

Annual Report 2016–17



The five arrows on the front cover represent new or expanded services provided by Legal Aid Queensland during 2016–17: Family Advocacy and Support Services, National Disability Insurance Scheme appeals, Mental Health Review Tribunal legal representation service, Workplace Advice Clinic, and the expanded Domestic and Family Violence Duty Lawyer Service.

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Feedback

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We are committed to providing accessible services to Queenslanders from culturally diverse backgrounds. If you would like this publication explained in your language, please telephone the Translating and Interpreting Service on 13 14 50 to speak to an interpreter. Ask them to connect you to Legal Aid Queensland. This is a free service.



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Letter of compliance

31 August 2017

The Hon Yvette D'Ath MP
Attorney-General and Minister for Justice
State Law Building
Ann Street Brisbane Qld 4000

Dear Attorney

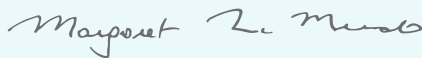
I am pleased to present to the Parliament the Annual Report 2016–17 and financial statements for Legal Aid Queensland.

I certify this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found in the appendix of this report.

Yours sincerely



The Hon Margaret McMurdo AC
Chairperson, Legal Aid Queensland Board

Chairperson's report

I am delighted to introduce Legal Aid Queensland's Annual Report for 2016–17.

I was honoured to become chairperson of the board of this iconic Queensland institution in May 2017. I have a strong connection with legal assistance. My first work experience in the Brisbane legal profession more than 40 years ago was as a law student volunteer with the then newly formed Aboriginal Legal Service. As a young barrister, I worked for more than 13 years as an assistant public defender. And as a judge for more than 26 years, both at trial and appellate level, I often admired Legal Aid Queensland's excellent work in providing access to justice for disadvantaged Queenslanders.

This report highlights the organisation's achievements and challenges over the past year in continuing to provide quality, cost effective legal services to so many financially disadvantaged Queenslanders. We helped those with mental health difficulties or whose first language is not English; children and young people; Aboriginal and Torres Strait Islander people; those seeking advice on employment, anti-discrimination, social security appeals or consumer protection; war veterans and their dependents; and those facing serious criminal charges.

This year, we provided more than 37,000 legal advices on criminal, family and civil law, including farm and rural debt issues. We prioritised legal advice to victims of domestic violence. We were a national leader in family law dispute resolution. We helped 2385 prisoners. We also assisted Refugee and Immigration Legal Service clients with family law and child protection issues. We were a key partner in the successful implementation of the Specialist Domestic and Family Violence Court at Southport. And our social workers and psychologists ensured we provided a holistic approach to our clients' multi-faceted problems.

The organisation's outreach has been extended over time through duty lawyer schemes in the Federal Circuit Court, Magistrates Courts and the new Domestic Violence Courts, and through the organisation's administrative management of the state and federal funding of Queensland's many, diverse and effective community legal centres.

The board was pleased to support a proposal to review and renew our Cultural Capability Plan. I look forward to Legal Aid Queensland playing its role in improving the economic, social and health outcomes for Aboriginal and Torres Strait people. In this, the board will be assisted by its newest member, Indigenous barrister Joshua Creamer, who was appointed early in 2017–18.

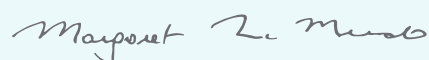
One aspect of the justice system where Aboriginal and Torres Strait Islander people are over represented is child protection. With welcome additional funding of \$2.55 million from the Queensland Government to expand child protection legal services from 2017–18, the board approved new guidelines for grants of aid in these matters.

I look forward to Legal Aid Queensland expanding both its Farm and Rural Legal Service, and also its Domestic and Family Violence Duty Lawyer Services to the new specialist Domestic and Family Violence Courts in Beenleigh, Townsville, Mount Isa and Palm Island.

During the year, the board farewelled chairperson Brian Stewart and board member Peter Nolan. I thank them for their contributions. I particularly thank Mr Stewart for his three year leadership of the board during which he capably oversaw Legal Aid Queensland's strategic and financial stability through a period of considerable growth. The board was well served throughout the year by members Philip Askin, Sandra Deane and Allan Welsh.

This reporting year, Legal Aid Queensland experienced a noticeable increase in grants of aid in criminal matters, consistent with the significant rise in criminal cases across the justice system generally. Through careful management, the resulting strains on the organisation's budget have been absorbed this year, but if the trend continues, additional funding is likely to be needed.

