced State funding of approximately \$1.2 million for 2017-18 to partly replace the Legal Contribution Trust funding shortfall to community legal centres. It is to be noted that the

funding is for one year only and drawn from Confiscation of Proceeds of Crime funds. I hope that a long term solution to the funding of community legal centres throughout the State can be identified and implemented during the coming year.

The ongoing development of Legal Aid WA's private practitioner panels and procedures and review of the services provided pursuant to grants of aid has been a considerable success during the last year.

I congratulate the members of Legal Aid WA's Professional Standards and Compliance team for the manner in which they have undertaken the task. Their assistance to the Commission has been invaluable.

In the second half of 2016, Commissioners and senior staff travelled to Bunbury to meet with Legal Aid staff and community stakeholders and to attend a regional meeting of the Commissioners.

Our meetings and discussions in Bunbury were informative and productive. I thank local staff for arranging our agenda and welcoming us to the jurisdiction.

June 2017 marked my completion of six years as Chairman of the Legal Aid Commission. I have very much enjoyed my time as Chairman. It has been an honour to work with Commissioners and staff dedicated to assisting members of the Western Australian community to deal with matters of fundamental personal importance.

Legal Aid WA has also lost the services of George Turnbull, Director of Legal Aid for the last 18 years, George leaves Legal Aid WA on his retirement. He has served Legal Aid WA magnificently over the term of his tenure. I was very fortunate to have chaired the Commission during George's time as Director.

I thank the staff, Directors and Commissioners for their hard work and commitment over the past year (and throughout my time as Chairman). I congratulate the Hon. Jane Crisford SC on her appointment as Chair of the Commission. Legal Aid WA is in good hands. I wish the new Chair, the Commissioners and staff good fortune for the future.

Stuart Shepherd
Chairman



2. Chief Executive Officer's Report

The challenges faced by Legal Aid WA in 2016-17 have now reached crisis point as demand for services increased significantly while State Government funding continued to decline.

According to the Productivity Commission the cost of delivering justice services in Western Australia is 28% higher than the national average based on population and second only to the Northern Territory. By way of contrast, government funding for Legal Aid WA is the lowest in Australia on a population basis.

Notwithstanding a welcome increase in supplementary funding for superior court criminal cases, unless Legal Aid WA receives a significant improvement in its State funding base it will be necessary for government to review its expectations for Legal Aid's role in the justice system. It is likely that any such review would result in Legal Aid WA providing a level of service well below that available to Australians in all other States and Territories. It will also result in significant flow-on effects in the justice system as a whole.

In relation to Legal Aid WA's role under the National Partnership Agreement on Legal Assistance Services (NPA), demand has also continued to increase. In family law matters for example, there has been a 23% increase over the previous year in the number of Independent Children's Lawyers appointed, reflecting the fact that parenting cases in the Family Court are becoming increasingly more complex.

With the incidence of family violence in Western Australia at record high levels, other pressures include increasing numbers of child protection cases and applications for family violence protection orders.

On a positive note, we were pleased to learn that the impending 32% Commonwealth funding cut to the community legal sector, was recently reversed by the Commonwealth Attorney-General, and that funding has now been fully restored. It was also pleasing to note that the State Attorney General was able to provide interim funding to compensate for a further loss of funding from the Legal Contribution Trust Fund to community legal centres through the Proceeds of Crime, Criminal Confiscation Fund.

Another important initiative by the Commonwealth has been the introduction of the Family Advocacy and Support Service (FASS) at the Family Court of WA. FASS is a specialist family violence service that provides legal and social support services to clients affected by family violence.

Despite the challenges in 2016-17, Legal Aid WA has continued to provide an impressive number of services.

“Despite the challenges in 2016-17, Legal Aid WA has continued to provide an impressive number of services. Legal Aid WA provided 85,016 information services; 54,467 duty lawyer services; 24,494 occasions of legal advice and legal task services to clients; 10,212 instances of legal representation; and convened 511 dispute resolution conferences.”

Legal Aid WA provided 85,016 information services; 54,467 duty lawyer services; 24,494 occasions of legal advice and legal task services to clients; 10,212 instances of legal representation; and convened 511 dispute resolution conferences. These services were provided throughout the entirety of Western Australia, including metropolitan Perth, major regional centres, and small remote communities.

As I reported last year these services are provided across the whole of Western Australia including small remote communities which can at times be logistically very challenging. The effective delivery of those services is a testament to the dedication and resilience of the staff involved.

Legal Aid WA's lawyers and support staff are highly regarded throughout the profession and the community generally and the skill, dedication and commitment to social justice they bring to this work never ceases to amaze me.

I would also wish to acknowledge the great work and the heavy reliance we place upon our service partners including the many community legal centres, the Aboriginal Legal Service of WA and the Aboriginal Family Violence Prevention Legal Services.

I also extend my deep appreciation for the support of the legal profession and in particular, those practitioners who agree to undertake legal aid work at rates of remuneration well below those prevailing generally within the profession.

Finally, I wish to thank the Legal Aid Commissioners for their dedication and support and in particular, the Chairman, Stuart Shepherd, who provided enormous support and valuable guidance not only to me as Director but also to other members of the management team during the previous 12 months.



George Turnbull
Director of Legal Aid

3.

Overview of Agency

3.1 EXECUTIVE SUMMARY

In 2016-17, the total cost of services delivered by Legal Aid WA was \$79.579 million, an increase of \$3.260 million or 4.27 per cent on the 2015-16 total cost of \$76.319 million. The main sources of expenses were employee costs at \$32.366 million (an increase of 6.02 per cent) and payments to private legal practitioners at \$23.300 million (an increase of 3.47 per cent). Additional Commonwealth Government funding provided under the new 5-year National Partnership Agreement for Legal Assistance Services has been allocated to increase the in-house staffing resources available for the delivery of services that are a Commonwealth priority during 2015-16 and 2016-17. In addition the increase in payments to private legal practitioners was driven by the significant increase in demand for grants of aid for indictable criminal matters in 2015-16.

If grants to community legal centres are excluded, the total cost of services for Legal Aid WA in 2016-17 was \$68.886 million, an increase of 4.50 per cent over the comparable figure for 2015-16.

Legal Aid WA derives the majority of its funding through Commonwealth and State Government grants. In 2016-17, Commonwealth grants and contributions totalled \$30.580 million, an increase of \$0.614 million or 2.05 per cent on the Commonwealth contribution for 2015-16. State Government funding for 2016-17 was \$45.419 million, an increase of \$2.935 million or 6.91 per cent on the previous year.

If grants to community legal centres are excluded from the revenue data, Commonwealth revenue solely for the operations of Legal Aid WA amounted to \$24.759 million in 2016-17, an increase of 2.04 per cent. State revenue, exclusive of community legal centre grants, amounted to \$39.926 million in 2016-17, an increase of 3.65 per cent. The Commonwealth funding increase reflected an increase in base funding provided through the new National Partnership Agreement on Legal Assistance Services, which was ratified by the State in August 2015. The change in State revenue reflects the effect of additional funding provided for new leased office accommodation at 32 St Georges Terrace, Perth, and supplementary funding for grants of legal aid for indictable criminal matters.

An operating surplus of \$0.465 million was recorded for the 2016-17 financial year.

OUTPUTS

In 2016-17, a total of 12,515 applications for grants of aid for State and Commonwealth matters were received by Legal Aid WA. This is a 4.36 per cent increase in the total number of applications for aid received in 2015-16. Applications for State matter grants of aid declined by 3.69 per cent, reflecting Legal Aid WA's withdrawal from most forms of non-duty lawyer representation in the Magistrates Court. Applications for Commonwealth matter grants of aid increased by 6.03 per cent during 2016-17.

The grant rate for all matter types varied in 2016-17. For family law matters, the grant rate was 85 per cent of applications received, compared with 90 per cent for the previous year. The grant rate for criminal law matters was 87 per cent in 2016-17, an 87 per cent rate was also recorded for 2015-16. In civil law matters, a significant improvement was recorded, taking the grant rate to 77 per cent, up from 72 per cent for the previous year.

Demand for non-grant of aid services also varied throughout 2016-17, with the number of information services up by 4.42 per cent; duty lawyer services up by 2.72 per cent; dispute resolution conferencing up by 12.06 per cent from the previous year; and legal advice and legal task services up by 2.52 per cent.

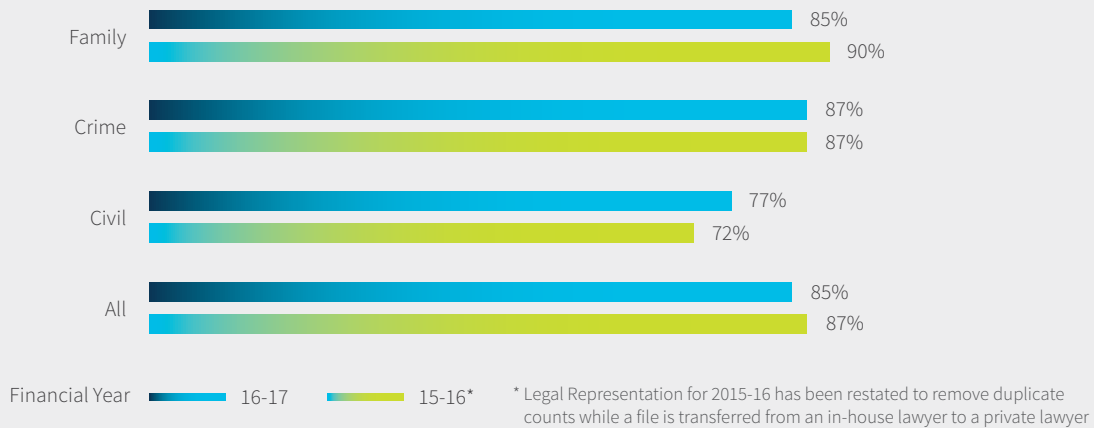
OUR CLIENTS

Legal Aid WA's client base for grants of aid is predominantly male, with 55 per cent of grants being awarded to males, primarily in the area of criminal law, where they accounted for 81 per cent of all criminal law grants of aid. Women were awarded 72 per cent of all grants of aid in the area of family law. The majority of clients who received grants of aid fell within the age brackets of 21 to 30 years and 31 to 40 years, with both groups each accounting for close to 30 per cent of total grants of aid awarded. Males dominated across all age brackets.

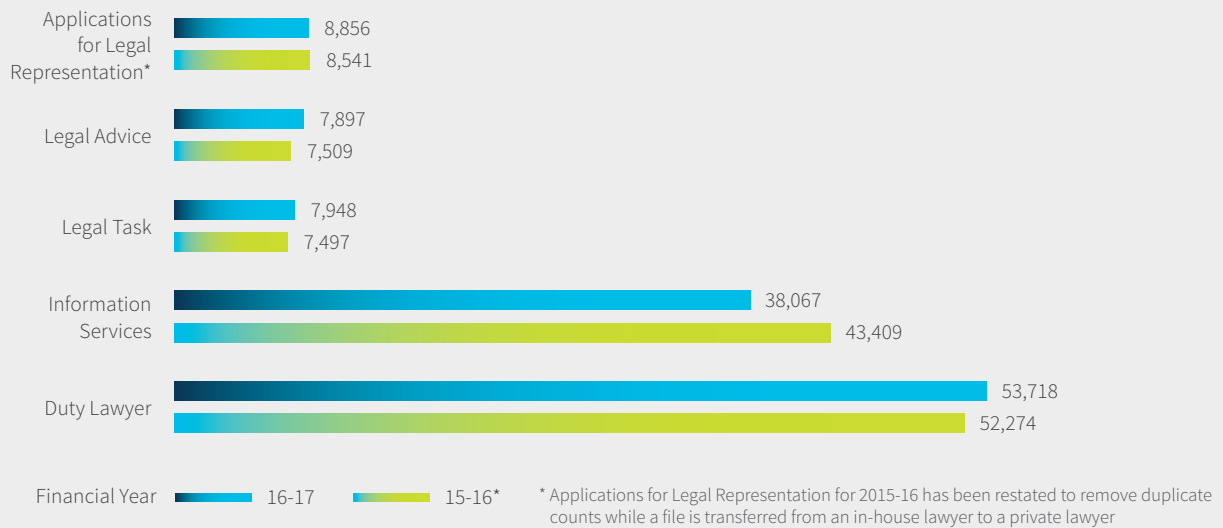
OUR ORGANISATION

As at 30 June 2017, Legal Aid WA was employing 283 full time equivalent employees. Legal Aid WA's head office is located at 32 St Georges Terrace, Perth. The organisation also maintains a significant presence in other parts of Western Australia, with regional offices located at Bunbury, Albany, Geraldton, Kalgoorlie, South Hedland, Broome, Kununurra, and satellite offices on Christmas Island and in Carnarvon. In addition to the permanent office presence in major regional centres, Legal Aid WA maintains a presence in many towns and remote communities through attendance at circuit court visits and legal education programs.

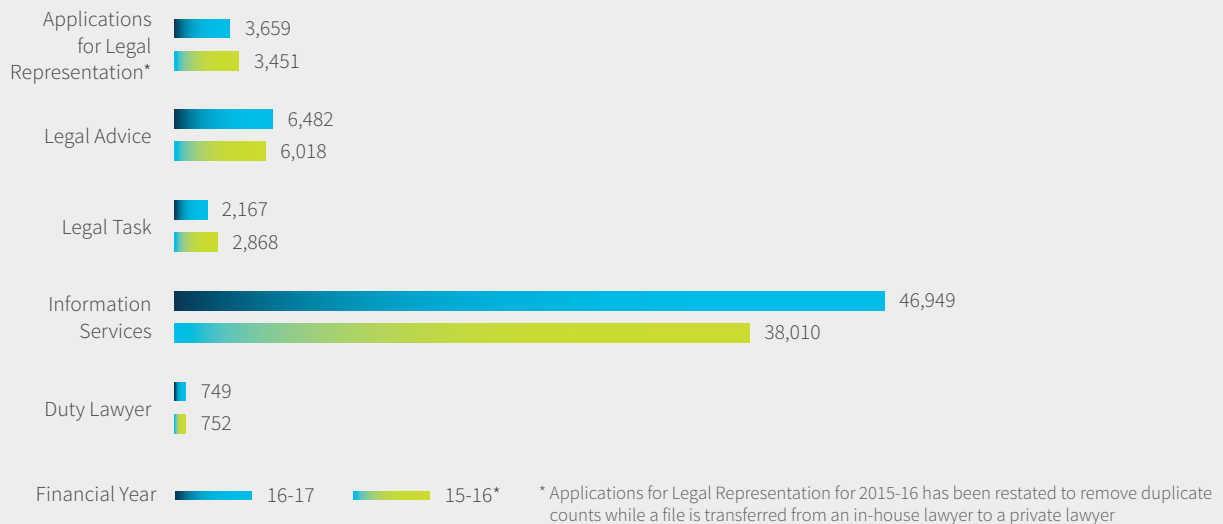
GRANT RATE BY LAW TYPE



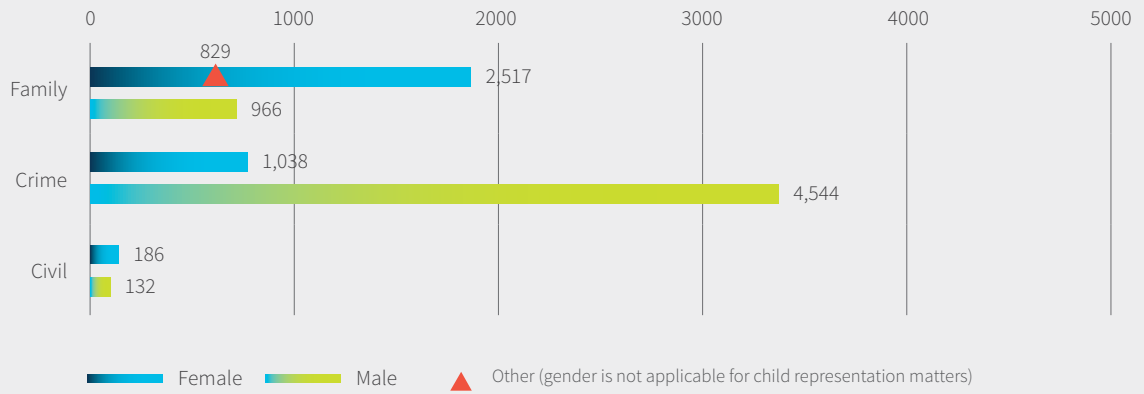
SERVICES OTHER THAN LEGAL REPRESENTATION – STATE



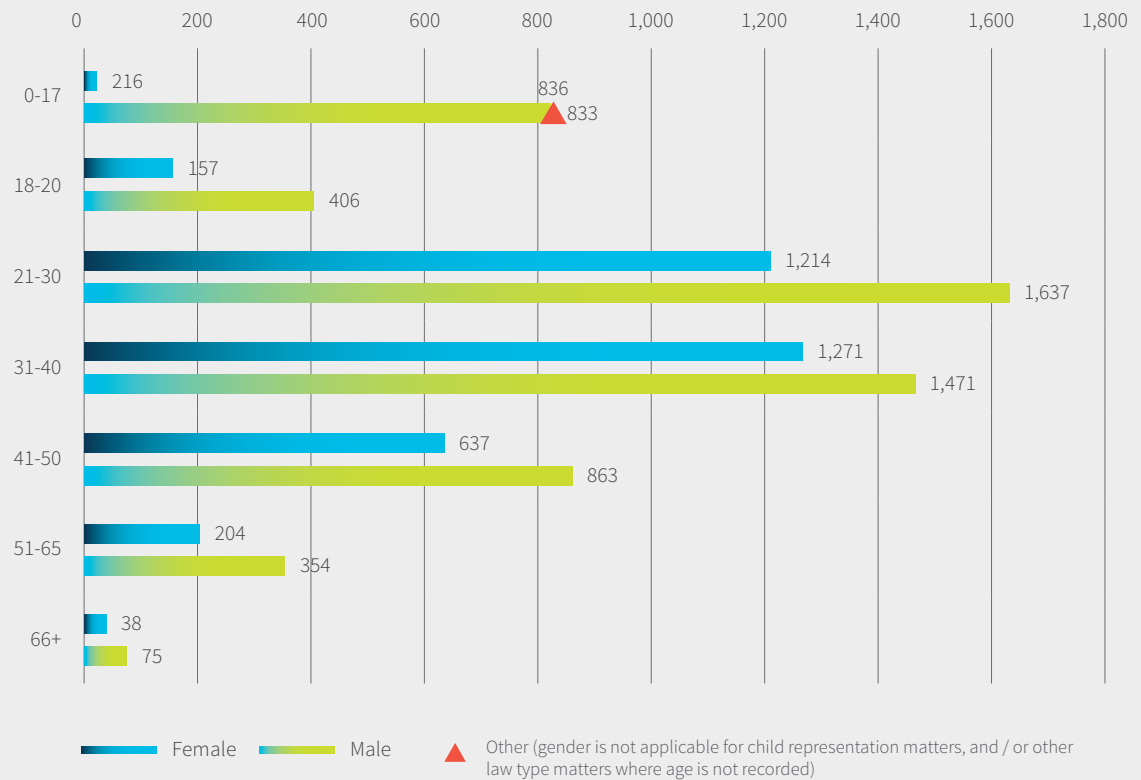
SERVICES OTHER THAN LEGAL REPRESENTATION (COMMONWEALTH)



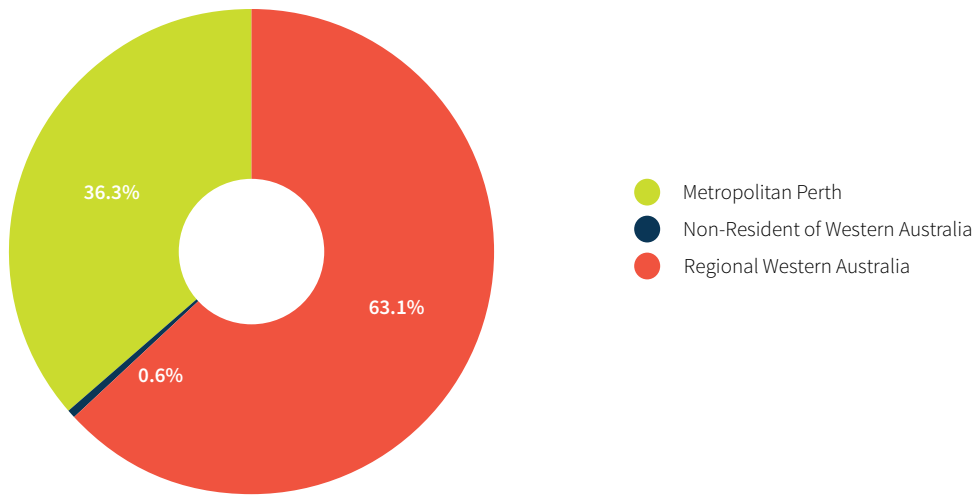
APPLICATIONS GRANTED BY GENDER AND LAW TYPE



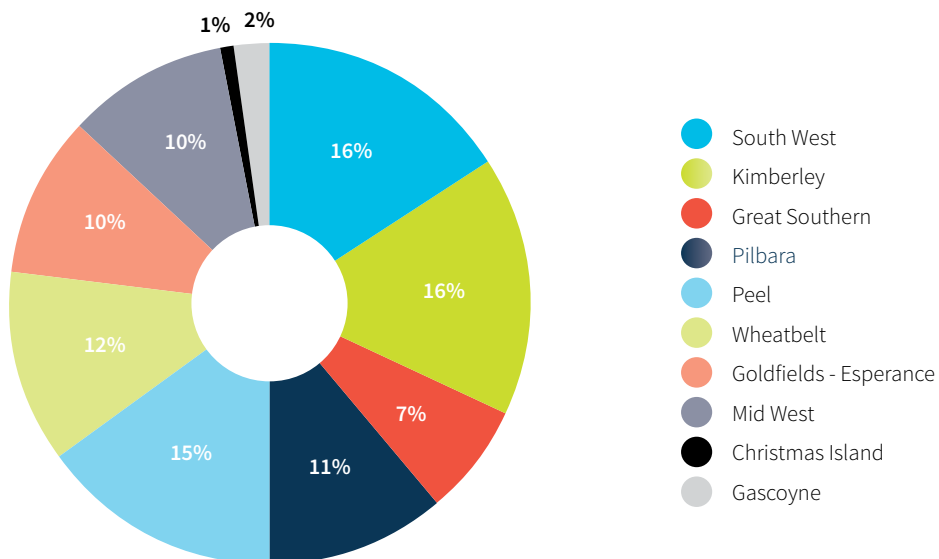
APPLICATIONS GRANTED BY GENDER AND AGE GROUP



RESIDENCY OF LEGAL AID CLIENTS IN 2016-17



RESIDENCY OF LEGAL AID CLIENTS IN 2016-17 LIVING IN REGIONAL WA



3.2 OPERATIONAL STRUCTURE

NAME OF AGENCY

Legal Aid Commission of Western Australia

ENABLING LEGISLATION

The Legal Aid Commission of Western Australia was established under section 6 of the *Legal Aid Commission Act 1976*, listed as a statutory authority on Schedule 1 of the *Financial Management Act 2006* and is subject to the provisions of the *Public Sector Management Act 1994* with the exceptions of Part 3 and Part 5.