I thank the members of Queensland's legal profession and community legal centres, the Bar Association of Queensland and the Queensland Law Society upon whom we relied heavily during the year. It is noteworthy that more than 50 percent of our total expenditure comprised payments to private lawyers for legal assistance. I gratefully acknowledge the ongoing support, both financially and more broadly, from the federal Attorney-General, Senator the Hon George Brandis QC and the state Attorney-General and Minister for Justice, the Hon Yvette D'Ath MP, and warmly thank them for it. And I thank the hard-working and capable members of the board, management team and the staff on whose shoulders Legal Aid Queensland stands. I look forward to continuing our work together in 2017-18 for the benefit of the people of Queensland and our justice system.



Margaret McMurdo AC
Chairperson, Legal Aid Queensland Board

Chief executive officer's report

The past year has been a time of growth for legal aid in Queensland with improved services in many areas.

We are guided by our Strategic Plan 2013–17 and its four objectives, along with the Queensland public service values—customers first, ideas into action, be courageous, unleash potential and empower people.

In pursuit of our strategic plan objectives of social inclusion and early resolution, we established the Family Advocacy and Support Services in family law courts in Brisbane, Cairns and Townsville; an employment law advice service at the Fair Work Commission; a child protection early intervention pilot service; and enhanced legal representation services in our Domestic and Family Violence Duty Lawyer Services at five locations.

We also expanded our legal representation services, including a new statewide Mental Health Review Tribunal legal representation service funded by Queensland Health. Our board approved new, more generous guidelines for child protection grants of aid from 1 July 2017 and a CPI fee increase for private lawyers for state law matters. In addition to these planned initiatives, we also responded to significant growth in demand for criminal law grants of aid.

As set out in our strategic plan, we aim to progress our vision through collaboration. The collaborative processes we support, such as the Queensland Legal Assistance Forum and Industry Reference Group, continue to provide a solid platform for achieving this goal. We have also invested significant effort in responding to government requests for contributions to law reform and service delivery policy processes, with an extensive list set out on page 48.

Service delivery value can only be achieved when underpinned by high quality business support services. Key human resource initiatives included introducing an Aboriginal and Torres Strait Islander employment strategy and a psychological wellbeing program for staff focused on addressing vicarious trauma. Significant improvements in our ICT systems included introducing Voice over Internet Protocol telephony and enhancements to our mobile digital platforms. We also relocated our Southport office and, in doing so, completed our regional office upgrade program. Our Grants division not only absorbed increased applications for legal aid, but also implemented a new compliance program and new processes for managing our expensive criminal law grants program.

I would like to express my appreciation to the state Attorney-General and Minister for Justice, the Hon Yvette D'Ath MP, for her strong support for Legal Aid Queensland. The abovementioned growth in our state services were all supported by targeted additional funding from the Queensland Government. Ongoing general increases to our funding, implemented as part of the Queensland Government's commitment to increasing our per capita funding to national average levels, should also ensure we are able to meet the additional cost of criminal law service growth in the year ahead.

My appreciation is also extended to federal Attorney-General, Senator the Hon George Brandis QC, for the additional funding for the new Family Advocacy and Support Services.

I would also like to take this opportunity to welcome our incoming chairperson, The Hon Margaret McMurdo AC, and farewell chairperson Brian Stewart and board member Peter Nolan.

Finally, and most importantly, I sincerely thank all of Legal Aid Queensland's employees and our partners in private law firms and community legal centres. Through your joint efforts we have moved a little bit closer this year to our vision of a fair justice system where people can understand and protect their legal rights.



Anthony Reilly
Chief executive officer



Corporate governance

Corporate governance is the system by which our organisation is managed, directed and held accountable.

Sound corporate governance means:

- achieving our strategic objectives
- being accountable for our decisions and actions
- fulfilling legal requirements
- ensuring the Legal Aid Queensland Act's requirements and philosophy are met
- managing risks
- monitoring, reporting on and evaluating our performance
- meeting government and community expectations.

Our corporate governance structure provides leadership in achieving our strategic and operational objectives (see Figure 1 for more information).

Legal Aid Queensland Board

The Legal Aid Queensland Board (the board) is responsible for governing Legal Aid Queensland and ensuring the organisation achieves its objectives. The board is our organisation's governing body and is responsible to the Attorney-General.

The board decides the organisation's priorities and strategies, leads policy direction and ensures sound and prudent financial management.