RESPONSIBLE MINISTER

Attorney General of Western Australia

ACCOUNTABLE AUTHORITY

Part II of the *Legal Aid Commission Act 1976* establishes the Commission and Part III creates the position of Director of Legal Aid and the power to employ staff. The Director and staff of Legal Aid WA are accountable to the Commission which exists by way of a Board of Commissioners.

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

- ▶ a Chairman, who must be a lawyer with at least seven years experience, appointed on the nomination of the State Attorney General;
- ▶ four members, nominated by the State Attorney General, two of whom are lawyers nominated by the Law Society of Western Australia and one (not being a lawyer) who has administrative experience at a senior level;
- ▶ one member, a non-lawyer, is nominated by the Minister of Commerce who is responsible for consumer protection;
- ▶ two members appointed by the Commonwealth Attorney-General.

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

In 2016-17 there were 11 normal meetings and 1 special meeting of the Commission. The Chairman of the Legal Aid Commission receives \$18,600 per annum and ordinary members who are not public servants receive \$7,400 per annum.

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

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

COMMISSION MEMBERS

Stuart Shepherd – Chairman

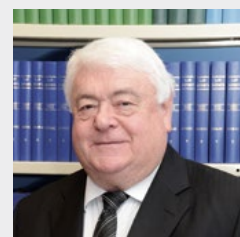
Stuart Shepherd is a barrister at Murray Chambers. He was appointed Chairman of the Legal Aid Commission in June 2011, as the Western Australian Attorney General's nominee. Mr Shepherd studied law at the University of Western Australia and was admitted to practice in the Supreme Court of Western Australia in



1987. He undertook his articled clerkship at Keall Brinsden and was subsequently employed at Clayton Utz, primarily in commercial litigation and dispute resolution. For eight years Mr Shepherd practiced in the UK where he was a partner at Burton Copeland London, acting principally in corporate and commercial litigation, corporate regulation, disciplinary and major fraud, trade and industry, tax and excise prosecutions. He has been instructed in numerous cross-jurisdictional matters involving the United States, Scotland, Switzerland, Liechtenstein, Gibraltar and the Channel Islands. He was a member of a panel of solicitors acting pro bono for inmates on death row in the Bahamas. Since returning to Perth, Mr Shepherd has practiced at Mallesons and was a partner at Bennett & Co and Lavan Legal. He has been a member of the Law Society's Courts Committee and Brief Editorial Committee and is currently the legal member on the Joondalup Health Campus, Human Research Ethics Committee. He has lectured in advocacy for the Articles Training Program, regularly presents seminars on areas relevant to his practice and is an Adjunct Professor teaching in the Civil Procedure unit at the University of Western Australia. Mr Shepherd was called to the bar in 2008. Mr Shepherd attended 11 of the 11 normal Commission meetings and the special meeting held in 2016-17.

George Turnbull - Director of Legal Aid WA

George Turnbull was appointed Director of Legal Aid WA in June 1999 and was reappointed for a further five year term in 2012. He was first admitted to practice as a barrister and solicitor of the Supreme Court of Victoria in 1973. Mr Turnbull was until June 1998 the Director of the Victorian office of the Australian Government



Solicitor, and was previously Director of the New South Wales and South Australian offices. During the 1980s he was Deputy Crown Solicitor and Director for Western Australia. Mr Turnbull attended 8 Commission meetings and the special meeting held in 2016-17.

Belinda Lonsdale

Belinda Lonsdale was appointed a Commissioner in January 2006 as a nominee of the Law Society of WA. She graduated from the University of Western Australia in 1991 with a Law degree and again in 1999 with an MBA. Ms Lonsdale was a Senior Associate with Dwyer Durack from 1997 until 2003 where she practiced principally in criminal law. In 2003 she went to the Bar and joined Albert Wolff Chambers. She was President of the Criminal Lawyers' Association in 2005 and 2006. In 2006 Ms Lonsdale was convenor of the 10th International Criminal Law Congress, held in Perth. In 2007 she was elected to the Council of the Law Society of WA. In 2011, Ms Lonsdale was a member of the WA Bar Association council from 2011–2015. Ms Lonsdale attended 10 of the 11 normal Commission meetings and the special meeting held in 2016-17.



Brian Bradley, PSM

Brian Bradley is a retired public servant with in excess of 50 years' service in the public sector. Brian was Chief Executive of a Public Sector agency for some 17 years and upon retirement was the Director General of the Department of Commerce. Brian was involved in establishing the current health and safety regime and was the WorkSafe Commissioner from October 1998-02. Brian was awarded the Public Service Medal in 2003 for his contribution to health and safety.



Brian Bradley has been an Australian delegate at the International Labour Organisation and represented the State on many national committees. Mr Bradley attended 9 of the 11 Commission meetings held in 2016-17.

Dion Smith

Dion Smith is currently the Chief Sales Officer at Executive Risk Solutions, Perth. Mr Smith has held various management and executive positions in sales and operations at Vocation in Education, Mining People International, TSS-Weststaff and Programmed Group. He has served on the Board of two publicly listed companies as an Executive Director, and for the WA Branch of Save the Children. He holds a Bachelor of Economics from the University of Western Australia, and a Masters in Business Administration from the University of NSW/University of Sydney. Dion has four children and is involved in many voluntary activities on their behalf at school and in the community. Dion was appointed a Commissioner in December 2010, as a nominee of the then State Attorney



General. He is also the Chair of the Audit Committee and has held that position since his appointment to Legal Aid WA in 2010. Mr Smith attended 10 of the 11 Commission meetings and the special meeting held in 2016-17.

John Prior

John Prior was appointed a Commissioner in March 2012 as a nominee of the Law Society of WA. Mr Prior was admitted to practice in the Supreme Court of Western Australia on 20 December 1985. He was a partner with Williams Ellison, Barristers and Solicitors, from 1993-05 and in the year 2006 commenced practice as an independent barrister at Francis Burt Chambers, Perth. He practices in the areas of criminal law, liquor licensing and sporting tribunals and accepts briefs to appear as both prosecution and defence counsel in all criminal law jurisdictions. He was President of the Criminal Lawyers Association of Western Australia from 1998-00, was a Councillor of the Law Society of Western Australia from 2006-11 and Convenor of the Criminal Law Committee from 2003-10. He has also been a member of the Racing Penalties Appeals Tribunal of Western Australia since 1993 and is a member of the Investigation Tribunal for Western Australian Amateur Football League since 1998. He has been legal counsel for the Fremantle Football Club since 1995. He chaired the Western Australian Health Minister's Ministerial Task Force on Drug Law Reform in 2001-04. Mr Prior attended 8 of the 11 Commission meetings and the special meeting held in 2016-17.



Kate Beaumont

Kate Beaumont was appointed a Commissioner in July 2012, as a nominee of the State Attorney General. Ms Beaumont has been employed at Welfare Rights & Advocacy Service since 2001, where she currently holds the position of Executive Officer. Ms Beaumont has previously worked for 19 years in Tasmania, New South Wales and Western Australia as an officer of the Department of Social Security and Centrelink. She has had extensive involvement in community based legal and justice organisations, serving as the current Vice President and former President of the National Social Security Rights Network, and as the former Community Legal Centres Association of WA representative on the cross-jurisdictional CLC Stakeholder Committee, former Board Member of the Employment Law Centre, Midland Debt Legal Advisory Service, the Street Law Centre of WA and the former Chairperson and Deputy Chairperson of Tenancy WA. Ms Beaumont holds a Bachelor of Social Work degree from Curtin University of Technology. Ms Beaumont attended 10 of the 11 normal Commission meetings and the special meeting held in 2016-17.



DIRECTOR OF LEGAL AID

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

- ▶ administering the scheme of legal assistance established by the Act; and
- ▶ providing legal services to assisted persons and arranging and supervising the provision of such services by practitioners who are members of staff.

The Director is also an ex-officio member of the Commission. The Director is appointed by the Governor on the recommendation of the Commission and was reappointed for a further five year term in June 2012.

BOARD OF MANAGEMENT

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

In line with functions prescribed under section 15 of the *Legal Aid Commission Act 1976*, Legal Aid WA delivers services in the areas of criminal law, family law, civil law, general legal advice and practice development. The delivery of these services is supported by an internal corporate services function which provides services in the areas of finance, information management and human resources.

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

The current Board of Management structure was constituted in 2008. All Directors, with the exception of the Acting Director of Business Services, have legal qualifications and hold a current Practising Certificate for Western Australia.

BOARD OF MANAGEMENT



George Turnbull

Director of Legal Aid WA
Joined Legal Aid WA in 1999



Maureen Kavanagh

Director Criminal Law
Joined Legal Aid WA in 1993



Julie Jackson

Director Family Law
Joined Legal Aid WA in 1985



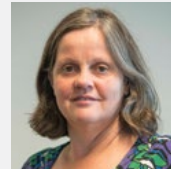
Lex Payne

Director Regions
Joined Legal Aid WA in 1985



Colleen Brown

Director Client Services
Joined Legal Aid WA in 1996



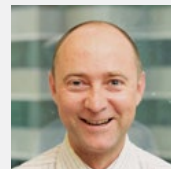
Jane Stewart

Director Legal Practice Development
Joined Legal Aid WA in 1994



Lee Baker

Acting Director Business Services
and Chief Financial Officer
Joined Legal Aid WA in 2003



Justin Stevenson

Director Civil Law
Joined Legal Aid WA in 2010

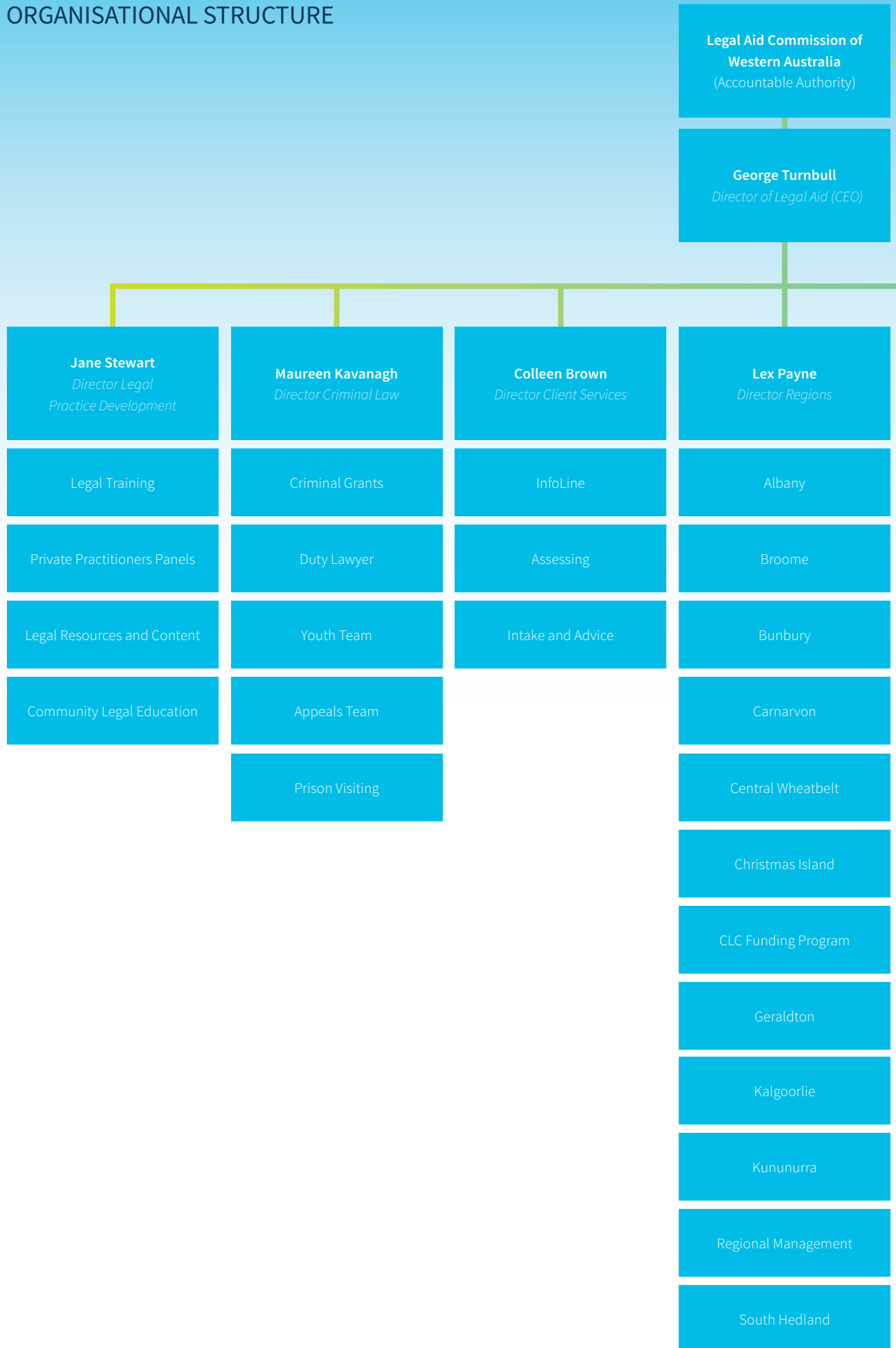
Administered Legislation

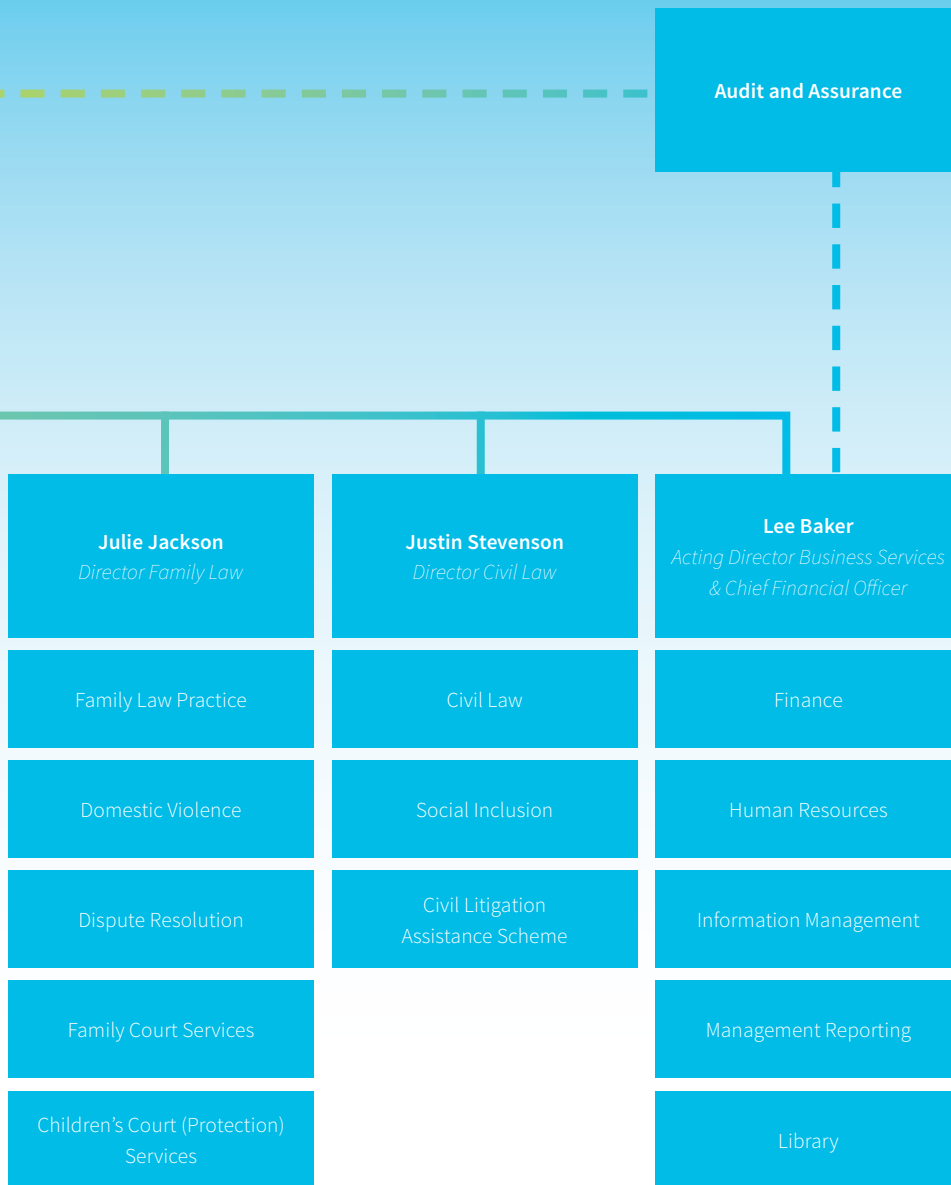
The Authority assists the Attorney General in the administration of the *Legal Aid Commission Act 1976*.

Other Key Legislation Impacting on Legal Aid WA's Activities

A New Tax System (Goods and Services Tax) Act 1999;
Auditor General Act 2006;
Copyright Act 1968;
Disability Discrimination Act 1986 (Cwth);
Disability Services Act 1993;
Equal Opportunity Act 1984;
Family Law Act 1975 (Cwth);
Financial Management Act 2006;
Freedom of Information Act 1992;
Fringe Benefits Tax Assessment Act 1986;
Government Employees Housing Act 1964;
Income Tax Assessment Act 1936 (in relation to staff) and Income Tax Assessment Act 1997;
Industrial Relations Act 1979;
Land Administration Act 1997;
Legal Aid Commission Act 1976;
Legal Deposit Act 2012;
Legal Profession Act 2008;
Minimum Conditions of Employment Act 1993;
Occupational Safety and Health Act 1984;
Public and Bank Holidays Act 1972;
Public Sector Management Act 1994 (Part 3 and Part 5 Exemption);
Racial Discrimination Act 1975;
Salaries and Allowances Act 1975;
State Superannuation Act 2000;
State Records Act 2000;
State Supply Commission Act 1991
Transfer of Land Act 1893;
Workers' Compensation and Injury Management Act 1981; and
Workplace Agreement Act 1993.

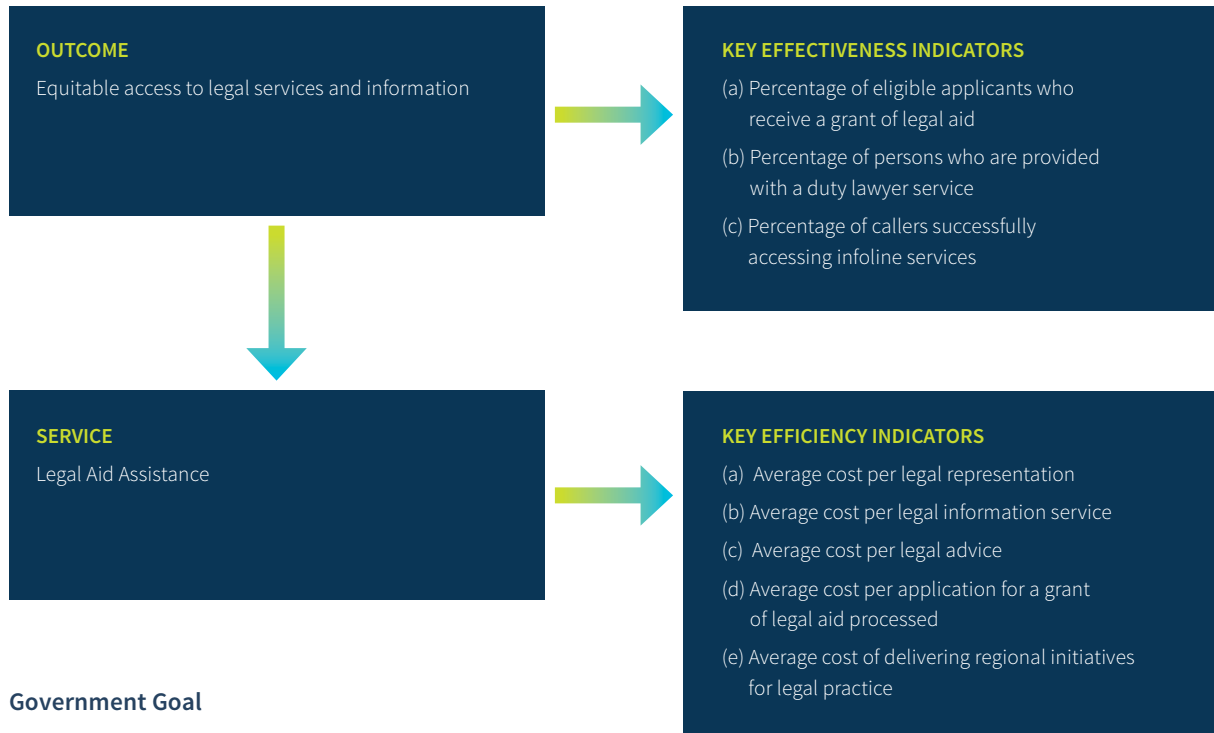
ORGANISATIONAL STRUCTURE





3.3 PERFORMANCE MANAGEMENT FRAMEWORK

3.3.1 OUTCOME BASED MANAGEMENT FRAMEWORK



Government Goal

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

Agency Level Government Desired Outcome

Equitable access to legal services and information.

Agency Service Delivered

Legal aid assistance.

Our Services

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

For the community		For target groups			For legal service providers
Information and advice	Duty lawyer services	Legal advice and legal tasks	Legal representation	Community education services	Regional initiatives for legal practice
To assist members of the public to identify legal problems, understand the alternatives for resolution and the resources available to them in pursuing a legal solution. Includes referral to other agencies and is delivered through public counters in all offices and by 1300 INFOLINE.	To ensure that members of the public brought before the courts have access to legal advice so that they understand the options available for responding to legal proceedings in which they are involved. Available at all Magistrates Court sittings throughout WA, the Family Court of WA and the Children's Court.	To assist people facing legal issues with advice and practical help, including advocacy, drafting of negotiating letters and the preparation of court documentation. Delivered by lawyers and at all office locations, and by paralegal staff under supervision of lawyers.	To ensure persons from priority groups are legally represented to the extent that is necessary and commensurate with their particular individual need. Includes assessment and case management for persons who are refused assistance. Includes all services provided pursuant to a grant of aid, including Alternative Dispute Resolution (ADR).	To ensure priority groups and partner organisations have access to relevant publications, self help kits, community legal education and knowledge resources sufficient to build their capacity and self-reliance in navigating the justice system. Includes electronic access to some legal aid systems and resources, by partner agencies.	To increase the presence of lawyers in regional and remote areas of Western Australia and to ensure legal practice training and professional development is available to providers of legal services in regional and remote areas of Western Australia. Legal Aid WA regional lawyers are trained and supervised and provided professional development opportunities delivered through legal practice training and interactive online learning systems.

3.3.2 CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

There were no changes to the Legal Aid WA's Outcome Based Management Framework during 2016-17.

3.3.3 SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The Legal Aid Commission did not share any responsibilities with other agencies in 2016-17.

4.

Agency Performance

4.1 REPORT ON OPERATIONS

CRIMINAL LAW DIVISION

Main functions

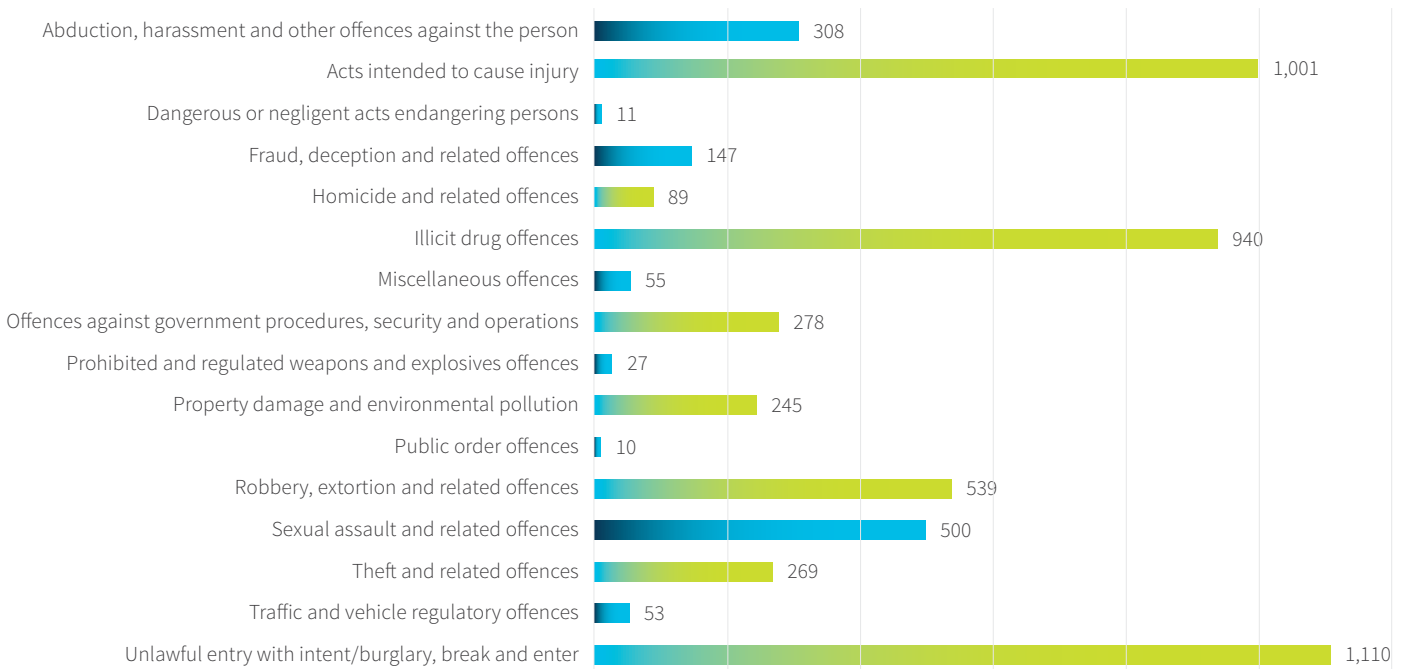
- ▶ Duty lawyer services in the Magistrates Courts and the Children's Court.
- ▶ Legal advice and legal task services to clients on criminal matters.
- ▶ Legal representation for clients where grants of aid have been awarded.
- ▶ Prison visiting information service.
- ▶ Preparing and presenting criminal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

Issues and achievements for 2016-17

- ▶ Prioritisation of grants of aid for indictable matters and appeals to ensure that projected budget savings and grant of aid targets were achieved.
- ▶ Identification of and introduction of practices that enhanced the turn-around of grants of aid to the Criminal Law Division.
- ▶ Managed duty lawyer service delivery in response to the increasing trend of criminal charges, including more complex matters, and reduction in grants of aid for Magistrates Court matters.

- ▶ Monitoring and responding to staff safety and security issues.
- ▶ Major role as a stakeholder in the development of new Family Violence Lists and provision of duty lawyer services to the Fremantle Magistrates Court based pilot.
- ▶ Critical contribution to the successful "Court Status Conference Blitz" conducted in metropolitan Magistrates Courts to reduce matters going to trial.
- ▶ Continued to contribute to the on-going development of the mental health START Court Pilot and continued to provide vital duty lawyer services. Funding has been extended to June 2019.
- ▶ The implementation of a Criminal Law Division SharePoint site which allows for one point of access for all Division related information and quick links to relevant sites and templates.
- ▶ Contributed to the review of criminal law fee components allowed under a grant of aid for representation, the structure of standardised grants and cost rules to allow for efficient transition to automated extensions.
- ▶ Access to continuing professional development presentations around current criminal law issues organised and held in Perth by the Criminal Law Division and provided to regional staff through the use of WebEx technology.

CRIMINAL LAW APPLICATIONS GRANTED BY CATEGORY*



* Criminal Grants use Australian and New Zealand Standard Offence Classification to categorise grants

Issues and Challenges 2017-18

- ▶ A significant challenge will be prioritising criminal law services in light of declining State Government funding for services provided by Legal Aid WA.
- ▶ To have an integral role in the reshaping of guidelines for grants of aid in criminal matters.
- ▶ Closely manage Criminal Law Division grants of aid and profile of work to ensure that projected budget savings are achieved.
- ▶ To build on the capacity of junior lawyers to take on an expanded indictable profile of work.
- ▶ To continue to monitor and respond to issues of safety at external locations, including courts and prisons, for divisional lawyers and other staff.
- ▶ Work closely with the Client Services Division to develop and implement an automated extension of aid process to allow for the automated approval of parcels of work within a framework of agreed business rules and monetary thresholds to minimise risk.
- ▶ Continue to attract eminent practitioners to present case conferences to in-house practitioners as part of a program of on-going professional development and provide access to the regions by a variety of technology options.

CRIMINAL LAW	2012-13 **	2013-14 **	2014-15 **	2015-16 **	2016-17
Abduction, harassment and other offences against the person	234	203	293	264	308
Acts intended to cause injury	1,087	1,242	941	1,038	1,001
Dangerous or negligent acts endangering persons	29	38	37	30	11
Fraud, deception and related offences	168	250	191	142	147
Homicide and related offences	93	85	85	83	89
Illicit drug offences	531	618	715	827	940
Miscellaneous offences	131	113	84	60	55
Offences against government procedures, security and operations ***	457	470	341	324	278
Prohibited and regulated weapons and explosives offences	42	47	51	33	27
Property damage and environmental pollution	231	228	224	237	245
Public order offences	9	27	17	9	10
Robbery, extortion and related offences	580	548	488	513	539
Sexual assault and related offences	333	433	441	498	500
Theft and related offences	270	354	252	289	269
Traffic and vehicle regulatory offences	72	130	73	55	53
Unlawful entry with intent/burglary, break and enter	921	1,056	876	981	1,110
Total	5,188	5,842	5,109	5,383	5,582

** This data set has been restated to remove duplicate counts while a file is transferred from an in-house lawyer to a private lawyer.

*** The category of 'offences against government procedure, security and operations' is principally comprised of such matters as breaching community orders, attempting to pervert the course of justice, breaching restraining orders and breaching other court orders.

FAMILY LAW DIVISION

Main functions

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

- ▶ Provision of social support services to families experiencing family violence who attend the Family Court duty lawyer service as part of the Family Advocacy Support Service funded by the Commonwealth Government.

Issues and achievements for 2016-17

- ▶ Legal Aid WA has maintained its profile as leaders in the practice of the role of the Independent Children's Lawyer (ICL) in Family Court of WA parenting matters and the provision of associated professional development.
- ▶ In partnership with the Family Law Practitioners Association of WA and the WA Family Law Pathways Network, Legal Aid WA has hosted seminars presented by internationally acknowledged social science experts in the field of child psychology.
- ▶ In collaboration with the Northern Suburbs Community Legal Centre, Legal Aid WA has continued to provide a pilot domestic violence service program funded by the Commonwealth Department of the Attorney-General. The service includes a health/justice partnership with the Joondalup Health Campus and local health services, involving screening, identification, referral arrangements and legal advice. In 2016-17, the service expanded to include onsite training of health staff and legal advice to clients in relation to family violence issues.

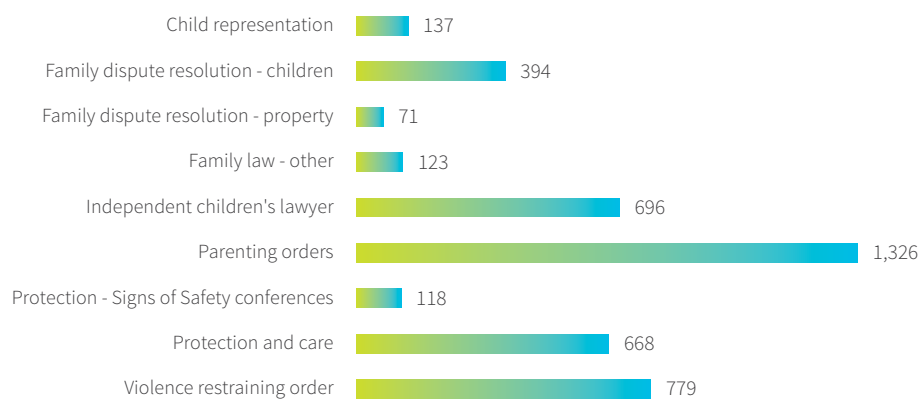
- ▶ Working with the Women's Health and Family Services, and the Department of Child Protection and Family Support, Legal Aid WA has continued to provide a family lawyer to a co-located, holistic, family violence support service at the Domestic Violence Advocacy Service in Northbridge. The service provides safety planning, advocacy and support, counselling, case management and legal advice and support.
- ▶ The Domestic Violence Legal Unit collaborated with community legal centres to provide information and training to non-government and government agencies on the recent changes to Family Violence and Restraining Order laws. Sessions have been presented to staff from the police, the Department for Child Protection and Family Support, women's refuges, private legal practitioners and other groups who interact with people in situations of family violence in their work.
- ▶ The Dispute Resolution Unit continued to provide child inclusive conferences in appropriate matters. In 2016-17, 27 matters were conferenced using a children's consultant to interview the children and provide feedback to the parties during a conference, resulting in settlements in 89% of those matters.
- ▶ There has been successful resolution of late intervention Family Dispute Resolution matters, involving independent children's lawyers. In 2016-17, 133 matters involving independent children's lawyers were conferenced, with 87% achieving a settlement. The remaining 13% narrowed the issues for trial facilitating a reduction in court hearing days. Independent children's lawyers participated in 42% of all matters that were the subject of a Family Dispute Resolution Conference.
- ▶ There was significant input into State and Commonwealth law reform initiatives and policy consultations in the area of family law, child protection and family violence during 2016-17. These included as a key stakeholder in the consultations in respect of the State Government's review of the Children and Community Services Act 2004 and the amendments to the Restraining Orders Act 1997, which in respect of the latter, from 1 July 2017 include the introduction of family violence restraining orders. Funded by the Department of Justice (WA), Legal Aid WA also developed a family violence infographic in relation to the amendments in consultation with stakeholders, to inform community legal centres and associated family violence support services about the amendments.
- ▶ Legal Aid WA continued to play a major role as a stakeholder in the development and implementation of the Family Violence Lists, which replaced the Family Violence Courts. These lists involve a case-management approach focused on increased inter-agency collaboration and sharing of risk-relevant information at an early stage to achieve greater victim safety and perpetrator accountability.

- ▶ Demand for duty lawyer services in the Family Court, Children's Court care and protection matters and in respect of applications for Violence Restraining Orders continues to be high. These services are highly valued by both clients and the courts. Since 31 March 2017, the duty lawyer service at the Family Court of WA has also been offering social support services including risk assessment, counselling, safety planning and referrals to families who have experienced family violence through the Family Advisory and Support Services funding provided by the Commonwealth Government.

Issues and challenges for 2017-18

- ▶ To increase in-house capacity to represent children as independent children's lawyers and child representatives and to establish a succession plan for emerging lawyers to enable them to develop the required skills and act in these roles.
- ▶ To build on the capacity of Family Law Division lawyers to represent applicants in Violence Restraining Order trials and child protection matters and to develop the necessary skills to represent their clients in all areas of family law practice, family law, child protection and family violence.
- ▶ To have an integral role in the implementation of guidelines for the role of child representatives in child protection proceedings, and the provision of the associated professional development.
- ▶ To continue to work with independent children's lawyers in late intervention dispute resolution conferences to facilitate safe and child focused outcomes for children in complex parenting order matters and, where settlement is not possible, narrow the legal issues to significantly reduce trial time.
- ▶ To increase referrals to the Signs of Safety Pre-hearing Conference (Mediation) program and develop associated enhanced Aboriginal engagement processes in collaboration with the Department of Child Protection and Family Support in the context of the challenges associated with the Department of Child Protection and Family Support's permanency planning policy.
- ▶ To continue to work with key stakeholders to seek approval and implementation of the legislative, policy and process changes recommended by the Integrated Services Reference Committee to improve the integration of the family law and child protection jurisdictions in Western Australia.

FAMILY LAW APPLICATIONS BY CATEGORY



FAMILY LAW	2012-13 *	2013-14 *	2014-15 *	2015-16 *	2016-17
Child representation	123	121	108	123	137
Family dispute resolution - children	181	251	289	347	394
Family dispute resolution - property	101	130	99	97	71
Family law - other	119	158	85	103	123
Independent children's lawyer	411	531	460	589	696
Parenting orders	1,025	1,170	919	1,592	1,326
Protection - Signs of Safety conferences	158	181	181	217	118
Protection and care	557	520	497	508	668
Violence restraining order	420	494	589	695	779
Total	3,095	3,556	3,227	4,271	4,312

* This data set has been restated to remove duplicate counts while a file is transferred from an in-house lawyer to a private lawyer.

CIVIL LAW DIVISION

Main Functions

- ▶ Legal advice and legal task work across a broad range of civil law legal assistance matters.
- ▶ Legal representation in limited civil law matters under a grant of legal aid (including claims for criminal injuries compensation).
- ▶ Duty lawyer service for Commonwealth civil law matters, especially Centrelink matters at the Administrative Appeals Tribunal.
- ▶ Administration of the Civil Litigation Assistance Scheme.
- ▶ Legal advice and legal task work in civil law legal assistance matters provided through the Social Inclusion Program for clients with complex or multiple needs.
- ▶ Legal advice and legal task work for self-represented litigants in the Federal Court of Australia and the Federal Circuit Court of Australia.

- ▶ Legal representation at the Administrative Appeals Tribunal for complex and novel appeals of decisions made by the National Disability Insurance Agency.
- ▶ Coordination of a natural disaster legal response throughout the State.

Issues and achievements for 2016-17

- ▶ Maintained capacity to deliver advice, legal task work and representation services across a broad range of civil law matters in the face of a declining State funding environment.
- ▶ Secured a further three year funding agreement to provide the Self-represented Litigants' Service in the Perth registry of the Federal Court of Australia and Federal Circuit Court of Australia. Assistance was provided in relation to the following areas of law: administrative law, appeals (especially migration appeals), bankruptcy, consumer law, fair work, human rights, industrial law and migration. The service provides advice and assistance to self-represented litigants with a focus on analysing the merits of an application or appeal, court process and procedure, disclosure and evidence, manner of drafting

documents, forms and pleadings, and alternative options to resolve the person's legal problems.

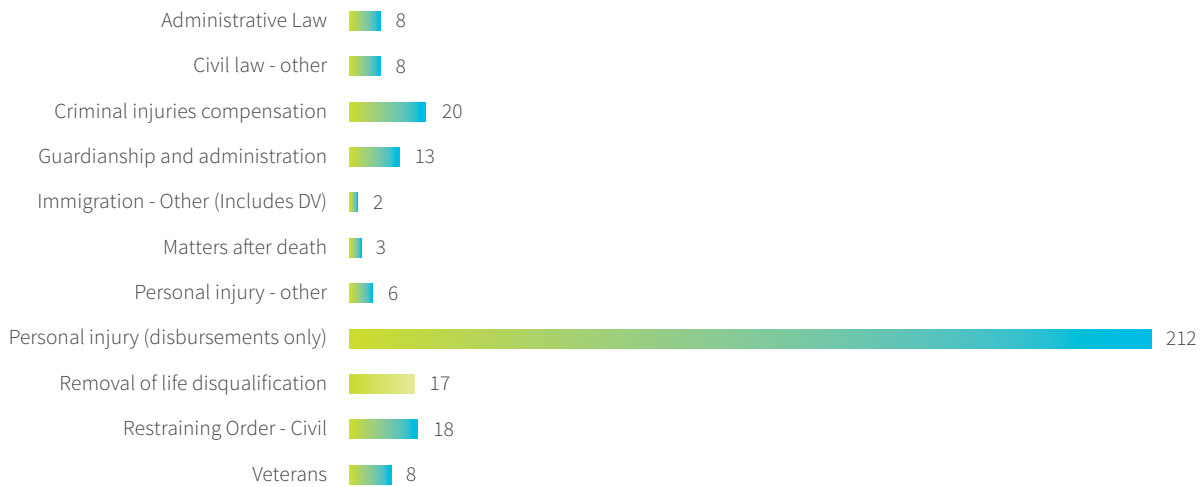
- ▶ Provided assistance to an increasing number of clients who are defendants in mortgage default applications seeking advice about their litigation matter at the Supreme Court WA.
- ▶ Continued legal representation in connection with appeals at the Administration Appeals Tribunal for matters deemed complex and novel under the National Disability Insurance Scheme.
- ▶ Ongoing collaboration with agencies to continue to develop how we best provide assistance to people experiencing elder abuse, especially financial elder abuse. We entered into a Memorandum of Understanding with Advocare and participated in the Elder Abuse Reference Group convened by the Department of the Attorney-General.
- ▶ Met with the Cabinet Sub-Committee on Civil Litigation for Child Sexual Abuse to provide Legal Aid WA's views on law reform regarding the limitation period for civil actions seeking damages for the effect of child abuse.
- ▶ Provided assistance to an increasing number of clients who are in immigration detention and facing deportation as a result of

visa cancellation pursuant to the character test in s501 of the Migration Act (Cth).

Issues and challenges for 2017-18

- ▶ Maintaining a responsive and sustainable civil law legal assistance service in the context of declining State Government funding in 2017-18.
- ▶ With the limited resources that are available, refining and adapting the civil law program to ensure that it is effective in meeting clients' needs and providing maximum impact.
- ▶ Continuing to develop appropriate models of civil law service delivery such as health justice partnerships.
- ▶ Responding in a timely and appropriate way to provide legal assistance to people affected by a natural disaster anywhere in the State.
- ▶ Responding to legal need arising out of the ongoing roll-out of the National Disability Insurance Scheme (NDIS) throughout WA.
- ▶ Providing effective advice and assistance in response to increasing demand for elder financial abuse matters.

CIVIL LAW APPLICATIONS GRANTED BY CATEGORY



CIVIL LAW	2012-13 *	2013-14 *	2014-15 *	2015-16 *	2016-17
Administrative Law	11	25	8	6	8
Civil law - other	44	28	20	2	8
Criminal injuries compensation	44	48	33	35	20
Guardianship and administration	19	19	29	14	13
Immigration - Other (Includes DV)	2	3		2	2
Matters after death	9	5	4	6	3
Personal injury - other	16	7	2	2	6
Personal injury (disbursements only)	227	232	171	199	212
Removal of life disqualification	10	18	11	21	17
Restraining Order - Civil	24	16	14	12	18
Veterans	3	3	6	8	11
Total	409	404	298	307	318

* This data set has been restated to remove duplicate counts while a file is transferred from an in-house lawyer to a private lawyer.

REGIONS DIVISION

Main functions

- ▶ Operates regional offices at locations outside of Perth with offices at Bunbury, Albany, Kalgoorlie, Geraldton, South Hedland, Broome, Kununurra, and satellite offices at Carnarvon and Christmas Island. Each office operates as a microcosm of the broader Legal Aid WA organisation providing the full range of Legal Aid services at regional and remote locations throughout Western Australia including duty lawyer, legal advice, community legal education sessions and grant of aid legal representation on criminal and family law matters. Regional offices provide criminal duty lawyer services at almost every circuit sitting where a magistrate is presiding, including travelling to remote areas of Western Australia.
- ▶ Operates the Central Wheatbelt Outreach Service visiting the towns of Northam, Merredin and Southern Cross.
- ▶ Manages the Central Midlands duty lawyer service visiting Moora and Lancelin. This service is currently contracted to a private lawyer.
- ▶ Operates the Indian Ocean Territories visiting legal service to Cocos Islands and Christmas Island.
- ▶ Manages the community legal centre funding program on behalf of external agencies.