The board has five members. Each member has specific knowledge or experience that helps in the organisation's management. The areas of expertise include public administration, financial management, and law and legal services provision. The board is headed by a chairperson, who is appointed by the Governor in Council. Board members are appointed by the Governor in Council for three-year terms. The board met on 10 occasions in 2016–17 (see Table 1 for more information). All board meetings are attended by the chief executive officer (CEO) and deputy CEO. Executive Management Team directors also attend as needed to present papers and discuss issues with the board.



Figure 1. Corporate governance structure

Board members (as at 30 June 2017)

The Hon Margaret McMurdo AC
Board chairperson since May 2017

Margaret McMurdo was appointed President, Court of Appeal, Supreme Court of Queensland in 1998—the first woman in Australia to preside over an intermediate court of appeal. She held that position until her resignation as a judge in 2017. In 2015, she was Acting Chief Justice of Queensland.

Margaret graduated with a Bachelor of Laws from the University of Queensland in 1976. She began her legal career as a student volunteer in 1974 with the newly-formed Aboriginal Legal Service.

In 1976, she became the first female paralegal in the Public Defender's Office. She was admitted as a barrister in December 1976 and was an Assistant Public Defender from 1977 to 1989. She practised at the Bar from 1989 until 1991 when she became the first woman and the youngest person to be appointed to the District Court of Queensland. In 1993, she also held a commission as a Childrens Court judge.

Margaret was a founding committee member of the Women Lawyers' Association of Queensland and its president in 1980–81. She was awarded honorary doctorates from Griffith University, Queensland University of Technology and the University of Queensland, and was appointed a Companion of the Order of Australia in 2007 for service to the law and judicial administration in Queensland, particularly in areas of legal education and women's issues.

Margaret is a founding Fellow of the Australian Academy of Law and a member of the American Law Institute. She is patron of Women's Legal Service, Caxton Legal Service and LawRight's Civil Justice Fund.

Allan Welsh *Board member since July 2008*

Allan Welsh has led major projects in the public and private sectors for the past 20 years, with extensive experience in managing capital infrastructure, information and business system projects and events. He was awarded a Public Service Medal in the 2008 Australian Honours for his work in managing capital projects in the arts sector.

Sandra Deane *Board member since September 2014*

Sandra Deane is an experienced board member, tribunal member and an independent consultant in the energy and legal sectors with extensive private and public sector experience. She brings experience from senior positions (including as CEO) in the corporate (publicly listed, large private and government-owned corporations) and professional (legal) sectors. Sandra was admitted as a solicitor in 1988 and has more than 20 years' experience in legal practice in corporate and private practice and tribunal roles. She also has more than 15 years' experience in the energy sector. She brings professional expertise in contract management and negotiation, dispute resolution and compliance. She is currently on the Board of Stadiums Queensland, is Independent Non Executive Director and Chairman of Sanctuary Cove Community Services Limited, is an external Audit and Compliance Committee Member of the Local Government Association of Queensland Limited and is a sessional member of the Queensland Civil and Administrative Tribunal.

Philip Askin *Board member since September 2014*

Philip Askin was admitted as a solicitor of the Supreme Court of Queensland in 1981 and has practised exclusively in litigation since 1982 in all jurisdictions in Queensland, New South Wales, Western Australia and in the High Court. He is managing partner of Townsville-based law firm Roberts Nehmer McKee Lawyers, where he specialises in major commercial and estates dispute resolution, consumer law and defamation. Philip holds the position of honorary solicitor with the Totally and Permanently Disabled Ex-Servicemen and Women's Association in Townsville, is the chairman of the board of directors of The Cathedral School of St Anne and St James, chairman of the board of directors of The Good Shepherd Limited as trustee for The Good Shepherd Home Charitable Trust and a trustee of the North Queensland Club.