Issues and Achievements for 2016-17

- ▶ Completed an upgrade of the fit out of the Albany office (the original fitout is over 10 years old).
- ▶ Staff safety and security at external [regional] workplaces has been reviewed for several locations during the second half of 2016-17, with plans to complete all regional offices by September 2017. This involves undertaking a full audit to assess staff safety and security when working at external workplaces including regional offices, courts, prisons, lockups, circuits, etc. Findings, including risk assessment, will be presented to Legal Aid WA's Audit Committee during 2017-18.
- ▶ Successful roll out of an automated target setting system for individual staff as a part of the online performance development system. The target setting system now allows for more realistic targets to be set for regional lawyers taking on in-house grants of legal aid.

Issues and Challenges 2017-18

- ▶ Manage the relocation of the Kalgoorlie office.
- ▶ A significant challenge will be prioritising services in light of declining State Government funding for services provided by Legal Aid WA employees.
- ▶ Complete the staff safety and security audit and risk assessment for all external [regional] workplaces by September 2017.

COMMUNITY LEGAL CENTRE FUNDING 2016-17

Centres	Common-wealth CLC Funding	Common-wealth Grant Funding	Family Relation-ships Centre Funding	LCT/CPC Funding	State CLC Funding	SACS	TOTALS
Albany CLS	\$243,060		\$32,745	\$53,500		\$35,859	\$365,164
Bunbury CLC	\$193,489	\$90,000	\$28,883		\$60,942	\$40,613	\$413,927
CASE for Refugees	\$115,042				\$7,885	\$14,957	\$137,884
Citizens Advice Bureau				\$81,400	\$60,942		\$142,342
CLC Association					\$170,232		\$170,232
Consumer Credit Legal Service	\$139,405	\$120,000			\$423,371	\$33,726	\$716,502
EDO WA (De-funded 06/15)							\$-
Fremantle CLC	\$81,856		\$24,256		\$137,673		\$243,785
Geraldton RC	\$248,195		\$50,209		\$154,468	\$38,797	\$491,669
Goldfields CLC	\$241,298		\$30,805			\$35,377	\$307,480
Gosnells CLC	\$233,427	\$120,000	\$26,744		\$244,705	\$49,428	\$674,304
Kimberley CLS	\$320,898	\$120,000	\$36,104			\$62,017	\$539,019
Mental Health Law Centre					\$816,732		\$816,732
Northern Suburbs CLC	\$286,156	\$120,000	\$26,744	\$330,000		\$56,283	\$819,183
Peel CLC		\$90,000	\$48,139		\$474,345	\$17,960	\$630,444
Pilbara LS	\$252,346	\$90,000				\$44,510	\$386,856
RAWA (PAFVPLS)					\$708,000		\$708,000
SCALES	\$179,870		\$24,256		\$174,695	\$26,539	\$405,360
Street Law Centre WA Inc	\$67,916			\$195,000		\$8,830	\$271,746
Sussex Street CLS	\$303,938		\$24,256	\$114,120	\$8,674	\$42,670	\$493,658
Tenancy WA Incorporated	\$133,297						\$133,297
WRAS	\$205,240	\$80,000		\$37,200	\$16,952	\$37,085	\$376,477
Wheatbelt CLC		\$90,000		\$299,520		\$11,701	\$401,221
Women's Law Centre	\$409,399		\$38,513			\$58,235	\$506,147
Youth Legal Service WA	\$80,089			\$71,000	\$251,177	\$10,413	\$412,679
Costs for CLASS/TIS	\$149,425						\$149,425
	\$3,884,346	\$920,000	\$391,654	\$1,181,740	\$3,710,793	\$625,000	\$10,713,533

LEGAL PRACTICE DEVELOPMENT DIVISION

Main functions

- ▶ Provides in-person and online community legal education and information to the general public, core client groups, frontline community support workers and other external stakeholders.
- ▶ Provides and co-ordinates in-person and online legal training to in-house lawyers, the community legal sector, private practitioners and law graduates.
- ▶ Manages the panel of private legal practitioners undertaking an ongoing program of education, audit and review.
- ▶ Maintains responsibility for Legal Aid WA's Professional Practice Standards, including overseeing the external Quality Practice Standard Audit.
- ▶ Maintains Legal Aid WA's external website and supports the delivery of frontline legal information and services through the provision of a range of publications and regular updates on the law.

Issues and achievements for 2016-17

- ▶ Rolled out a comprehensive in-person community legal education program providing legal information to over 15,000 Western Australians in 2016-17 (including over 10,000 school students participating in R U Legal? sexting, sex and consent, cyber bullying and identity theft education sessions).
- ▶ Continued to work on a number of large projects including:
 - ▶ The Commonwealth funded 'Blurred Borders' project. This project is using visual art to explain legal concepts to Aboriginal people living close to the WA/NT border to improve awareness of the legal issues that arise in relation to bail and violence restraining orders when they cross the border.
 - ▶ The State funded Community Legal Education Family Violence Project. Produced a two and a half minute animated infographic on the introduction of new Family Violence Restraining Orders.
 - ▶ The creation of a new comprehensive self-help Community Online Resource Essential module on 'Getting a Family Violence Restraining Order.
 - ▶ Continued to upgrade and redevelop Legal Aid WA's external website.

- ▶ Continued to provide accredited training online and in-person via Legal Aid WA's learning management system, Train-N-Track. Train-N-Track now has 1073 registered active users (886 lawyers), houses 112 online modules (81 legal, 23 admin, 8 public facing) and operates as a booking manager for major in-person training events. From 1 July 2016 to 30 June 2017, Legal Aid WA awarded 3594 Continuing Professional Development points to Western Australian lawyers.
- ▶ Continued to undertake comprehensive and routine statewide audits of firms taking grants of legal aid.
- ▶ Delivered the annual three day Summer Series of legal professional development for legal practitioners in areas of family, criminal and civil law.

Issues and challenges for 2017-18

- ▶ Complete stage two (violence restraining orders) of the Commonwealth funded 'Blurred Borders' project. Using visual art to explain legal concepts to Aboriginal people living close to the WA/NT borders to improve awareness of the legal issues that arise in relation to bail and violence restraining orders when they cross the border.
- ▶ Continue to roll out a comprehensive community legal education program with particular focus on:
 - ▶ The R U Legal program in schools – including the introduction of a new module 'R U Legal Leavers' covering potential legal issues arising out of schoolies week.
 - ▶ Capacity building community legal education training for frontline community support workers.
- ▶ Continue to assist with service delivery and provide relevant legal alerts and publications, to support frontline legal service delivery by Legal Aid WA staff and service partners and to provide legal information to the public.
- ▶ In light of declining State Government funding for services provided by Legal Aid WA employees, continue to develop comprehensive self-help resources for people who are unable to access other forms of legal help.

TOP 30 LEGAL AID WA FEE EARNERS

Rank	Firm	Net Solicitor Fees
1	BANNERMAN SOLICITORS	661,902.90
2	READER LAWYERS & MEDIATORS	654,727.53
3	CALVERLEY JOHNSTON	540,752.87
4	CMS LEGAL	508,585.00
5	BARONE CRIMINAL LAWYERS	415,275.16
6	SKLARZ LAWYERS PTY LTD	376,046.97
7	IAN HOPE	366,207.80
8	OSWALD LEGAL PTY LTD	345,894.73
9	PLATINUM LEGAL	318,639.75
10	WAYNE DAWKINS LAWYERS PTY LTD	263,259.70
11	FERRIER ATHANASIOU & KAKULAS PTY LTD	247,641.46
12	MCDONALD & SUTHERLAND	232,564.20
13	DAVID MCKENZIE LEGAL PTY LTD	223,526.85
14	GARY RODGERS BARRISTER AND SOLICITOR	220,360.80
15	SIMON WATTERS	205,620.80
16	FISHER LEGAL PTY LTD	205,155.61
17	HOLDEN BARLOW	200,577.30
18	CPK LEGAL	196,322.37
19	COBALT LEGAL	191,812.50
20	BEN TYERS BARRISTER & SOLICITOR	189,407.90
21	S V PHILLIPS & CO	167,985.40
22	SHADDICKS	165,617.65
23	LEACH LEGAL	165,236.20
24	GRIFFITHS RICE AND CO	164,167.85
25	LEE MATHER BARRISTER	163,941.80
26	CURT HOFMANN & CO	161,000.03
27	WA CRIMINAL LAW PTY LTD	159,973.45
28	CHRISTOPHER STOKES AND ASSOCIATES	159,332.80
29	ALANA PADMANABHAM BARRISTERS AND SOLICITORS	158,906.00
30	ARNDT LEGAL	156,789.60

CLIENT SERVICES DIVISION

Main functions

- ▶ Assessing applications for grants of aid.
- ▶ Providing an information and telephone referral service for queries of a general nature from members of the public.
- ▶ Providing legal advice and performing legal tasks for members of the public requiring initial advice and/or assistance with handling their own legal issues.
- ▶ Engaging the private profession to act in a wide range of criminal, family and civil law matters.

Issues and achievements for 2016-17

- ▶ Continued the implementation of the recommendations of the Intake Assessment and Referral report, resulting in significant improvements to the grant of aid rate.
- ▶ Responded to continuing increased demand for grants of aid for indictable matters and more complex family law matters by successfully applying supplementary funding to areas of need with a 23% increase in Independent Children's lawyer appointments from the previous year.
- ▶ Reviewed Legal Aid WA's assessing policy, procedures and guidelines to enhance the consistency and quality of decision making when assessing applications for grants of aid.

- ▶ Was awarded additional Commonwealth funding to commence and run a Family Violence Property pilot for family law matters where the recipients of aid would otherwise not have been given assistance, due to harsh funding restrictions.
- ▶ Introduced improved technology to Infoline that saw significant client management benefits and allowed more effective recognition and history of client calls.
- ▶ Introduced systems that resulted in a marked drop in abandoned calls and an increase in completed calls without any additional cost.

Issues and challenges for 2017-18

- ▶ Balance increasing demand for grants of aid for serious criminal matters and more complex family law matters, within a challenging budget environment.
- ▶ Continue to review the intake functions within the Client Services Division, in order to further streamline and enhance client experiences so that clients receive the best possible service at the earliest opportunity.
- ▶ Work closely with the Criminal Law Division, Family Law Division, Civil Law Division and Regions to implement practices that allow for rapid and efficient assignment of grants in-house.
- ▶ Work collaboratively with the Family Law Division and the Family Court of WA to pilot an expansion of the categories for which an independent children's lawyer can be appointed and funded and to meet the costs of the Family Law Property pilot.
- ▶ Continue work on the logical design and implementation of automatic processing of specified claims for grant of aid work and automatic processing of specified extensions of aid.

BUSINESS SERVICES DIVISION

Main functions

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

- ▶ Finance, including overall financial management, delivery of performance information to internal and external stakeholders, internal audit and administration services.
- ▶ Information management, including management of information systems and technology, management reporting and library services.
- ▶ Human resources, including training, recruitment, performance monitoring, payroll services and occupational safety and health.
- ▶ Asset management and facilities management at 32 St Georges Terrace, Perth.
- ▶ Policy advice to the Attorney General and coordination of policy issues across Legal Aid WA.
- ▶ Providing a secretariat to Legal Aid WA's Board of Commissioners.

Issues and achievements for 2016-17

- ▶ Implemented a new automated target setting system for staff as a part of the online performance development review process, to link in to and improve the reliability and efficiency of the business planning cycle across the agency.
- ▶ Developed and implemented an orderly approach to the identification and funding of capital assets within the organisation.
- ▶ Provided staff with greater access to business information stored in corporate databases.
- ▶ Replaced regional ICT server infrastructure.
- ▶ Substantial progress towards completing a safety and health review of external workplace locations where services are provided by Legal Aid WA.
- ▶ Substantial progress towards finalising the outstanding technical and building quality issues arising from Legal Aid WA's relocation to 32 St Georges Terrace, Perth.
- ▶ Substantial progress towards implementing new Commonwealth reporting arrangements which are a requirement under the 5-year National Partnership Agreement for Legal Assistance Services that commenced in 2015-16.

Issues and challenges for 2017-18

- ▶ A significant challenge will be reducing the costs of supporting and delivering legal assistance services in light of declining State Government funding.
- ▶ Implement a Safety Management Plan to establish the overall management of occupational safety and health objectives for Legal Aid WA.
- ▶ Raise any concerns identified through the review of external workplaces where Legal Aid WA staff deliver services with the relevant agency responsible for the location and identify ways to mitigate risks.
- ▶ Develop and implement enhanced business productivity software.
- ▶ Provide enhanced disaster recovery facilities.
- ▶ Review data classification to improve information security.
- ▶ Develop efficiencies in grants management software.

4.1.1. ACTUAL RESULTS VERSUS BUDGET TARGETS

Financial Targets

	2016-17 Estimates ⁽¹⁾ \$000	2016-17 Actual \$000	Variation ⁽²⁾ \$000
Total cost of services (expense limit) (sourced from Statement of Comprehensive Income)	75,427	79,579	4,152 ^(a)
Net cost of services (sourced from Statement of Comprehensive Income)	40,494	44,955	4,461 ^(b)
Total equity (sourced from Statement of Financial Position)	16,713	17,452	739
Net increase/(decrease) in cash held (sourced from Statement of Cash Flows)	(2,245)	2,210	4,455 ^(c)
Salary expense level	32,763	32,366	-136

1. As specified in the Annual Report for 2015-16.

2. Further explanations are also contained in Note 35 'Explanatory statement' to the financial statements.

- a. The increase in cost of services is largely due to the higher than budgeted Legal Services Expenses in 2016-17. There was a continuing increase in the numbers of indictable matters in the District and Supreme Courts together with a significant increase in the number of matters in the Family Court. All of these matters attract a higher cost. Supplementary funding of \$4.105 million was provided for the additional costs of indictable matters in the District and Supreme Courts.
- b. The increase in net cost of services is largely due to the higher than budgeted Legal Services Expenses in 2016-17. The Commission has received supplementary funding of \$4.105 million from the State Government for these additional costs, which is reflected in Income from State Government.
- c. The net movement of cash is higher than estimate mainly due to a distribution of \$1.795 million received from the Proceeds of Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres, and receipt of supplementary funding of \$4.105 million from the State Government for additional costs committed for indictable matters in the District and Supreme Courts, with only \$2.181 million of these committed costs paid in cash, leaving balance of \$1.924 million cash remaining to be paid to private practitioners.

Summary of Key Performance Indicators

	2016-17 Target ⁽¹⁾	2016-17 Actual	Variation ⁽²⁾
Outcome: Equitable access to legal services and information.			
Key Effectiveness Indicators:			
Percentage of eligible applicants who receive a grant of legal aid	87%	85%	(2%)
Percentage of persons who are provided with a duty lawyer service ⁽³⁾			
Percentage of callers successfully accessing infoline services	17%	20%	3%
Service: Legal Aid Assistance	67%	67%	0%
Key Efficiency Indicators:			
Average cost per legal representation	\$3,725	\$3,813	\$88
Average cost per legal information service ⁽⁴⁾	\$47	\$56	\$9
Average cost per legal advice	\$221	\$224	\$3
Average cost per application for a grant of legal aid processed ⁽⁵⁾	\$387	\$426	\$39
Average cost of delivering regional initiatives for legal practice ⁽⁶⁾	\$247	\$198	(\$49)

- As specified in the budget statements for 2016-17.
- Explanations for the variations between target and actual results are presented in Disclosures and Legal Compliance under the Performance Indicators for 2016-17.
- The Department of Justice has implemented new counting rules for court appearances, as such the actual percentage for 2016-17 and prior year comparatives have been restated, resulting in a higher percentage of persons being provided with a duty lawyer service. The 2016-17 budget target was based on the old counting rules.
- There is an overall trend of increasing complexity across all law types which means each information service takes longer to produce. A combination of an increase in reported family violence and an increase in indictable and complex criminal matters has influenced the 2016-17 result.
- The average cost of assessing and processing of applications for grants of aid was expected to reduce in 2016-17 as a result of further system upgrades anticipated to commence implementation in that period. However, due to delays largely outside of the agency's control, these upgrades are now expected to be made in the 2017-18 and 2018-19 financial years. This coupled with the impact of funding restrictions, necessitating increased scrutiny of applications, has led to the increase in the average cost of assessing applications for legal aid. In addition, the average cost is higher than the 2016-17 budget partially due to the new counting rules which has reduced the output unit counts and therefore the higher calculated average costs.
- The lower than budgeted costs in 2016-17 is largely attributed to extra regional training for the Blurred Borders project being delivered to a larger number of participants.

5.

Significant issues impacting the agency

Community Legal Centre Funding

Community Legal Centres (CLCs) are an essential component of the legal assistance sector in Western Australia, providing assistance to over 30,000 clients each year. CLCs provide important, front-line services to some of the most disadvantaged and vulnerable people in the WA community and assist clients to resolve their legal problems using early intervention strategies. Legal Aid WA performs the role of State Program Manager and manages CLC funding for the State and Commonwealth Governments, as delivery of CLC services is an important part of the legal assistance framework in Western Australia.

On 24 April 2017 the Commonwealth Attorney-General announced that the impending Commonwealth funding cut to CLCs would be reversed and additional, defined funding of \$1.746 million would be provided to CLCs in WA to provide services targeted to increasing family and domestic violence (FDV) services for disadvantaged clients.

On 26 April 2017 the WA Government announced that it would provide replacement additional State funding of \$1.144 million for CLCs in 2017/18 to make up for a shortfall in Trust funding to CLCs resulting from a lack of distributions of funds from the Legal Contribution Trust.

The Commonwealth and State funding announcements for CLCs in 2017 were welcomed by the CLC sector and Legal Aid WA as fundamental to reversing likely serious negative impacts on the legal assistance sector in WA and a devastating reduction in CLC services to disadvantaged and needy clients.

During 2016-17 Legal Aid WA assisted to convene the Collaborative Service Planning Group (CSPG) under the NPA. Important Legal Need Mapping Reports were completed for the CSPG in 2016-17 and can be accessed on the Legal Aid WA website at:

<https://www.legalaid.wa.gov.au/LegalAidServices/publications/Pages/Joint-review-of-WA-CLCs.aspx>

Pressure on court based and representation services

Legal Aid WA has experienced a significant increase in the numbers and costs of State based family law matters granted over the past three years. The high pressure areas are Protection and Care matters and applications for Violence Restraining Orders. It is also anticipated that significant changes to the rules relating to restraining orders will substantially impact on State-based family law matters. These increases are in line with the rise in notifications to the Department of Child Protection and Family Support with respect to both children at risk and family violence. Although there

are multiple influences involved, one of the most influential issues in the State family law area with regard to increasing numbers and costs, is the sharp increase in methamphetamine use in the community.

In addition, in response to unforeseen and unprecedented cost and demand pressure for grants of legal aid for matters in the indictable jurisdiction, Legal Aid WA has reallocated resources from grants of aid for all but the most serious of matters in the Magistrates Court, towards funding grants of aid for indictable matters in the District and Supreme Courts. The reallocation of resources away from the Magistrates Court has in turn resulted in increased complexity of matters dealt with at duty lawyer level. Additional pressure on the Legal Aid duty lawyer service has come through the Aboriginal Legal Service withdrawing their services from most metropolitan courts. Funding restrictions have also resulted in duty lawyer services no longer being provided for traffic lists resulting in backlogs developing in some courts.

While the State Government continues to provide supplementary funding for indictable criminal cases in the District and Supreme Courts that are assigned to private lawyers to ensure that persons facing charges on very serious matters will almost always receive legal representation, no additional funding has been provided to address cost and demand pressures for legal representation for State criminal or family matters in the Magistrates Court or the Children's Court.

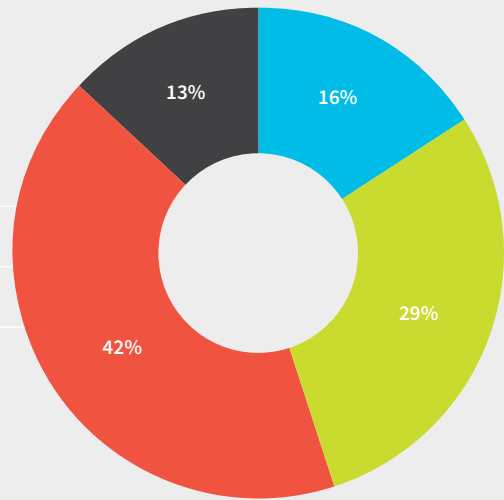
Safety at external locations for Legal Aid WA staff

For many staff at Legal Aid WA, their place of work can include metropolitan and regional courts (including circuit courts) and prisons throughout Western Australia. At some of these locations, staff have reported incidents with clients which can be categorised as threats to the health and safety of those staff members. In 2015-16 and 2016-17, some of these court-based security and safety concerns were reported to the Department of Justice (formerly the Department of the Attorney General. Recent attention has focused on security issues at the Northbridge Police Complex and Courthouse where there is a lower security presence in the building compared to metropolitan courts and the security scanner is not manned.

Legal Aid WA has conducted an external workplace audit during 2016-17. Once the report is finalized, it will be submitted to the relevant agencies with responsibility for the facilities and locations where safety is identified as being an issue of concern, to seek commitment to address the issues raised.

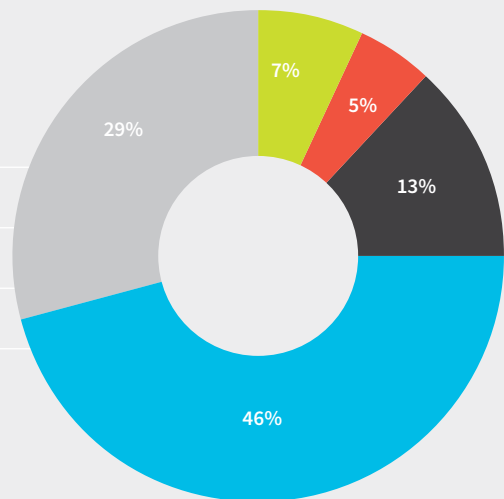
ALLOCATION OF RESOURCES 2016-17

- Legal Service Expenses
- Salaries and Related Expenses
- CLC Grants (State & Commonwealth)
- Others



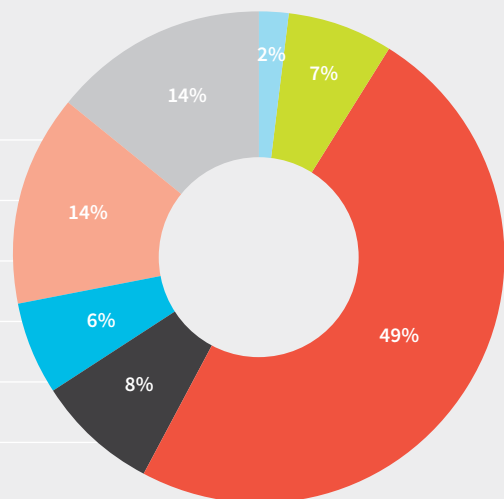
OUTPUTS BY SERVICE TYPE 2016-17

- Assessment and Case Management
- Legal Representation
- Legal Advice & Legal Task
- Information Services
- Duty Lawyer



RESOURCES BY SERVICE TYPE

- Assessment and Case Management
- Legal Representation
- Legal Advice & Legal Task
- Information Services
- Duty Lawyer
- Community Legal Centres
- Other Community Services



6.

Disclosures and Legal Compliance

6.1 Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

LEGAL AID COMMISSION OF WESTERN AUSTRALIA

Report on the Financial Statements

Opinion

I have audited the financial statements of the Legal Aid Commission of Western Australia which comprise the Statement of Financial Position as at 30 June 2017, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Legal Aid Commission of Western Australia for the year ended 30 June 2017 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Commission in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Commission for the Financial Statements

The Commission is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Commission determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commission is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission.
- Conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Legal Aid Commission of Western Australia. The controls exercised by the Commission are those policies and procedures established by the Commission to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Legal Aid Commission of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2017.

The Commission's Responsibilities

The Commission is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators**Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of the Legal Aid Commission of Western Australia for the year ended 30 June 2017. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Legal Aid Commission of Western Australia are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2017.

The Commission's Responsibility for the Key Performance Indicators

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Commission determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Commission is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

This auditor's report relates to the financial statements and key performance indicators of the Legal Aid Commission of Western Australia for the year ended 30 June 2017 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ACTING DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
30 August 2017

6.2 Financial Statements

6.2.1 Certification of Financial Statements

FOR THE YEAR ENDED 30 JUNE 2017

The accompanying financial statements of the Legal Aid Commission of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2017 and the financial position as at 30 June 2017.

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



Lee Baker
Chief Finance Officer

Date: 30/8/2017



Lex Payne
Director of Legal Aid
Member of the Commission

Date: 30/8/2017



Hon. Jane Crisford SC
Chair of the Commission

Date: 30/8/2017

6.2.2 STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	32,366,387	30,529,603
Supplies and services	8	5,058,350	4,831,523
Depreciation and amortisation expense	9	824,280	956,389
Accommodation expenses	10	6,117,332	5,526,282
Legal services expenses	11	23,299,815	22,518,258
Loss on disposal of non-current assets	18	-	28,448
Other expenses	12	11,912,712	11,928,407
Total cost of services		79,578,876	76,318,910
Income			
<i>Revenue</i>			
User charges and fees	14	2,938,822	2,989,352
Commonwealth grants and contributions	15	30,579,916	29,966,117
Interest revenue	16	895,525	1,044,045
Other revenue	17	210,005	1,180,807
Total Revenue		34,624,268	35,180,321
<i>Gains</i>			
Gain on disposal of non-current assets	18	-	-
Total Gains		-	-
Total income other than income from State Government		34,624,268	35,180,321
NET COST OF SERVICES	31	44,954,608	41,138,589
Income from State Government	19		
State Government Grant		45,305,560	42,370,220
Royalties for Regions Fund		113,799	114,548
Total income from State Government		45,419,359	42,484,768
SURPLUS/(DEFICIT) FOR THE PERIOD	30	464,751	1,346,179
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit and loss			
Changes in asset revaluation surplus		(287,400)	(375,800)
Gains/(losses) recognised directly in equity		-	-
Total other comprehensive income		(287,400)	(375,800)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		177,351	970,379

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

6.2.3 STATEMENT OF FINANCIAL POSITION

As at June 2017

	Note	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	31	31,496,692	29,461,081
Restricted cash and cash equivalents	20,31	228,800	179,651
Receivables	21	3,016,797	2,812,723
Other current assets	22	361,923	454,789
Total Current Assets		35,104,212	32,908,244
Non-Current Assets			
Restricted cash and cash equivalents	20,31	125,312	-
Receivables	21	5,050,339	4,820,840
Property plant & equipment	23	2,093,020	2,475,445
Intangible assets	25	497,322	395,709
Total Non-Current Assets		7,765,993	7,691,994
TOTAL ASSETS		42,870,205	40,600,238
LIABILITIES			
Current Liabilities			
Payables	27	18,739,651	17,000,311
Provisions	28	5,041,604	4,784,852
Other current liabilities	29	30,929	27,659
Total Current Liabilities		23,812,184	21,812,822
Non-Current Liabilities			
Provisions	28	1,606,514	1,513,260
Total Non-Current Liabilities		1,606,514	1,513,260
TOTAL LIABILITIES		25,418,697	23,326,082
NET ASSETS		17,451,507	17,274,156
EQUITY			
	30		
Contributed equity		595,669	595,669
Reserves		270,576	557,976
Accumulated surplus		16,585,262	16,120,511
TOTAL EQUITY		17,451,507	17,274,156

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

6.2.4 STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2017

	Note	Contributed equity \$	Reserves \$	Accumulated surplus \$	Total equity \$
Balance at 1 July 2015	30	595,669	933,776	14,774,332	16,303,777
Surplus		-	-	1,346,179	1,346,179
Other Comprehensive Income		-	(375,800)	-	(375,800)
Total comprehensive income for the period		-	(375,800)	1,346,179	970,379
Balance at 30 June 2016		595,669	557,976	16,120,511	17,274,156
Balance at 1 July 2016		595,669	557,976	16,120,511	17,274,156
Surplus		-	-	464,751	464,751
Other Comprehensive Income		-	(287,400)	-	(287,400)
Total comprehensive income for the period		-	(287,400)	464,751	177,351
Balance at 30 June 2017		595,669	270,576	16,585,262	17,451,507

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

6.2.5 STATEMENT OF CASH FLOWS

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM STATE GOVERNMENT			
State Government Grant		45,305,560	42,370,220
Royalties for Regions Fund		113,799	114,548
Net cash provided by State Government		45,419,359	42,484,768
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(31,921,072)	(31,728,211)
Supplies and services		(4,776,975)	(5,156,977)
Accommodation		(6,098,031)	(6,258,711)
Legal services		(22,197,962)	(19,384,852)
GST payments on purchases		(4,494,744)	(4,248,697)
Other payments		(11,745,248)	(12,065,983)
Receipts			
User charges and fees		2,728,587	2,666,919
Commonwealth grants and contributions		30,579,916	29,861,314
Interest received		925,619	905,600
GST receipts on sales		33,595	223,827
GST receipts from taxation authority		4,331,543	4,061,146
Other receipts		175,925	2,607,230
Net cash provided by/(used in) operating activities	31	(42,458,847)	(38,517,395)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(750,440)	(447,805)
Receipts			
Proceeds from sale of non-current physical assets	18	-	-
Net cash provided by/(used in) investing activities		(750,440)	(447,805)
Net increase/(decrease) in cash and cash equivalents		2,210,072	3,519,568
Cash and cash equivalents at the beginning of period		29,640,732	26,121,164
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	31	31,850,804	29,640,732

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

6.3 INDEX OF NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Subject	Policy Note	Disclosure Note	Title of the Policy Note
General	1		Australian Accounting Standards
General	1		<i>General</i>
General	1		<i>Early adoption of standards</i>
General	2		Summary of significant accounting policies
General	2(a)		<i>General Statement</i>
General	2(b)		<i>Basis of preparation</i>
General	2(c)	38, 39	<i>Reporting entity</i>
General	2(d)	30	<i>Contributed equity</i>
Income	2(e)		Income
Income	2(e)		<i>Revenue recognition</i>
Income	2(e)		<i>Sale of goods</i>
Income	2(e)	14	<i>Provision of services</i>
Income	2(e)	16	<i>Interest</i>
Income	2(e)	19	<i>State government grant</i>
Income	2(e)	15, 17	<i>Grants, donations, gifts and other non-reciprocal contributions</i>
Income	2(e)	18	<i>Gains</i>
Assets	2(f)	23	<i>Property, plant and equipment</i>
Assets	2(g)	25	<i>Intangible assets</i>
Assets	2(h)	26	<i>Impairment of assets</i>
Assets / Liability	2(i)	11, 27	<i>Grant of aid</i>
Expense	2(j)	10	<i>Leases</i>
Assets / Liability	2(k)	36	<i>Financial Instruments</i>
Assets	2(l)	31	<i>Cash and cash equivalents</i>
Assets / Liability	2(m)	20, 27	<i>Accrued salaries</i>
Assets	2(n)	21	<i>Receivables</i>
Liability	2(o)	27	<i>Payables</i>
Liability	2(p)	28	<i>Provisions</i>
Expense	2(q)	6	<i>Superannuation expense</i>
Expense	2(r)	8	<i>Books and technical journals</i>
Revenue / Asset	2(s)	19	<i>Assets and services received free of charge</i>
General	2(t)		<i>Jointly controlled operations</i>
General	2(u)		<i>Comparative figures</i>
General	3		Judgements made by management in applying accounting policies
General	4		Key sources of estimation uncertainty
General	5		Disclosure of changes in accounting policy and estimates
Expense	2(p)	6, 28	Employee benefits expense
Expense		8	Supplies and services
Expense		9	Depreciation and amortisation expense
Expense		10	Accommodation expense
Expense		11	Legal services expense
Expense		12	Other expenses
General		13	Related Party Transactions
Income		14	User charges and fees
Income	2(e)	15	Commonwealth grants and contributions

This index does not form part of the financial statements

6.3 INDEX OF NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Subject	Policy Note	Disclosure Note	Title of the Policy Note
Income	2(e)	16	Interest revenue
Income	2(e)	17	Other revenue
Income / Expense	2(e)	18	Net gain / (loss) on disposal of non-current assets
Income	2(e)	19	Income from State Government
Assets	2(m)	20, 31	Restricted cash and cash equivalents
Assets	2(n)	21	Receivables
Assets		22	Other assets
Assets	2(f)	23	Property, plant and equipment
Assets		24	Fair value measurements
Assets	2(g)	25	Intangible assets
Assets	2(h)	26	Impairment of assets
Liability	2(o)	27	Payables
Liability	2(p)	28	Provisions
Liability		29	Other liabilities
Equity	2(d)	30	Equity
Cash Flow		31	Notes to the statement of cash flows
General		32	Commitments
General		33	Contingent liabilities and contingent assets
General		34	Events occurring after the end of the reporting period
General		35	Explanatory statement
General	2(k)	36	Financial Instruments
General	2(k)	36(a)	<i>Financial risk management objectives and policies</i>
General	2(k)	36(b)	<i>Categories of financial instruments</i>
General	2(k)	36(c)	<i>Financial instrument disclosures</i>
General		37, 12	Remuneration of auditor
General	2(c)	38	Related bodies
External	2(c)	39	Affiliated bodies
External		40	Special purpose accounts
General		41	Supplementary financial information
General		41(a)	<i>Write offs</i>
General		41(b)	<i>Losses through theft, defaults and other causes</i>
General		42	Special category funding
General		42(i)	<i>Finance Brokers Legal Fund</i>
General		42(ii)	<i>Department of Child Protection and Family Support Legal Fund</i>
General		42(iii)	<i>Indian Ocean Territories</i>
General		42(iv)	<i>State expensive cases</i>
General		42(v)	<i>Commonwealth expensive cases</i>
General		42(vi)	<i>Commonwealth proceeds of crime</i>
General		43	Community legal centres

This index does not form part of the financial statements

6.3.1 NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Note 1. Australian Accounting Standards

General

The Commission's financial statements for the year ended 30 June 2017 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

Early adoption of standards

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Commission for the annual reporting period ended 30 June 2017.

Note 2. Summary of significant accounting policies

(a) General statement

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

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

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

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land and buildings which have been measured at fair value. The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

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

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Commission's accounting policies resulting in the

most significant effect on amounts recognised in the financial statements.

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

(c) Reporting entity

The reporting entity comprises the Commission. There are no related bodies. Refer to note 38 'Related bodies'.

(d) Contributed equity

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

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

(e) Income

Revenue recognition

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

Revenue is recognised for the major business activities as follows:

Sale of goods

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

Provision of services

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

Interest

Revenue is recognised as the interest accrues.

State Government Grant

State Government Grants are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account. See also note 19 'Income from State Government' for further information.

Note 2. Summary of significant accounting policies (continued)

Grants, donations, gifts and other non-reciprocal contributions

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

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

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

Gains

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

(f) Property, plant and equipment

Capitalisation/expensing of assets

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

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost.

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

Subsequent measurement

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

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

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the

depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately, with the change in the gross carrying amount of the asset. Fair value for restricted use of land is determined by comparison with market evidence for land with similar approximate utility (high restricted use of land) or market value of comparable unrestricted land (low restricted use of land).

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

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

Derecognition

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

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis as described in note 23 'Property, plant and equipment'.

Depreciation

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

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

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

Land is not depreciated.

Note 2. Summary of significant accounting policies (continued)

(g) Intangible assets

Capitalisation/expensing of assets

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

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

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

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

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

Licences	3 years
Software ^(a)	4 to 10 years

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

Licences

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

Development costs

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

Computer software

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

(h) Impairment of assets

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

as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

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

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

See also note 26 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(n) 'Receivables' and 21 'Receivables' for impairment of receivables.

(i) Grant of aid

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

Levies towards the cost of aid by Legal Aid clients are recognised as an asset on approval of the grant of aid. Provision for bad debts is provided for in accordance with note 21 'Receivables'.

(j) Leases

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

Note 2. Summary of significant accounting policies (continued)

(k) Financial instruments

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

- ▶ Loans and receivables; and
- ▶ financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

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

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

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

(l) Cash and cash equivalents

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

(m) Accrued salaries

Accrued salaries (see note 27 'Payables') represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. (see note 20 'Restricted cash and cash equivalents').

(n) Receivables

Un-secured debtors

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

Secured debtors

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

See also note 2(k) 'Financial Instruments' and note 21 'Receivables'.

(o) Payables

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

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

See also note 2(k) 'Financial Instruments' and note 27 'Payables'.

(p) Provisions

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

See also note 28 'Provisions'

Provisions - employee benefits

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

Annual leave

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

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

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

Note 2. Summary of significant accounting policies (continued)

Long service leave

A liability for long service leave is recognised after an employee has completed 4 years of service based on remuneration rates current as at the end of the reporting period. An actuarial assessment of long service leave undertaken by PricewaterhouseCoopers Actuaries at 30 June 2015 determined that the liability measured using the short-hand measurement technique above was not materially different from the liability determined using the present value of expected future payments. This calculation is consistent with the Commission's experience of employee retention and leave taken.

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

Sick leave

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

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

Deferred leave

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

Purchased leave

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

Superannuation

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

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the

Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

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

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

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

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

Provisions - other

Employment on-costs

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

See also note 12 'Other expenses' and note 28 'Provisions'.

(q) Superannuation expense

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

(r) Books and technical journals

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

Note 2. Summary of significant accounting policies (continued)

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

Assets and services received free of charge or for nominal cost that the Commission would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

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

(t) Jointly controlled operations

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

(u) Comparative figures

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

Note 3. Judgements made by management in applying accounting policies

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

Operating lease commitments

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

Note 4. Key sources of estimation uncertainty

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

Technological equipment

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

Grants of aid

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

Leasehold improvements

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

Long service leave

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

Non-current debtors – provision for discount

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

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The Commission has applied the following Australian Accounting Standards effective or adopted for annual reporting periods beginning on or after 1 July 2017 that impacted on the Commission.

AASB 1057	<p><i>Application of Australian Accounting Standards</i></p> <p>This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.</p>
AASB 2014-3	<p><i>Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]</i></p> <p>The Commission establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.</p>
AASB 2014-4	<p><i>Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]</i></p> <p>The adoption of this Standard has no financial impact for the Commission as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.</p>
AASB 2014-9	<p><i>Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</i></p> <p>This Standard amends AASB 127, and consequentially amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. As the Commission has no joint ventures and associates, the application of the Standard has no financial impact.</p>
AASB 2015-1	<p><i>Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012 2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</i></p> <p>These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012 2014 Cycle in September 2014, and editorial corrections. The Commission has determined that the application of the Standard has no financial impact.</p>
AASB 2015 2	<p><i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</i></p> <p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.</p>
AASB 2015-6	<p><i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]</i></p> <p>The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.</p>
AASB 2015-10	<p><i>Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 & 128</i></p> <p>This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & AASB 128 that were originally made in AASB 2014 10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. There is no financial impact.</p>

Note 5. Disclosure of changes in accounting policy and estimates (continued)**Future impact of Australian Accounting Standards not yet operative**

The Commission cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements* or by an exemption from TI1101. Consequently, the Commission has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Commission. Where applicable, the Commission plans to apply the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	<p>Financial Instruments</p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition And Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 15	<p>Revenue from Contracts with Customers</p> <p>This Standard establishes the principles that the Commission shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The Commission's income is principally derived from appropriations which will be measured under AASB 1058 <i>Income of Not for Profit Entities</i> and will be unaffected by this change. However, the Commission has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Commission has discharged its performance obligations.</p>	1 Jan 2019
AASB 16	<p>Leases</p> <p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.</p> <p>Whilst the impact of AASB 16 has not yet been quantified, the entity currently has operating lease commitments for \$94,433,655. The worth of non cancellable operating leases which the Commission anticipates most of this amount will be brought onto the statement of financial position, excepting amounts pertinent to short term or low value leases. Interest and amortisation expense will increase and rental expense will decrease.</p>	1 Jan 2019
AASB 1058	<p>Income of Not-for-Profit Entities</p> <p>This Standard clarifies and simplifies the income recognition requirements that apply to not for profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, or a performance obligation (a promise to transfer a good or service), or, an obligation to acquire an asset. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
AASB 2010-7	<p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018

Note 5. Disclosure of changes in accounting policy and estimates (continued)

		Operative for reporting periods beginning on/after
AASB 2014-1	<p>Amendments to Australian Accounting Standards</p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Commission to determine the application or potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-5	<p>Amendments to Australian Accounting Standards arising from AASB 15</p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-7	<p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Commission has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-10	<p>Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]</p> <p>This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The Commission has determined that the application of the Standard has no financial impact.</p>	1 Jan 2018
AASB 2015-8	<p>Amendments to Australian Accounting Standards – Effective Date of AASB 15</p> <p>This Standard amends the mandatory effective date (application date) of AASB 15 Revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. Not For Profit entities, the mandatory effective date has subsequently been amended to 1 January 2019 by AASB 2016 7. The Commission has not yet determined the application or the potential impact of AASB 15.</p>	1 Jan 2019
AASB 2016-2	<p>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107</p> <p>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. There is no financial impact.</p>	1 Jan 2017
AASB 2016-3	<p>Amendments to Australian Accounting Standards – Clarifications to AASB 15</p> <p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Commission has not yet determined the application or the potential impact.</p>	1 Jan 2018
AASB 2016-4	<p>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</p> <p>This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement. The Commission has not yet determined the application or the potential impact.</p>	1 Jan 2017
AASB 2016-7	<p>Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not for Profit Entities</p> <p>This Standard amends the mandatory effective date (application date) of AASB 15 and defers the consequential amendments that were originally set out in AASB 2014 5 Amendments to Australian Accounting Standards arising from AASB 15 for not-for-profit entities to annual reporting periods beginning on or after 1 January 2019, instead of 1 January 2018. There is no financial impact.</p>	1 Jan 2017

Note 5. Disclosure of changes in accounting policy and estimates (continued)

		Operative for reporting periods beginning on/after
AASB 2016-8	<i>Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not for Profit Entities</i> This Standard inserts Australian requirements and authoritative implementation guidance for not for profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.	1 Jan 2019
AASB 2017-2	<i>Amendments to Australian Accounting Standards - Further Annual Improvements 2014 - 2016 Cycle</i> This Standard clarifies the scope of AASB 12 by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5. There is no financial impact.	1 Jan 2017

Note 6. Employee benefits expense

	2017 \$	2016 \$
Wages and salaries ^(a)	29,488,614	27,792,035
Superannuation - defined contribution plans ^(b)	2,877,773	2,737,568
	32,366,387	30,529,603

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

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

Employment on-costs expenses, such as workers' compensation insurance are included at note 12 'Other expenses'.
Employment on-costs liability is included at note 28 'Provisions'.

Note 7. Compensation of Key Management Personnel

The Commission has determined that key management personnel include State Attorney General, members of the Commission, and Senior Officers of the Commission. However, the Commission is not obligated to compensate Attorney General and therefore the disclosures in relation to State Attorney General's compensation may be found in the Annual Report on State Finances.

	2017	2016
Total compensation for key management personnel comprising members and senior officers, of the Commission for the reporting period are presented within the following bands.		
Compensation of members of the Commission		
Compensation Band (\$)		
0 - 10,000	5	5
20,001 - 30,000	1	1
410,001 - 420,000	-	1
420,001 - 430,000	1	-
	7	7

Note 7. Compensation of Key Management Personnel (continued)

Compensation of senior officers		
	2017	2016
Compensation Band (\$)		
160,001 - 170,000	1	-
170,001 - 180,000	1	-
180,001 - 190,000	1	-
190,001 - 200,000	1	1
220,001 - 230,000	-	1
230,001 - 240,000	1	1
240,001 - 250,000	1	3
250,001 - 260,000	3	1
260,001 - 270,000	1	-
300,001 - 310,000	1	1
	11	8
	\$	\$
Short-term employee benefits	2,518,247	2,024,096
Post-employment benefits	229,975	196,144
Other long-term benefits	266,370	221,577
Termination benefits	-	-
Total Compensation of key management personnel	3,014,592	2,441,817

Note 8. Supplies and services

	2017	2016
	\$	\$
Communications	799,440	837,312
Consumables	984,037	1,037,441
Consultants Fees	210,344	161,055
Maintenance	1,058,891	982,768
Travel	374,740	393,503
Information technology	802,785	715,423
Practicing Certificates and Fees	203,927	192,269
Audit Fees ^(a)	141,863	126,861
Other Supplies and Services	482,323	384,891
	5,058,350	4,831,523

(a) Includes audit cost, see note 37 'Remuneration of auditor'.