Legal Aid Queensland Board

Act or instrument	<i>Legal Aid Queensland Act 1997</i>				
Functions	Responsible for governing Legal Aid Queensland and ensuring the organisation achieves its objectives. The board decides the organisation's priorities and strategies, leads policy direction and ensures sound and prudent financial management.				
Achievements	<p>Key achievements included:</p> <ul style="list-style-type: none"> • overseeing the development of the Strategic Plan 2017–21 • visiting Legal Aid Queensland's Ipswich office and meeting with local staff and preferred suppliers • endorsing the grants of aid fee review outcomes and approving increased fees for solicitors and counsel for criminal law and state civil law matters • approving the budget for the organisation's datacentre outsourcing project. 				
Financial reporting	Not exempted from audit by the Auditor-General and Transactions of the entity are accounted for in the financial statements.				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual fee	Approved sub-committee fees if applicable	Actual fees received ¹
Present Board chairperson, Accommodation Committee and Audit, Risk & Compliance Committee member	Margaret McMurdo	5 (2 board meetings, 3 sub-committee meetings)	\$8063	\$3580	–
Board chairperson, Accommodation Committee and Audit, Risk & Compliance Committee member (until 28/2/2017)	Brian Stewart	13 (6 board meetings, 7 sub-committee meetings)	\$8063	\$3580	\$8732
Board member, Accommodation Committee chairman	Allan Welsh	15 (7 board meetings, 8 sub-committee meetings)	\$6257	\$2300	\$8557
Board member	Peter Nolan	Nil	\$6257	–	2017 remuneration paid in 2016
Board member, Audit, Risk & Compliance Committee chairman	Sandra Deane	14 (10 board meetings, 4 sub-committee meetings)	\$6257	\$2300	\$9271
Board member	Philip Askin	10 (10 board meetings)	\$6257	–	\$6778
No. scheduled meetings/sessions	22 (10 board meetings and 12 sub-committee meetings)				
Total out of pocket expenses	\$9364				

¹ 'Actual fees received' does not include superannuation or out of pocket expenses.

Table 1. Legal Aid Queensland Board information 2016–17

Accommodation Committee

The Accommodation Committee is a sub-committee of the Legal Aid Queensland Board and acts in an advisory capacity to the board. The committee assesses our long-term accommodation needs and options for office operations throughout the state.

The committee's responsibilities include:

- assessing and making recommendations about the continued ownership and refurbishment needs of our Brisbane head office at 44 Herschel Street
- assessing sale, purchase and/or leasing options for our Brisbane central business district occupancy needs
- engaging with relevant stakeholders about our accommodation options
- providing advice and assessing the impact of our Brisbane head office's land and building valuation
- assessing potential offers made to purchase our Brisbane head office
- considering significant issues relating to regional office accommodation
- determining the timeframe for the committee's tenure
- engaging external contractors to help with assessments as needed.

The committee comprises:

- Legal Aid Queensland Board member Allan Welsh (chairman)
- Legal Aid Queensland Board chairperson Margaret McMurdo (5 May 2017–30 June 2017).

The meeting is also attended by:

- CEO Anthony Reilly
- Deputy CEO Paul Davey
- Corporate Services director Ian Warren
- Chief finance officer (CFO) Gavin Holdway
- Facilities and procurement manager Terry Kelly.

Allan Welsh, Brian Stewart (chairperson from 1 July 2016–27 February 2017) and Margaret McMurdo received remuneration for attending this committee in addition to the remuneration they received for attending board meetings.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee is a sub-committee of the Legal Aid Queensland Board and acts in a review and advisory capacity to the board. The committee provides independent assurance and assistance to the board on our financial administration and reporting, audit control and independence, legal compliance, internal controls, and risk oversight and management.

The committee's key achievements in 2016–17 included:

- reviewing the charter to ensure ongoing effectiveness of the committee's authority, objectives and responsibilities
- reviewing the 2015–16 end of financial year statements prior to signing by the board chairperson and CFO
- reviewing the external auditor's recommendations from the 2015–16 audit and 2016–17 interim audit
- reviewing the organisation's risk register and overseeing the register's maintenance
- reviewing the new enterprise risk management framework before review and approval by the board
- reviewing the new compliance assurance tools and endorsing the ongoing bi-annual compliance reporting program.

The committee comprises:

- Legal Aid Queensland Board member Sandra Deane (chairman)
- Legal Aid Queensland Board chairperson Margaret McMurdo (5 May 2017–30 June 2017)
- a Queensland Treasury representative
- a Department of Justice and Attorney-General Financial Services representative
- Len Scanlan (former Auditor-General of Queensland).

Sandra Deane, Margaret McMurdo and Brian Stewart (Legal Aid Queensland Board chairperson from 1 July 2016–27 February 2017) are board members appointed to the committee and received remuneration for their attendance and representation in addition to the remuneration they received for attending board meetings. There are three other external committee members. The representatives from Queensland Treasury and Department of Justice and Attorney-General are public servants and did not receive remuneration for meetings. The fifth committee member, Len Scanlan, received remuneration of \$4793.75 in 2016–17.

The CEO, Corporate Services director, CFO and Governance manager also attend each meeting.