Note 9. Depreciation and amortisation expenses

	2017 \$	2016 \$
<i>Depreciation</i>		
Buildings	2,600	4,200
Fixtures and fittings	2,814	3,223
Leasehold improvements	172,888	164,353
Furniture and equipment	362,089	335,791
Total depreciation	540,390	507,567
<i>Amortisation</i>		
Intangible assets	283,889	448,822
Total amortisation	283,889	448,822
Total depreciation and amortisation	824,280	956,390

Note 10. Accommodation expenses

	2017 \$	2016 \$
Lease rentals	6,061,981	5,488,134
Repairs and Maintenance	55,351	38,148
	6,117,332	5,526,282

Note 11. Legal services expenses

	2017 \$	2016 \$
<i>Grant of aid expenses</i>		
Casework	23,212,639	22,425,832
	23,212,639	22,425,832
<i>Other service expenses</i>		
Legal advice	48,382	43,053
Duty lawyer	38,794	49,373
	87,176	92,426
	23,299,815	22,518,258

Note 12. Other expenses

	2017 \$	2016 \$
Bad debts written off	161,516	148,452
Doubtful debts expense	(52,558)	(49,767)
Employment on-costs ^(a)	2,892	823
Staff training	70,111	51,806
State CLC program	4,892,533	4,860,383
Commonwealth CLC program ^(b)	5,800,492	5,540,575
Other staff related expenses	492,245	750,020
Plant and Equipment	227,312	175,490
Other Expenses	318,169	450,625
	11,912,712	11,928,407

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(b) Commonwealth Community Legal Centres (CLC) funding comes under National Partnership Agreements from 2015-16. Legal Aid WA includes transactions related to the Commonwealth CLCs in its financial statements for the first time in 2015-16 as it has effective decision making over the allocation of funds

Note 13. Related Party Transactions

The Commission is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Commission is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to State.

Related parties of the department include:

- ▶ all Ministers and their close family members, and their controlled or jointly controlled entities;
- ▶ all senior officers and their close family members, and their controlled or jointly controlled entities;
- ▶ other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements;
- ▶ associates and joint ventures, that are included in the whole of government consolidated financial statements; and
- ▶ the Government Employees Superannuation Board (GESB).

Significant transactions with government related entities

Significant transactions include:

- ▶ State Government Grant (Note19);
- ▶ Royalties for Regions Fund (Note19);
- ▶ Superannuation payments to GESB (Note 6);
- ▶ Remuneration of services provided by the Auditor General (Note 37).

Details of material transactions between the Commission and other related parties are disclosed below:

The Legal Aid Commission assigns client files to a panel of private lawyers who are appointed through a formal selection process. In 2016-17, the Commission had related party transactions with 3 parties who are key management personnel of the Commission. The parties were assigned client files by the Commission and provided legal services to the Commission's clients to the value of \$140,774. These expenses were arm's length transactions following the Commission's formal assignment processes. As at 30 June 2017 the amount payable is \$97,635.

Note 14. User charges and fees

	2017 \$	2016 \$
Client contributions and fees on grants of aid	1,538,177	1,628,970
Recovered costs on grants of aid	1,236,328	1,183,794
Legal advice fees	8,716	24,324
Duty lawyer fees	69,289	85,184
Community legal education	86,312	67,080
	2,938,822	2,989,352

Note 15. Commonwealth grants and contributions

	2017 \$	2016 \$
National Partnership Agreement on Legal Assistance Services ^(a)	29,851,000	29,182,229
Christmas/Cocos Islands ^(b)	363,498	533,888
Other Commonwealth Funding ^(c)	365,418	250,000
	30,579,916	29,966,117

(a) The National Partnership Agreement (NPA) on Legal Assistance Services expired in June 2015 and extended for 5 years to 30th June 2020. The terms of the funding are generally intended to fund matters within the Commonwealth jurisdiction, the NPA also seeks to promote investments in preventative law and early intervention initiatives. The funded amount for 2016-17 was \$29.851 million.

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

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

Note 16. Interest revenue

	2017 \$	2016 \$
Interest earned on Legal Aid Operational Funds	962,206	928,430
Implicit interest write back on debtors ^(a)	(66,681)	115,615
	895,525	1,044,045

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

Note 17. Other revenue

	2017 \$	2016 \$
State - Specific purpose contributions	26,500	-
Other miscellaneous income	148,505	233,357
Legal contribution trust	-	397,450
Lease Incentive ^(a)	35,000	550,000
	210,005	1,180,807

(a) In 2015-16, Landlord provided Legal Aid WA (as the Tenant) with a fitout contribution of \$550,000 on renewal of the lease for the Geraldton regional office. The contribution was applied to the fit out works, and it was expended at Legal Aid WA's discretion with no items owned by the landlord.

Note 18. Net gain/(loss) on disposal of non-current assets

	2017 \$	2016 \$
<i>Carrying amount of non-current assets disposed</i>	-	28,448
Plant, equipment and vehicles		
<i>Proceeds from disposal of non-current assets</i>	-	-
Plant, equipment and vehicles		
Net gain/(loss)	-	(28,448)

Note 19. Income from State Government

	2017 \$	2016 \$
<i>Appropriation received during the period:</i>		
Legal Aid Assistance Grant ^(a)	43,511,000	41,888,000
Other State Community Legal Centre Funding	1,794,560	482,220
	45,305,560	42,370,220
<i>Royalties for Regions Fund</i>		
Royalties for Regions Funding ^(b)	113,799	114,548
	113,799	114,548
	45,419,359	42,484,768

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

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

Note 20. Restricted cash and cash equivalents

	2017 \$	2016 \$
<i>Current</i>		
Commonwealth Paid Parent Fund	3,809	1,458
Child representation trust fund	5,000	5,000
Commonwealth Community Legal Centre Fund	219,991	173,193
Total Current	228,800	179,651
<i>Non-current</i>		
Accrued salaries suspense account (27th pay provision) ^(a)	125,312	-
Total non-Current	125,312	-

(a) These unspent funds held in suspense account are only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

Note 21. Receivables

	2017 \$	2016 \$
<i>Current</i>		
Debtors - unsecured	2,989,482	2,886,311
Allowance for impairment of receivables	(567,033)	(619,591)
GST receivable	333,129	321,371
Interest receivable	261,219	224,632
Total current	3,016,797	2,812,723
<i>Non-current</i>		
Debtors - secured ^(a)	5,399,505	5,103,325
Allowance for impairment of receivables	(20,000)	(20,000)
Allowance for discount ^(b)	(329,166)	(262,485)
Total non-current	5,050,339	4,820,840
Total Receivables	8,067,136	7,633,563
<i>Reconciliation of changes in the allowance for impairment of receivables:</i>		
Balance at start of period	639,591	689,358
Doubtful debts expense	108,956	98,685
Amounts written off during the period	(161,515)	(148,452)
Balance at end of period	587,033	639,591

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

(b) History shows that the average repayment period of secured debts is approximately 4.76 years. No interest is charged on the outstanding debt. An implicit interest adjustment is made to take account of this long term repayment aspect.

Debtors - secured, were discounted at 1.99% (2016: 1.663%) using the 5 year government bond rate (per Financial Review) at June 30, 2017.

Note 22. Other assets

	2017 \$	2016 \$
<i>Current</i>		
Prepayments	361,923	454,789
Total current	361,923	454,789

Note 23. Property, plant, and equipment

	2017 \$	2016 \$
<i>Land</i>		
At fair value ^(a)	225,000	450,000
	225,000	450,000
<i>Buildings</i>		
At fair value ^(a)	65,000	130,000
Accumulated depreciation	-	-
	65,000	130,000
<i>Fixtures and fittings</i>		
At cost	36,718	42,708
Accumulated depreciation	(32,059)	(35,235)
	4,659	7,473
<i>Leasehold improvements</i>		
At cost	2,288,935	2,773,976
Accumulated depreciation	(1,356,610)	(1,668,764)
	932,324	1,105,212
<i>Office equipment</i>		
At cost	2,834,670	2,876,028
Accumulated depreciation	(2,080,792)	(2,093,268)
	753,878	782,760
<i>Work in Progress</i>		
At cost	112,159	-
	112,159	-
	2,093,020	2,475,444

(a) Land and buildings were re-valued as at 1 July 2016 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2017 and recognised 30 June 2017. In undertaking the revaluation, fair value was determined by reference to market values for land: \$225,000 and buildings: \$65,000 (30 June 2016: land: \$450,000 and buildings: \$130,000).

Note 23. Property, plant, and equipment (continued)

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

	Land \$	Buildings \$	Fixtures and Fittings \$	Leasehold Improve- ments \$	Office Equipment \$	Work in Progress \$	Total \$
2017							
Carrying amount at start of period	450,000	130,000	7,473	1,105,212	782,760	-	2,475,445
Additions	-	-	-	-	333,207	112,159	445,366
Transfer	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Revaluation increments/ (decrements)	(225,000)	(62,400)	-	-	-	-	(287,400)
Impairment losses ^(a)	-	-	-	-	-	-	-
Impairment losses reversed ^(a)	-	-	-	-	-	-	-
Depreciation	-	(2,600)	(2,813)	(172,888)	(362,089)	-	(540,390)
Carrying amount at end of period	225,000	65,000	4,660	932,324	753,878	112,159	2,093,021
2016							
Carrying amount at start of period	750,000	210,000	10,696	928,666	1,025,677	94,200	3,019,239
Additions	-	-	-	-	31,226	336,795	368,021
Transfers	-	-	-	340,899	90,096	(430,995)	-
Disposals	-	-	-	-	(28,448)	-	(28,448)
Revaluation increments/ (decrements)	(300,000)	(75,800)	-	-	-	-	(375,800)
Depreciation	-	(4,200)	(3,223)	(164,353)	(335,791)	-	(507,567)
Carrying amount at end of period	450,000	130,000	7,473	1,105,212	782,760	-	2,475,445

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

Information on fair value measurements is provided in Note 24

Note 24. Fair value measurements

Assets measured at fair value:	Level 1 \$	Level 2 \$	Level 3 \$	Fair Value At end of period \$
2017				
Land (Note 23)	-	225,000	-	225,000
Buildings (Note 23)	-	65,000	-	65,000
	-	290,000	-	290,000

Assets measured at fair value:	Level 1 \$	Level 2 \$	Level 3 \$	Fair Value At end of period \$
2016				
Land (Note 23)	-	450,000	-	450,000
Buildings (Note 23)	-	130,000	-	130,000
	-	580,000	-	580,000

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

Valuation Techniques to derive Level 2 fair values

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

Note 25. Intangible assets

	2017 \$	2016 \$
<i>Computer software</i>		
At cost	2,186,913	2,004,718
Accumulated amortisation	(1,905,918)	(1,708,793)
Accumulated impairment losses	-	-
	280,995	295,925
<i>Licenses</i>		
At cost	312,522	312,522
Accumulated amortisation	(312,522)	(225,758)
Accumulated impairment losses	-	-
	-	86,764
<i>Work in Progress</i>		
At cost	216,327	13,020
	216,327	13,020
	497,322	395,709

Note 25. Intangible assets (continued)

Reconciliation:	2017	2016
	\$	\$
<i>Computer software</i>		
Carrying amount at start of period	295,924	640,572
Additions	182,195	-
Amortisation expense	(197,125)	(344,649)
Carrying amount at end of period	280,995	295,924
<i>Licenses</i>		
Carrying amount at start of period	86,765	190,938
Additions	-	-
Amortisation expense	(86,765)	(104,173)
Carrying amount at end of period	(0)	86,765
<i>Work in Progress</i>		
Carrying amount at start of period	13,020	-
Additions	203,307	13,020
Transfers	-	-
Carrying amount at end of period	216,327	13,020

Note 26. Impairment of assets

There were no indications of impairment to property, plant and equipment or intangible assets at 30 June 2017.

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

There were no surplus assets at 30 June 2017 that have either been classified as assets held for sale or written off.

Note 27. Payables

	2017	2016
	\$	\$
<i>Current</i>		
Grant of aid commitments	17,838,082	16,643,565
Accrued expenses	738,414	329,065
Accrued salaries ^(a)	110,002	4,755
Accrued superannuation ^(a)	30,533	452
Staff benefit fund	22,416	22,270
Unclaimed monies	204	204
Total current	18,739,651	17,000,311

(a) Accrued salaries and superannuation: Amount owing is 1 salary day as last pay occurred on 29 June 2017 (In 2016 - The last pay occurred on 30 June 2016).

See also note 2(o) 'Payables' and note 36 'Financial Instruments'

Note 28. Provisions

	2017 \$	2016 \$
Current		
<i>Employee benefits provision</i>		
Annual leave ^(a)	1,459,308	1,337,576
Long service leave ^(b)	3,472,653	3,395,670
Deferred leave	-	-
Purchased leave	62,704	6,550
	4,994,665	4,739,796
<i>Other provisions</i>		
Employment on-costs ^(c)	46,939	45,056
Provision for make-good	-	-
	46,939	45,056
	5,041,604	4,784,852
Non-current		
<i>Employee benefits provision</i>		
Long service leave ^(b)	1,590,498	1,498,253
	1,590,498	1,498,253
<i>Other provisions</i>		
Employment on-costs ^(c)	16,016	15,007
	16,016	15,007
	1,606,514	1,513,260

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

	2017 \$	2016 \$
Within 12 months of the end of the reporting period	1,318,678	1,208,678
More than 12 months after the reporting period	140,630	128,898
	1,459,308	1,337,576

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

	2017 \$	2016 \$
Within 12 months of the end of the reporting period	1,288,552	1,245,484
More than 12 months after the reporting period	3,774,599	3,648,439
	5,063,151	4,893,923

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

The associated expense, apart from the unwinding of the discount (finance cost), is disclosed at note 12 'Other expenses'.

Note 28. Provisions (continued)

Movements in other provisions	2017	2016
	\$	\$
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
<i>Employment on-cost provision</i>		
<i>Current</i>		
Carrying amount at start of period	45,056	44,539
Additional/(reversals of) provisions recognised	1,883	517
Payments/other sacrifices of economics benefits	-	-
Carrying amount at end of period	46,939	45,056
<i>Non-current</i>		
Carrying amount at start of period	15,007	14,701
Additional/(reversals of) provisions recognised	1,009	306
Payments/other sacrifices of economics benefits	-	-
Carrying amount at end of period	16,016	15,007

Note 29. Other liabilities

	2017	2016
	\$	\$
<i>Current</i>		
Department of Child Protection and Family Support Funding in advance	22,121	21,203
Child representation trust fund	5,000	5,000
Commonwealth paid parenting fund	3,808	1,456
Total current	30,929	27,659

Note 30. Equity

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

Contributed equity

	2017 \$	2016 \$
Balance at start of period	595,669	595,669
<i>Contribution by owners</i>		
Capital Appropriation	-	-
Total contributions by owners	-	-
<i>Distribution to owners</i>		
Net assets transferred to government	-	-
Total distributions to owners	-	-
Balance at end of period	595,669	595,669

Capital appropriations

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

Distributions to owners

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

Reserves

	2017 \$	2016 \$
<i>Asset revaluation surplus</i>		
Balance at start of period	557,976	933,776
Net revaluation increments/(decrements)	-	-
Buildings	(62,400)	(75,800)
Land	(225,000)	(300,000)
Balance at end of period	270,576	557,976

After all amounts duly payable from the Asbestosis Reserve have been paid, any moneys then remaining in the Reserve shall be available, as part of the Legal Aid fund, to the Commission for application by it under the State Act.

Accumulated surplus

	2017 \$	2016 \$
Balance at start of period	16,120,511	14,774,332
Result for the period	464,751	1,346,179
Balance at end of period	16,585,262	16,120,511
Total Equity at end of period	17,451,507	17,274,156

Note 31. Notes to the Statement of Cash Flows

Reconciliation of cash

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

	2017 \$	2016 \$
Cash and cash equivalents	31,496,692	29,461,081
Restricted cash and cash equivalents (note 20 'Restricted cash and cash equivalents')	354,112	179,651
	31,850,804	29,640,732

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

	2017 \$	2016 \$
Net cost of services	(44,954,608)	(41,138,589)
<i>Non-cash items:</i>		
Depreciation and amortisation expense (note 9 'Depreciation and amortisation expense')	824,280	956,390
Doubtful debts expense (note 12 'Other expenses')	108,957	98,685
Net (gain)/loss on disposal of property plant and equipment (note 18 'Net gain/(loss) on sale of non-current assets')	-	28,448
Implicit right back of interest revenue (note 18' Interest Revenue')	66,682	(115,614)
Other	-	18,370
<i>(Increase)/decrease in assets:</i>		
Current receivables ^(a)	(301,268)	1,335,029
Other current assets	92,866	(238,261)
Non-current receivables	(296,180)	(348,614)
<i>Increase/(decrease) in liabilities:</i>		
Current payables ^(a)	1,658,905	1,927,397
Current provisions	256,752	(971,513)
Other current liabilities	3,271	(13,874)
Non-current provisions	93,254	(45,575)
Net GST receipts/(payments) ^(b)	(129,746)	36,275
Change in GST in receivables/payables ^(c)	117,989	(45,949)
Net cash provided by/(used in) operating activities	(42,458,847)	(38,517,395)

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

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

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

Note 32. Commitments

The commitments below are inclusive of GST where relevant.

Operating Lease commitments

	2017 \$	2016 \$
Commitments for minimum accommodation lease payments are payable as follows:		
Within 1 year	6,376,372	6,180,296
Later than 1 year and not later than 5 years	26,550,651	25,855,136
Later than 5 years	61,279,096	68,128,019
	94,206,118	100,163,451

The Commission has entered into property leases which are non-cancellable leases with various terms ranging up to 15 years, with rent payable monthly in advance. Contingent rent provisions within the lease agreements require that the minimum lease payments shall be increased by a combination of CPI or a pre-determined percentage per annum. Options exist to renew the leases at the end of the various terms for additional terms.

Accommodation operating lease commitments for the financial year only include property and car parking lease expenses as required by Accounting Standards and Treasurers Instructions.

	2017 \$	2016 \$
Commitments for minimum motor vehicle lease payments are payable as follows:		
Within 1 year	103,634	141,752
Later than 1 year and not later than 5 years	123,902	175,992
Later than 5 years	-	964
	227,536	318,708

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

Note 33. Contingent assets and contingent liabilities

The Commission has no contingent assets or liabilities in addition to the assets and liabilities included in the financial statements.

Note 34. Events occurring after the end of the reporting period

There were no matters or occurrences have come to the Commission's attention up to the present time which would materially affect the financial statements or disclosures therein or which are likely to materially affect the future results or operations of the Commission.

Note 35. Explanatory statement

This statement provides details of any significant variations between estimates and actual results for 2017 and between the actual results for 2017 and 2016. Significant variations are considered to be those greater than 5% and \$1.509 million for the Statement of Comprehensive Income and Statement of Cash Flows; and greater than 5% and \$767,690 for the Statement of Financial Position.

Statement of Comprehensive Income

	Variance Note	2017 Estimate \$	2017 Actual \$	2016 Actual \$	Variance between Estimate and Actual \$	Variance between Actual for 2017 and 2016 \$
Expenses						
Employee benefit expense	a	32,762,953	32,366,387	30,529,603	(396,567)	1,836,784
Supplies and services		5,593,514	5,058,350	4,831,523	(535,164)	226,828
Depreciation and amortisation expense		976,189	824,280	956,389	(151,909)	(132,109)
Accommodation expenses		5,735,710	6,117,332	5,526,282	381,622	591,050
Legal Services expenses	1	19,089,646	23,299,815	22,518,258	4,210,169	781,557
Loss on disposal of non-current assets		-	-	28,448	-	(28,448)
Other expenses		11,268,915	11,912,712	11,928,407	643,797	(15,695)
Total Cost of Services		75,426,928	79,578,876	76,318,910	4,151,949	3,259,967
Income						
User charges and fees		2,297,911	2,938,822	2,989,352	640,911	(50,531)
Commonwealth grants and contributions		30,587,570	30,579,916	29,966,117	(7,654)	613,799
Interest revenue		940,344	895,525	1,044,045	(44,819)	(148,521)
Other revenue		1,107,102	210,005	1,180,807	(897,097)	(970,802)
Total Revenue		34,932,927	34,624,267	35,180,321	(308,660)	(556,055)
Gains						
Gain on disposal of non-current assets		-	-	-	-	-
Total Gains		-	-	-	-	-
Net Cost of Services		40,494,001	44,954,610	41,138,589	4,460,610	3,816,022
Income from State Government						
State Government Grant	2, b	39,606,000	45,305,560	42,370,220	5,699,560	2,935,340
Royalties for Regions Fund		120,000	113,799	114,548	(6,201)	(749)
Total income from State Government		39,726,000	45,419,359	42,484,768	5,693,359	2,934,591
Surplus / (Deficit) for the period		(768,001)	464,749	1,346,179	1,232,749	(881,431)

Major Variance Narratives

Variations between estimate and actual

- 1 There was a continuing increase in the demand for grants of aid for indictable matters in the District and Supreme Courts together with a significant increase demand for grants of aid in the Family Court during 2016-17. All of these matters attract a higher cost than provided for in the budget.
- 2 The State Government Grant is higher than budget largely due to supplementary funding received for State Indictable matters, together with the distribution from the Proceeds of Crime Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres.

Variations between actual results for 2017 and 2016

- a The increase in 2016-17 is largely due to an increase in full time equivalent employees after the recruitment freeze that was in place during 2015-16 ceased on 30th June 2016, together with 2.5% salary increase on 13th June 2016 which impacts on the 2016-17 salary and superannuation costs.
- b The State Government Grant is higher than prior year mainly due to a distribution of \$1.795 million received from the Proceeds of Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres, and receipt of an additional \$1 million of supplementary funding from the State Government for additional costs for indictable matters in the District and Supreme Courts. Supplementary funding of \$4.105 million was received for indictable matters in 2016-17 compared to \$3.1 million in 2015-16.

Note 35. Explanatory statement (continued)

Statement of Financial Position

	Variance Note	2017 Estimate \$	2017 Actual \$	2016 Actual \$	Variance between Estimate and Actual \$	Variance between Actual for 2017 and 2016 \$
ASSETS						
Current Assets						
Cash and cash equivalents	1, a	26,377,332	31,496,692	29,461,081	5,119,360	2,035,611
Restricted cash and cash equivalents		171,875	228,800	179,651	56,925	49,149
Receivables	2	3,865,198	3,016,797	2,812,723	(848,401)	204,074
Other current assets		245,370	361,923	454,789	116,553	(92,866)
Total Current Assets		30,659,775	35,104,212	32,908,244	4,444,437	2,195,968
Non-Current Assets						
Restricted cash and cash equivalents		110,000	125,312	-	15,312	125,312
Receivables		4,668,778	5,050,339	4,820,840	381,561	229,499
Property plant & equipment		2,612,926	2,093,020	2,475,445	(519,906)	(382,425)
Intangible assets		333,059	497,322	395,709	164,263	101,613
Total Non-Current Assets		7,724,763	7,765,993	7,691,994	41,230	73,999
TOTAL ASSETS		38,384,538	42,870,205	40,600,238	4,485,667	2,269,967
LIABILITIES						
Current Liabilities						
Payables	3, b	14,276,962	18,739,651	17,000,311	4,462,689	1,739,340
Provisions		5,780,461	5,041,604	4,784,852	(738,857)	256,752
Other current liabilities		36,822	30,929	27,659	(5,893)	3,270
Total Current Liabilities		20,094,245	23,812,184	21,812,822	3,717,939	1,999,362
Non-Current Liabilities						
Provisions		1,577,324	1,606,514	1,513,260	29,190	93,254
Total Non-Current Liabilities		1,577,324	1,606,514	1,513,260	29,190	93,254
TOTAL LIABILITIES		21,671,569	25,418,698	23,326,082	3,747,129	2,092,616
NET ASSETS		16,712,969	17,451,507	17,274,156	738,538	177,351
EQUITY						
Contributed equity		595,669	595,669	595,669	-	-
Reserves		933,776	270,576	557,976	(663,200)	(287,400)
Accumulated surplus	4	15,183,524	16,585,262	16,120,511	1,401,738	464,751
TOTAL EQUITY		16,712,969	17,451,507	17,274,156	738,538	177,351

Major Variance Narratives

Variations between estimate and actual

- The cash and cash equivalents is higher than estimate mainly due to a distribution of \$1.795 million received from the Proceeds of Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres, and receipt of supplementary funding of \$4.105 million from the State Government for additional costs committed for indictable matters in the District and Supreme Courts, with only \$2.181 million of these committed costs paid in cash, leaving balance of \$1.924 million cash remaining to be paid to private practitioners.
- As compared with the estimates, more clients have been making payments towards their outstanding debts (un-secured) during 2016-17. This is partially due to the increased effort in following up debtors.
- The payables are significantly higher than estimated which is largely due to the continuing increase in the numbers of indictable matters in the District and Supreme Courts together with a significant increase in the number of matters in the Family Court. All of these matters attracts a higher cost which increases the payable balance for Legal Services.
- The increase in accumulated surplus is resulting from the surplus position for 2016-17 as compared with the estimated deficit position. The surplus position is largely due to a distribution from the Proceeds of Crime Criminal Confiscation fund for Community Legal Centres which was not fully expended in 2016-17.

Variations between actual results for 2017 and 2016

- The variance represents the cash flow movement for 2016-17. Refer to Statement of Cash flow of 2016-17 for details.
- As compared with last year, there is a trend of continuing increase in the numbers of indictable matters in the District and Supreme Courts together with a significant increase in the number of matters in the Family Court. All of these matters attract a higher cost.

Note 35. Explanatory statement (continued)**Statement of Cash Flows**

	Variance Note	2017 Estimate \$	2017 Actual \$	2016 Actual \$	Variance between Estimate and Actual \$	Variance between Actual for 2017 and 2016 \$
CASH FLOWS FROM STATE GOVERNMENT						
State Government Grant	1, a	39,606,000	45,305,560	42,370,220	5,699,560	2,935,340
Royalties for Regions Fund		120,000	113,799	114,548	(6,201)	(749)
Net cash provided by State Government		39,726,000	45,419,359	42,484,768	5,693,359	2,934,591
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits		(32,643,104)	(31,921,072)	(31,728,211)	722,032	(192,861)
Supplies and services		(5,678,514)	(4,776,975)	(5,156,977)	901,539	380,002
Accommodation		(5,645,710)	(6,098,031)	(6,258,711)	(452,321)	160,680
Legal services	2, b	(20,017,062)	(22,197,962)	(19,384,852)	(2,180,900)	(2,813,110)
GST payments on purchases		(5,147,201)	(4,494,744)	(4,248,697)	652,457	(246,047)
Other payments		(12,177,461)	(11,745,248)	(12,065,983)	432,213	320,735
Receipts						
User charges and fees		2,167,637	2,728,587	2,666,919	560,950	61,668
Commonwealth grants and contributions		30,587,570	30,579,916	29,861,314	(7,654)	718,602
Interest received		940,344	925,619	905,600	(14,725)	20,019
GST receipts on sales		778,924	33,595	223,827	(745,329)	(190,232)
GST receipts from taxation authority		4,368,277	4,331,543	4,061,146	(36,734)	270,397
Other receipts	c	1,107,102	175,925	2,607,230	(931,177)	(2,431,305)
Net cash provided by/(used in) operating activities		(41,359,198)	(42,458,847)	(38,517,395)	(1,099,649)	(3,941,452)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current physical assets		(612,000)	(750,440)	(447,805)	(138,440)	(302,635)
Receipts						
Proceeds from sale of non-current physical assets		-	-	-	-	-
Net cash provided by/(used in) investing activities		(612,000)	(750,440)	(447,805)	(138,440)	(302,635)
Net increase/(decrease) in cash and cash equivalents	3	(2,245,198)	2,210,072	3,519,568	4,455,270	(1,309,496)
Cash and cash equivalents at the beginning of period	d	28,904,405	29,640,732	26,121,164	736,327	3,519,568
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		26,659,207	31,850,804	29,640,732	5,191,597	2,210,072

Major Variance Narratives**Variances between estimate and actual**

1. The State Government Grant is higher than budget largely due to supplementary funding received for State Indictable matters, together with the distribution from the Proceeds of Crime Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres.
2. As compared with budget, there was a continuing increase in the numbers of indicatable matters in the District and Supreme Court together with a significant increase in the number of matters in the Family Court of WA. All of these matters attracts a higher costs which increases the cash payment for Legal Services.
3. The net movement of cash is higher than estimate mainly due to a distribution of \$1.795 million received from the Proceeds of Crime Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres, and receipt of supplementary funding of \$4.105 million from the State Government for additional costs committed for indictable matters in the District and Supreme Courts, with only \$2.181 million of these committed costs paid in cash, leaving balance of \$1.924 million cash remaining to be paid to private practitioners.

Note 35. Explanatory statement (continued)

Variations between actual results for 2017 and 2016

- a. The State Government Grant is higher than prior year largely mainly due to a distribution of \$1.795 million received from the Proceeds of Criminal Confiscation fund to replace the loss of Legal Contribution Trust grant funding for Community Legal Centres, and receipt of an additional \$1 million of supplementary funding from the State Government for additional costs for indictable matters in the District and Supreme Courts. Supplementary funding of \$4.105 million was received for indictable matters in 2016-17 compared to \$3.1 million in 2015-
- b. As compared with last year, there is a trend of continuing increase in the numbers of indictable matters in the District and Supreme Court together with a significant increase in the number of matters in Family Court. All of these matters attracts a higher cost.
- c. Other receipts is lower than the prior year due to insufficient funds being available for distribution to the Commission from the Legal Contribution Trust in 2016-17, as a consequence of the fund being subject to a number of unprecedented defalcation claims in 2015-16.. In addition, in 2015-16, the Commission received a one-off \$550,000 lease incentive for the Geraldton regional office fitout.
- d. The closing cash for 2015-16 is higher than 2014-15 which is mainly due to the increase in Commonwealth funding for the Commission from \$20.548 million to \$23.480 million, in accordance with the new 5-year National Partnership Agreement on Legal Assistance Services commencing in 2015-16.

Note 36. Financial instruments

(a) Financial risk management objectives and policies

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

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 36(c) 'Financial instruments disclosures' and note 21 'Receivables'.

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

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

Liquidity risk

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

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

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

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates which will affect the Commission's income or the value of its holdings of financial instruments. The Commission does not trade in foreign currency and is not materially exposed to other price risks. The Commission's exposure to market risk for changes in interest rates relate primarily to surplus, cash and cash equivalents and restricted cash and cash equivalent investments. Other than as detailed in the interest rate sensitivity analysis table at note 36(c), the Commission is not exposed to interest rate risk because apart from amounts of restricted cash, all other cash and cash equivalents and restricted cash are non interest bearing and it has no borrowings.

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

Note 36. Financial instruments (continued)**(b) Categories of financial instruments**

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

	2017 \$	2016 \$
Financial Assets		
Cash and cash equivalents ^(a)	31,496,692	29,461,081
Restricted cash and cash equivalents	354,111	179,651
Receivables ^(b)	7,734,007	7,312,192
Financial Liabilities		
Payables	18,739,651	17,000,311

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

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

(c) Financial instrument disclosures**Credit risk**

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

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

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

Aged analysis of financial assets

	Carrying Amount \$	Not past due and not impaired \$	Past due but not impaired				Impaired financial assets \$
			Up to 3 months \$	3 months to 1 year \$	1 year to 6 years \$	More than 6 years \$	
2017							
Cash & cash equivalents	31,496,692	31,496,692	-	-	-	-	-
Restricted cash & cash equivalents	354,111	354,111	-	-	-	-	-
Receivables (a)	7,734,007	2,428,689	-	931,360	2,308,443	2,065,515	-
	39,584,811	34,279,492	-	931,360	2,308,443	2,065,515	-
2016							
Cash & cash equivalents	29,461,081	29,461,081	-	-	-	-	-
Restricted cash & cash equivalents	179,651	179,651	-	-	-	-	-
Receivables (a)	7,312,192	2,363,016	-	761,263	2,197,134	1,990,779	-
	36,952,924	32,003,748	-	761,263	2,197,134	1,990,779	-

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

Note 36. Financial instruments (continued)

Liquidity risk and interest rate exposure

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

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

	Weighted Average Effective Interest Rate %	Interest rate exposure				Maturity Dates				
		Carrying Amount \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 3 months \$	3 months to 1 year \$	1 year to 6 years \$	More than 6 years \$
2017										
Financial Assets										
Cash and cash equivalents ^(a)	2.46%	31,496,692	19,845,889	11,644,544	6,260	31,496,692	-			
Restricted cash and cash equivalents	2.70%	354,111	354,111			354,111	-			
Receivables ^(c)	1.99% ^(b)	7,734,007	-	-	7,734,007	7,734,007	-	-	-	-
		39,584,811	20,200,000	11,644,544	7,740,267	39,584,811	-	-	-	-
Financial Liabilities										
Payables		18,739,651			18,739,651	18,739,651	18,739,651	-	-	-
		18,739,651	-	-	18,739,651	18,739,651	18,739,651	-	-	-

(a) The Commission has the right to withdraw term deposits before maturity dates.

(b) Debtors-secured were discounted at 1.99% (2016: 1.663%) which is the 5 year government bond rate as at June 30 2017.

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

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

	Weighted Average Effective Interest Rate %	Interest rate exposure				Maturity Dates				
		Carrying Amount \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non-Interest Bearing \$	Nominal Amount \$	Up to 3 months \$	3 months to 1 year \$	1 year to 6 years \$	More than 6 years \$
2016										
Financial Assets										
Cash and cash equivalents ^(a)	2.97%	29,461,081	17,820,349	11,427,638	213,095	29,461,081	-	-	-	-
Restricted cash and cash equivalents	2.97%	179,651	179,651			179,651	-	-	-	-
Receivables ^(c)	1.663% ^(b)	7,312,192	-	-	7,312,192	7,312,192	-	-	-	-
		36,952,924	18,000,000	11,427,638	7,525,287	36,952,924	-	-	-	-
Financial Liabilities										
Payables		17,000,311	-	-	17,000,311	17,000,311	17,000,311	-	-	-
		17,000,311	-	-	17,000,311	17,000,311	17,000,311	-	-	-

(a) The Commission has the right to withdraw term deposits before maturity dates.

(b) Debtors-secured were discounted at 1.663% (2015: 2.436%) which is the 5 year government bond rate as at June 30 2016.

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

Note 36. Financial instruments (continued)

Interest rate sensitivity analysis

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

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

2017	Carrying amount \$	-100 basis points		+100 basis points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
Financial assets					
Cash and cash equivalents ^(a)	31,490,432	(314,904)	(314,904)	314,904	314,904
Restricted cash and cash equivalents	354,112	(3,541)	(3,541)	3,541	3,541
Total Increase/(Decrease)		(318,445)	(318,445)	318,445	318,445

2016	Carrying amount \$	-100 basis points		+100 basis points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
Financial assets					
Cash and cash equivalents ^(a)	29,454,821	(294,548)	(294,548)	294,548	294,548
Restricted cash and cash equivalents	179,651	(1,797)	(1,797)	1,797	1,797
Total Increase/(Decrease)		(296,345)	(296,345)	296,345	296,345

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

Fair values

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

Note 37. Remuneration of auditor

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

	2017 \$	2016 \$
Auditing the accounts, financial statements and key performance indicators	83,100	82,500

The remuneration of the auditor is included at note 8 'Supplies and services'. The remuneration to 30 June 2017 was not accrued as work was not substantially completed. This amount excludes GST.

Note 38. Related bodies

The Commission had no related bodies during the financial year.

Note 39. Affiliated bodies

The Commission had no affiliated bodies during the financial year.

Note 40. Special purpose accounts

Special Purpose Account

(i) Child Representation Trust Fund

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

	2017 \$	2016 \$
Balance at start of period	5,000	5,000
Receipts	-	-
Payments	-	-
Balance at end of period	5,000	5,000

Established under section 16(1)(b) of Financial Management Act 2006.

(ii) Client Trust Fund

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

	2017 \$	2016 \$
Balance at start of period	11,838	169,736
Receipts	1,167,855	1,128,405
Payments	(851,655)	(1,286,303)
Balance at end of period	328,038	11,838

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

Established under section 16(1)(c) of Financial Management Act 2006.

Note 41. Supplementary financial information

(a) Write-Offs

	2017 \$	2016 \$
Debts written off during the year that were authorised by the Commission.	161,516	148,452
	161,516	148,452

(b) Losses through theft, defaults and other causes

	2017 \$	2016 \$
Losses of public money and public and other property through theft or default	105	-
	105	-

Note 42. Special category funding

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

(i) Finance Brokers Legal Fund

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

	2017 \$	2016 \$
Balance at start of period	167,364	167,364
Expenditure	-	-
Balance at end of period	167,364	167,364

(ii) Department of Child Protection and Family Support Legal Fund

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

	2017 \$	2016 \$
Balance at start of period	21,200	36,533
Funding	5,420	12,519
Expenditure	(4,500)	(27,852)
Balance at end of period	22,120	21,200

(iii) Indian Ocean Territories

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

	2017 \$	2016 \$
Balance at start of period	138,936	104,803
Receipt from Commonwealth	363,498	429,086
User charges and fees	16,185	54,854
Expenditure	(399,826)	(449,807)
Balance at end of period	118,793	138,936

(iv) State Expensive Cases

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

	2017 \$	2016 \$
Balance at start of period	395,647	(40,813)
Funding	2,160,000	3,486,000
Client Contributions	131,065	223,788
Assigned expenditure	(2,558,129)	(2,804,160)
Expenditure for IHP disbursements	(155,586)	(192,038)
In-House legal services expenditure	(130,386)	(277,130)
Balance at end of period	(157,389)	395,647

Note 42. Special category funding (continued)

(v) Commonwealth Expensive Cases

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

	2017 \$	2016 \$
Balance at start of period	208,315	270,816
Supplementary Funding	132,333	-
Expenditure	-	(62,501)
Balance at end of period	340,648	208,315

(vi) Commonwealth Proceeds of Crime

Arrangements exist with the Commonwealth for reimbursement for proceedings where an applicant for aid has property covered by a restraining order under the *Proceeds of Crime Act 2002* (POCA), the costs are reimbursed in accordance with sections 292 and 293 of the Act

	2017 \$	2016 \$
Balance at start of period	-	-
Expenditure	(98,262)	-
Reimbursement	-	-
Balance at end of period	(98,262)	-

Note 43. Community legal centres

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

Commonwealth CLCs funding comes under National Partnership Agreements from 2015-16. Legal Aid WA includes transactions related to the Commonwealth CLCs in its financial statements as it has effective decision making over the allocation of the funds.

Financial transactions for 2016-17 related to the State and Commonwealth funding for CLCs are as follows:

	State	Commonwealth
Balance at start of period	890,665	173,193
Receipts	5,529,059	5,833,454
Payments	(4,892,533)	(5,786,655)
Balance at end of period	1,527,191	219,991

6.4 Audited Key Performance Indicators

6.4.1 CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Legal Aid Commission of Western Australia's performance, and fairly represent the performance of the Legal Aid Commission of Western Australia for the financial year ended 30 June 2017.



Hon. Jane Crisford SC
Chair of the Commission
Date: 30/8/2017



Lex Payne
Director of Legal Aid
Member of the Commission
Date: 30/8/2017

6.4.2 DETAILED INFORMATION IN SUPPORT OF KEY PERFORMANCE INDICATORS

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

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

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

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

Our Services:

For the community		For target groups			For legal service providers
Information and advice	Duty lawyer services	Legal advice, legal task	Legal representation	Community education services	Regional initiatives for legal practice
To assist members of the public to identify legal problems, understand the alternatives for resolution and the resources available to them in pursuing a legal solution. Includes referral to other agencies and is delivered through public counters in all offices and by 1300 INFOLINE.	To ensure that members of the public brought before the courts have access to legal advice so that they understand the options available for responding to legal proceedings in which they are involved. Available at all Magistrate court sittings throughout WA, the Family court of WA and the Children's Court.	To assist people facing legal issues with advice and practical help, including advocacy, drafting of negotiating letters and the preparation of court documentation. Delivered by lawyers and at all office locations, and by paralegal staff under supervision of Solicitors.	To ensure persons from priority groups are legally represented to the extent that is necessary and commensurate with their particular individual need. Includes assessment and case management for persons who are refused assistance. Includes all services provided pursuant to a grant of aid, including Alternative Dispute Resolution (ADR).	To ensure priority groups and partner organisations have access to relevant publications, self-help kits, community legal education and knowledge resources sufficient to build their capacity and self-reliance in navigating the justice system. Includes electronic access to some legal aid systems and resources, by partner agencies.	To increase the presence of lawyers in regional and remote areas of Western Australia and to ensure legal practice training and professional development is available to providers of legal services in regional and remote areas of Western Australia. Legal Aid WA regional lawyers are trained and supervised and provided professional development opportunities delivered through legal practice training and interactive online learning systems.

Effectiveness Indicators

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

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

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

Desired Outcomes and Key Effectiveness/Efficiency Indicators

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

Effectiveness indicators	2013-14 Actual %	2014-15 Actual %	2015-16 Actual %	2016-17 Budget %	2016-17 Actual %	Reasons for significant variance * between current actuals and target and prior year comparative
Percentage of eligible applicants who receive a grant of Legal Aid	77%	78%	87%	87%	85%	There is a slight decrease of 2% in 2016-17 actual as compared with budget. The increase in the prior year comparatives is attributable to an increase in demand for grants of aid for indictable crime matters in the District and Supreme Courts from 2014-15 to 2015-16. Because of the Dietrich principle all applicants charged with an indictable crime must be provided with legal aid. Also, additional funding provided under the new National Partnership Agreement enabled the guidelines for Commonwealth family law matters to be relaxed in 2015-16, compared to restrictions on these guidelines in place in the 2014-15 and 2013-14 periods. In addition, the comparatives are restated to reflect more accurate counting rules of application numbers.
Percentage of persons who are provided with a duty lawyer service	21%	22%	20%	17%	20%	The Department of Justice has implemented new counting rules for the court appearances, as such the actual percentage for 2016-17 and prior year comparatives have been restated, resulting in a higher percentage of persons being provided with a duty lawyer service. The 2016-17 Budget target was based on the old counting rules.
Percentage of callers successfully accessing infoline services	80%	70%	60%	67%	67%	The decline from 2013-14 to 2015-16 reflects an increase in demand for the service and limited capacity to allocate additional resources to the Infoline service. The increase in effectiveness from 2015-16 to 2016-17 is largely due to a combination of technology improvements and a change of opening hours where resources were redirected to peak times.

Note: * Significant variances are considered to be those greater than 10%.

Desired Outcomes and Key Effectiveness/Efficiency Indicators (continued)

Service: Legal Aid Assistance

Key efficiency indicators	2013-14 Actual \$	2014-15 Actual \$	2015-16 Actual \$	2016-17 Budget \$	2016-17 Actual \$	Reasons for significant variance * between current actuals and target and prior year comparative
Average cost per legal representation	3,551	3,883	3,754	3,725	3,813	There is a continuing increase in the numbers of indictable matters in the District and Supreme Courts together with a significant increase in the number of matters in the Family Court of Western Australia requiring the appointment of an Independent Children's Lawyer. All of these matters have a higher average cost. In addition, the comparatives are restated to reflect more accurate counting rules of application numbers.
Average cost per legal information service	45	48	50	47	56	There is an overall trend of increasing complexity across all law types which means each information service takes longer to produce. A combination of an increase in reported family violence and an increase in indictable and complex criminal matters has influenced the 2016-17 result.
Average cost per legal advice	221	223	220	221	224	There is no significant variation.
Average cost per application for a grant of legal aid processed	382	394	435	387	426	The average cost of assessing and processing of applications for grants of aid was expected to reduce in 2016-17 as a result of further system upgrades anticipated to commence implementation in that period. However, due to delays largely outside of the agency's control, these upgrades are now expected to be made in the 2017-18 and 2018-19 financial years. This coupled with the impact of funding restrictions, necessitating increased scrutiny of applications, has led to the increase in the average cost of assessing applications for legal aid. In addition, prior year comparatives have been restated to reflect more accurate counting rules.
Average cost of delivering regional initiatives for legal practice	10,249	1,148	204	247	198	The cost reduction is largely due to the withdrawal of Commonwealth funding for the Country Lawyers Program from 2015-16, which was successful in attracting legal practitioners to regional and remote areas during the period the program operated from 2008 until ceasing in 2015. The interactive online learning system continues to deliver professional training to lawyers in regional and remote areas in Western Australia. The lower than budgeted costs in 2016-17 is largely attributed to extra regional training for the 'Blurred Borders' project being delivered to a larger number of participants.

Note: * Significant variances are considered to be those greater than 10%.

6.5 Ministerial Directions

No ministerial directions were received during the financial year.

6.6 Other Financial Disclosures

Pricing policies of services provided

Capital Works

Capital projects incomplete

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

Project Name	Estimated Total Costs	Estimated Remaining Costs	Expected Completion
Partial refit of Albany Regional Office Legal Aid WA commenced the tenancy of the Albany Office in January 2006. The partial refit is part of Legal Aid WA's ongoing investment to ensure office accommodation is maintained to adequately support the delivery of services across Western Australia.	\$150,000	\$73,675	2017-18
Enhancement to LAW Office application – automation of business processes This enhancement will enable Legal Aid WA to automate grant payment processes to external firms which includes automated payments and automated extensions and deliver business efficiencies.	\$346,451	\$190,000	2017-18
Business Information Access – Stage 2 Develop a solution for providing key Legal Aid WA staff with greater access to business information stored in our corporate databases. Legal Aid WA chose Microsoft Power BI as the preferred solution and has rolled out its first dashboard with multiple reports in 2016-17. Additional dashboards/reports will follow in 2017-18.	\$147,498	\$107,860	2017-18
Electronic Duty Lawyer Data Collection Form The Electronic Duty Lawyer form will replace the hard copy form and integrate with LAW Office. This will allow for more efficient work flow processes as well as timely data entry and improved accessibility to client information.	\$100,000	\$99,642	2017-18
Website Redevelopment Redevelopment of Legal Aid WA's external website.	\$99,000	\$85,980	2017-18
IT equipment for the additional resources employed under the National Partnership Agreement. This equipment has been purchased, and is waiting for installation as at 30 June 2017.	\$40,000	\$4,166	2017-18
Performance Target Setting System – Stage 2 to 4 Development of a software solution to assist Directors to better achieve Legal Aid WA's strategic targets and assign them to individual staff level. Legal Aid WA has rolled out stage 1 of the system in 2016-17. Further functionalities to enhance the system will be developed in 2017-18.	\$15,092	\$8,232	2017-18

Capital projects completed

Project Name	Total Costs
Business Information Access – Stage 1	\$102,502
Develop a solution for providing key Legal Aid WA staff with greater access to business information stored in our corporate databases.	
Legal Aid WA chose Microsoft Power BI as the preferred solution and have rolled out its first dashboard with multiple reports in 2016-17.	
Performance Target Setting System – Stage 1	\$79,692
Development of a software solution to assist Directors to better achieve Legal Aid WA's strategic targets and assign them to individual staff levels.	
Legal Aid WA rolled out stage 1 of the system in 2016-17.	

Employment and Industrial Relations

Level	Lawyer P	O	Paralegal P	O	Administration P	O	TOTAL 2015-16	TOTAL 2016-17	% 2015-16	% 2016-17
Cadet							0	0	0.00%	0.00%
1					3	6	9	9	3.01%	2.73%
2			14	12	30	10	57	66	19.06%	20.00%
3			29	10	12	3	48	54	16.05%	16.36%
4			8	2	6	1	17	17	5.69%	5.15%
5			9	2	6		11	17	3.68%	5.15%
6			1		9		11	10	3.68%	3.03%
7					2		2	2	0.67%	0.61%
8					3		3	3	1.00%	0.91%
9							0	0	0.00%	0.00%
Class 1							0	0	0.00%	0.00%
Class 2							0	0	0.00%	0.00%
Class 3					1		1	1	0.33%	0.30%
Class 4							0	0	0.00%	0.00%
Other		1					1	1	0.33%	0.30%
S/C Level 1	6	12					15	18	5.02%	5.45%
S/C Level 2	35	13			1		44	49	14.72%	14.85%
S/C Level 3	7	1					7	8	2.34%	2.42%
S/C Level 4	32	1			1		32	34	10.70%	10.30%
S/C Level 5	6						5	6	1.67%	1.82%
S/C Level 6	27						28	27	9.36%	8.18%
S/C Level 7	2						1	2	0.33%	0.61%
S/C Level 8							1	0	0.33%	0.00%
S/C Level 9							0	0	0.00%	0.00%
S/C Level 10	5	1					6	6	2.01%	1.82%
TOTAL	120	29	61	26	73	21	299	330	100%	100%

Includes staff on LWOP:

2015/2016 LWOP
2016/2017 LWOP

Note: Legal staff, Psychologists and Librarians paid under GOSAC Specified Callings

P = Permanent Employee

O = Contract Employee

STAFF DEVELOPMENT

Legal Aid WA is committed to the professional development and care of its employees. Legal Aid WA has a comprehensive in-person and online induction program which includes personal safety and resilience training. This ensures all employees are fully prepared for the work they will be doing.

In addition, Legal Aid WA also provides accredited professional development opportunities for all in-house lawyers and lawyers in the community legal sector, including those based in rural, regional and remote areas of Western Australia. This includes:

- ▶ An annual three day Summer Series which consists of a series of workshops in criminal, family and civil law.
- ▶ Accredited training online and in-person via Legal Aid WA's learning management system, Train-N-Track. Train-N-Track now has 1073 registered active users (886 lawyers), houses 112 online modules (81 legal, 23 admin, 8 public facing) and operates as a booking manager for major in-person training events. From 1 July 2016 to 30 June 2017, Legal Aid WA awarded 3594 Continuing Professional Development points to Western Australian lawyers.

WORKERS' COMPENSATION

Legal Aid WA is committed to ensuring the highest standards of workplace safety, health and wellbeing to ensure the protection of its employees. One worker's compensation claim was received during 2016-17. The management of one compensation claim which was received during 2015-16 continues.

Annual Estimates

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

	2015-16 ACTUALS \$000	2016-17 ACTUALS \$000	2017-18 Section 40 ESTIMATES \$000
COST OF SERVICES			
Expenses			
Employee benefits expense	30,530	32,366	32,604
Supplies and services	4,832	5,058	5,464
Depreciation and amortisation expense	956	824	792
Accommodation expenses	5,526	6,118	6,420
Legal services expenses	22,518	23,300	21,331
Loss on disposal of non-current assets	28	-	-
Other expenses	11,928	11,913	9,382
Total cost of Services	76,318	79,579	75,993
Income			
<i>Revenue</i>			
User charges and fees	2,989	2,939	2,338
Commonwealth grants and contributions	29,966	30,580	29,193
Interest revenue	1,044	895	950
Other revenue	1,181	210	208
Total Revenue	35,180	34,624	32,689
Total income other than income from State Government	35,180	34,624	32,689
NET COST OF SERVICES	41,138	44,955	43,304
Income from State Government			
State Government grant	42,370	45,306	41,708
Services received free of charge	-	-	-
Royalties for Regions Fund	115	114	114
Total income from State Government	42,485	45,420	41,822
SURPLUS/(DEFICIT) FOR THE PERIOD	1,347	465	(1,482)

Annual Estimates (continued)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	2015-16 ACTUALS \$000	2016-17 ACTUALS \$000	2017-18 Section 40 ESTIMATES \$000
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	29,461	31,497	29,073
Restricted cash and cash equivalents	180	229	229
Receivables	2,813	3,017	2,794
Other current assets	455	363	362
Total Current Assets	32,909	35,106	32,458
<i>Non-Current Assets</i>			
Restricted cash and cash equivalents	-	125	125
Receivables	4,821	5,050	5,050
Property plant & equipment	2,475	2,093	2,626
Intangible assets	396	497	1,130
Total Non-Current Assets	7,692	7,765	8,931
TOTAL ASSETS	40,601	42,871	41,389
LIABILITIES			
<i>Current Liabilities</i>			
Payables	17,000	18,739	18,739
Provisions	4,785	5,042	5,042
Other current liabilities	28	30	31
Total Current Liabilities	21,813	23,811	23,812
<i>Non-Current Liabilities</i>			
Provisions	1,513	1,607	1,606
Total Non-Current Liabilities	1,513	1,607	1,606
TOTAL LIABILITIES	23,326	25,418	25,418
NET ASSETS	17,275	17,453	15,971
EQUITY			
Contributed equity	596	596	596
Reserves	558	271	271
Accumulated surplus	16,121	16,586	15,104
TOTAL EQUITY	17,275	17,453	15,971

Annual Estimates (continued)

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	2015-16 ACTUALS \$000	2016-17 ACTUALS \$000	2017-18 Section 40 ESTIMATES \$000
CONTRIBUTED EQUITY			
Contributed equity at start of period	596	596	596
Equity contributions during the period	-	-	-
Contributed equity at the end of period	596	596	596
ASSET REVALUATION SURPLUS			
Balance at start of period	934	558	271
Net revaluation increments/(decrements)	(376)	(287)	-
Contributed equity at the end of period	558	271	271
ACCUMULATED SURPLUS			
Balance at start of period	14,774	16,121	16,586
Surplus / (deficit) for the period	1,347	465	(1,482)
Contributed equity at the end of period	16,121	16,586	15,104
BALANCE OF EQUITY AT END OF PERIOD	17,275	17,453	15,971

Annual Estimates (continued)

STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	2015-16 ACTUALS \$000	2016-17 ACTUALS \$000	2017-18 Section 40 ESTIMATES \$000
CASH FLOWS FROM STATE GOVERNMENT			
State Government Grant	42,370	45,306	41,708
Royalties for Regions Fund	115	114	114
Net cash provided by State Government	42,485	45,420	41,822
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits	(31,728)	(31,922)	(32,619)
Supplies and services	(5,157)	(4,777)	(5,438)
Accommodation	(6,259)	(6,099)	(6,420)
Legal services	(19,385)	(22,198)	(21,331)
GST payments on purchases	(4,249)	(4,495)	(2,828)
GST payments to taxation authority	-	-	(264)
Other payments	(12,066)	(11,745)	(9,911)
Receipts			
User charges and fees	2,668	2,728	2,486
Commonwealth grants and contributions	29,861	30,580	29,193
Interest received	906	926	950
GST receipts on sales	224	34	264
GST receipts from taxation authority	4,061	4,332	2,828
Other receipts	2,607	176	788
Net cash provided by/(used in) operating activities	(38,517)	(42,460)	(42,302)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets	(448)	(750)	(1,944)
Net cash provided by/(used in) investing activities	(448)	(750)	(1,944)
Net increase/(decrease) in cash and cash equivalents	3,520	2,210	(2,424)
Cash and cash equivalents at the beginning of period	26,121	29,641	31,851
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	29,641	31,851	29,427

6.7 Governance Disclosures

PECUNIARY INTERESTS

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

CONTRACTS WITH SENIOR OFFICERS

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

UNAUTHORISED USE OF CREDIT CARDS

Officers of Legal Aid WA hold corporate credit cards where their functions warrant usage of this facility. Despite each cardholder being aware of their obligations under Legal Aid WA's credit card policy, three employees inadvertently utilised the corporate credit card for meals and overseas online purchases (music and merchandise). The matters were not referred for disciplinary action as the Chief Finance Officer noted prompt advice and settlement of the personal use amount and, the nature of the expenditure was immaterial and characteristic of an honest mistake.

	2017 \$
Aggregated amount of personal use expenditure for the reporting period	-
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	209
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	-
Aggregate amount of personal use expenditure outstanding at balance date	-

INSURANCE PREMIUMS TO INDEMNIFY ANY DIRECTOR

An insurance premium of \$3,150.50 (including GST) was paid to AIG Australia Limited for Directors and Officers Liability Insurance.

PROFESSIONAL CONDUCT

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

APPLICATION OF ACCOUNTABILITY LEGISLATION

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

LEGAL AID COMMISSION BOARD OF WESTERN AUSTRALIA

Position	Name	Type of Remuneration	Period of Membership	Gross/actual remuneration (annual) \$
Chairman	Stuart Shepherd	Per Annum	01/07/2016 to 30/6/2017	18,600
Member	Dion Smith	Per Annum	01/07/2016 to 30/6/2017	7,400
Chairman of Audit sub-committee	Dion Smith	Per Annum	01/07/2016 to 30/6/2017	880
Member	Brian Bradley	Per Annum	01/07/2016 to 30/6/2017	7,400
Member of Audit sub-committee	Brian Bradley	Per Annum	01/07/2016 to 30/6/2017	660
Member	Katherine Beaumont	Per Annum	01/07/2016 to 30/6/2017	7,400
Member	Belinda Lonsdale	Per Annum	01/07/2016 to 30/6/2017	7,400
Member	John Prior	Per Annum	01/07/2016 to 30/6/2017	7,400
Member	George Turnbull	NIL	01/07/2016 to 30/6/2017	NIL

6.8 Other Legal Requirements

Expenditure on advertising, market research, polling and direct mail

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

Total expenditure for 2016-17 was \$ 24,744.85.

Expenditure was incurred in the following areas:

Expenditure	Total	Expenditure	Amount
Advertising agencies	\$1,659.85	Adcorp	\$1,591.67
		Lizart Productions	\$68.18
Market research organisations	\$23,085.00	Advantage Communications and Marketing	\$23,085.00
Polling organisations	Nil		
Direct mail organisations	Nil		
Media advertising organisations	Nil		

Compliance with Public Sector Standards and Ethical Codes

Legal Aid WA strives to maintain compliance with both the Public Sector Standards in Human Resources Management and the Public Sector Code of Ethics. The following actions were taken during 2016-17 to ensure compliance:

- ▶ All recruitment and selection processes were reviewed by an independent person;
- ▶ Legal Aid WA operated a gift register;
- ▶ All new staff were informed of and were asked to acknowledge their obligations under the Public Sector Code of Ethics, the Legal Aid WA Code of Conduct and relevant information communication technology use policies;
- ▶ Standards information was made available to staff and job applicants;
- ▶ Relevant policies and procedures were available to all staff via the intranet;
- ▶ Trained Grievance and Contact Officers are available to all staff.
- ▶ During 2016-17, there were no breaches of ethical codes or conduct recorded. There was one breach of standard claim received.

Disability Access and Inclusion Plan Outcomes

The *Disability Services Act 1993* requires Legal Aid WA to have a Disability Access and Inclusion Plan (DAIP). Legal Aid WA's first DAIP (2014-2019) was endorsed by the Disability Services Commission in 2015. Legal Aid WA is committed to ensuring that everyone has equal access to legal aid services.

Outcome	Comment	Status
People with disabilities have the same opportunities as other people to access the services of and any events organised by Legal Aid WA.	Legal Aid WA's Social Inclusion Program provides legal assistance to the public, particularly vulnerable sections of society, including people with cognitive or intellectual impairment, mental illness, physical disability or illness. The program focusses on early intervention and resolution of legal issues through a variety of means, including legal advice, advocacy and negotiations.	Ongoing
People with disabilities have the same opportunities as other people to access the building and facilities of Legal Aid WA.	Legal Aid WA relocated its head office to new premises during 2015. The new premises provide improved access and facilities for people with disabilities. Processes are in place to ensure that public services provided are accessible by all members of the public in each location.	Ongoing
People with disabilities receive information from Legal Aid WA in a format that will enable them to access the information as readily as other people are able to access it.	Processes are established to assist clients to access Legal Aid WA services through the Telephone Interpreter Service and the National Relay Service. Information is available in various formats via the external website.	Ongoing
People with disabilities have the same opportunities as other people to participate in any public consultation by Legal Aid WA.	Public consultation processes will provide equal access for the community to participate.	Ongoing
People with disabilities have the same opportunities as other people to obtain and maintain employment with Legal Aid WA.		Ongoing

Recordkeeping Plans

Legal Aid WA's Recordkeeping Plan was approved on the 30 August 2012. A revised Recordkeeping Plan was submitted to the State Records Office on 17 May 2017 for consideration and approval.

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

Efficiency and effectiveness of the organisation's recordkeeping systems

Legal Aid WA utilises an external service provider to conduct an internal audit of Legal Aid WA's recordkeeping systems and practices. Recommendations provided in their report are considered and changes implemented where necessary. Another external service provider is contracted to ensure the document management system is operating in accordance with agency specifications.

The nature and extent of the recordkeeping training program

Legal Aid WA conducts online training programs for recordkeeping. The Recordkeeping Awareness Training (RAT) is incorporated into the induction package provided to all new staff, with a RAT refresher online training program delivered to all staff every two years after they have completed the initial program. These online courses are amended to reflect any new legislative and/or State Records Office requirements.

In-person training is conducted on Legal Aid WA's Document Management System and Business Classification Scheme to new employees with follow up training as required. Ad-hoc lunchbox records management information/question and answer sessions are run for all staff to attend.

Efficiency and effectiveness of recordkeeping training

Review of recordkeeping training is done on an ongoing basis through feedback and evaluation of usage of Legal Aid WA's Document Management System and Business Classification Scheme and ad-hoc training sessions.

Legal Aid WA's induction program addressing employee roles and responsibilities in regard to their compliance with the recordkeeping plan

Legal Aid WA's RAT training is incorporated in the induction program. The content covers employee roles and responsibilities in regard to their compliance with the recordkeeping plan.

6.9 Government Policy Requirements

OCCUPATIONAL SAFETY, HEALTH AND INJURY MANAGEMENT

Statement of Legal Aid WA’s commitment to occupational safety and health and injury management 2016-17

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

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

During 2016-17 Legal Aid WA circulated occupational safety and health information to staff by:

- ▶ Providing safety updates and the minutes of the Work Health Safety Standing Committee on the intranet;
- ▶ Making all staff aware of the membership of the Work Health Safety Standing Committee and the priorities of this group;
- ▶ Encouraging staff to report incidents and hazards and responding to reports;
- ▶ Providing ‘Safety First: Working Safely with Clients at Legal Aid WA’s training to all staff;

- ▶ Providing occupational safety, health and injury management training to managers and supervisors;
- ▶ Providing a trained staff member to conduct ergonomic assessments of individual work station set-ups as required;
- ▶ Providing Remote Driver and Remote First Aid training to those undertaking regional circuit work;
- ▶ Providing a trained group of First Aid Officers and Fire Wardens;
- ▶ Operating a risk register.

Legal Aid WA promoted and encouraged staff wellness during 2016-17 by:

- ▶ Promoting the Employee Assistance Program to all staff;
- ▶ Offering fully subsidised flu vaccinations to all staff;
- ▶ Offering fully subsidised inoculations e.g. Hepatitis to all staff working in frontline roles;
- ▶ Offering suicide awareness and prevention training;
- ▶ Offering end of trip facilities and bicycle parking at most office locations;
- ▶ Openly discussing resilience related issues and encouraging debriefing practices;
- ▶ Managing the use of accrued leave and supporting flexible work practices.

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

Legal Aid WA follows the injury management compliance requirements in accordance with the *Workers’ Compensation and Injury Management Act 1981*, and provides support to managers and staff who are managing workplace injuries. Injury Management Plans are implemented in accordance with the Act.

Occupational safety and health systems

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

Measure	Actual Results			Results against Target	
	2014-15	2015-16	2016-17	Target	Comment on result
Number of fatalities	0	0	0	0	NIL
Lost time injury and/or disease incidence rate	0	1	1	0	NIL
Lost time injury and/or disease severity rate	0	0	0	0	NIL
Percentage of injured workers returned to work	NA	100	100	NA	NIL
(i) Within 13 weeks	NA	100	100	NA	NIL
(ii) Within 26 weeks	NA	NA	NA	NA	NIL
Percentage of managers trained in occupational safety, health and injury management responsibilities	67	82	88	80	NIL

Period	Number of Fatalities	Number of Lost Time Injury or Disease	Number of Severe Claims	Lost Time Injury Severity Date
01/07/16 – 30/06/17	0	1	0	0
01/07/15 – 30/06/16	0	1	0	0
01/07/14 – 30/06/15	0	0	0	0

Data Definitions

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

Government Building Contracts

No contracts subject to the Government Building Training Policy were awarded during 2016-17.

7. Legal Aid Offices

PERTH OFFICE

32 St Georges Terrace
Perth WA 6000

Telephone (08) 9261 6222
Facsimile (08) 9261 6554

TELEPHONE INFORMATION LINE

General Inquiries
1300 650 579

National Relay Service:
(for hearing and speech impaired) 133677
Translating and interpreting services 131450

WEBSITE

www.legalaid.wa.gov.au

SOUTHWEST REGIONAL OFFICE

7th Floor Bunbury Towers
61 Victoria Street
Bunbury WA 6230

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

EAST KIMBERLEY REGIONAL OFFICE

98 Konkerberry Drive
Kununurra WA 6743

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

GREAT SOUTHERN REGIONAL OFFICE

Unit 3, 43-47 Duke Street
Albany WA 6330

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

GOLDFIELDS REGIONAL OFFICE

Suite 3, 120 Egan Street
Kalgoorlie WA 6430

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

MIDWEST & GASCOYNE REGIONAL OFFICE

Unit 8, The Boardwalk
273 Foreshore Drive
Geraldton WA 6530

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

PILBARA REGIONAL OFFICE

28-32 Throssells Road
South Hedland WA 6722

Telephone (08) 9172 3733
Facsimile (08) 9172 2061

WEST KIMBERLEY REGIONAL OFFICE

Upper Level
Woody's Arcade
15-17 Dampier Terrace
Broome WA 6725

Telephone (08) 9195 5888
Facsimile (08) 9192 1520

CHRISTMAS/COCOS ISLANDS OFFICE

Administration Building
20 Jalan Pantai
Christmas Island, Indian Ocean 6798

Telephone (08) 9164 7529
Facsimile (08) 9164 7162



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