The committee operated in line with its charter and met four times during the year. The charter is based on Queensland Treasury's Audit Committee Guidelines and in line with s 35 of the *Financial and Performance Management Standard 2009*.

Executive Management Team

The *Legal Aid Queensland Act 1997* creates the position of CEO and gives the position responsibility, under the board, for controlling Legal Aid Queensland's day-to-day administration, providing legal services to legally-assisted people, and arranging and supervising the legal services provided by Legal Aid Queensland lawyers.

The CEO is supported in this role by the Executive Management Team. The team's functions are to:

- monitor our strategies, activities and performance to ensure legal assistance is provided to financially disadvantaged people in the most effective, efficient and economical way
- review and approve policies and standards and ensure these are implemented so we meet our statutory obligations
- ensure management systems and practices are effective and reflect ethics obligations and the Code of Conduct
- oversee our budget and monitor financial performance
- promote, sponsor and develop a culture of risk management, service delivery improvement and innovation to ensure we have an organisational culture and environment that attracts and retains high-performing employees

- consider and make decisions on significant issues affecting the organisation
- communicate important information to staff.

The team meets fortnightly and comprises:

- CEO Anthony Reilly
- Deputy CEO Paul Davey
- Family Law and Civil Justice Services director Nicky Davies
- Criminal Law Services director Peter Delibaltas
- Public Defender John Allen
- Grants director Louise Martin
- Corporate Services director Ian Warren
- Acting Information and Advice Services director Katrina Smith
- CFO Gavin Holdway.

Finance Committee

The Finance Committee monitors and reviews our financial, budget and performance processes.

The committee's responsibilities include:

- overseeing the annual budget preparation and recommending its endorsement by the CEO and approval by the board
- ensuring our budget is framed to maximise achieving objectives outlined in our strategic plan and government priorities
- ensuring the budget is effectively managed so we achieve budget targets and comply with government requirements
- monitoring and reporting on our financial performance and position, identifying key financial performance drivers and establishing measures for determining success
- monitoring compliance with external financial reporting requirements.

The committee comprises:

- CEO Anthony Reilly (chairperson)
- Deputy CEO Paul Davey
- Corporate Services director Ian Warren
- Grants director Louise Martin
- CFO Gavin Holdway.

Information Communication and Technology Steering Committee

The Information Communication and Technology (ICT) Steering Committee ensures information technology (IT) and communication operations, investments and initiatives are aligned with Legal Aid Queensland's strategic emphasis on service delivery systems and business processes.

The committee's responsibilities include:

- providing corporate governance for planning, approving and prioritising significant ICT investments and initiatives
- ensuring whole-of-organisation coordination and oversight of ICT and its deployment within the organisation
- ensuring ICT investments and initiative proposals:
 - are and remain consistent with the organisation's strategic plan, priorities, budget strategy and resourcing capability
 - are responsive to identified client and staff needs
 - fully consider people management, change management and communication priorities
- ensuring whole-of-organisation engagement with the organisation's ICT priorities and challenges
- monitoring IT service delivery performance against approved targets and initiate corrective action where needed.

The committee comprises:

- CEO Anthony Reilly (chairperson)
- Deputy CEO Paul Davey
- Corporate Services director Ian Warren
- Grants director Louise Martin
- Acting Information and Advice Services director Katrina Smith
- Acting IT manager Zelda Leung
- a Department of Justice and Attorney-General representative.

Human Resources Committee

The Human Resources (HR) Committee determines Legal Aid Queensland's approach to managing the HR function to support the strategic objective of building on our business capability and sustainability. The committee considers organisational issues relating to resourcing, performance, structure, culture and skills development, and aims to meet organisational needs while engaging employees.

The committee's responsibilities include:

- guiding our Workforce Strategy's development, monitoring and evaluation
- ensuring resource levels, mix and allocation adequately supports the organisation's current and future needs
- maintaining an awareness of HR trends, assessing their applicability for Legal Aid Queensland and implementing initiatives for continuous improvement
- approving new and updated HR policies and procedures in line with the strategic framework
- noting operational HR metrics and key performance indicators
- encouraging a culture of performance through active people management and development
- ensuring the organisation complies with HR legislation and directives.

The committee comprises:

- CEO Anthony Reilly (chairperson)
- Deputy CEO Paul Davey
- Corporate Services director Ian Warren
- Criminal Law Services director Peter Delibaltas
- Grants director Louise Martin
- Acting Information and Advice Services director Katrina Smith
- Family Law and Civil Justice Services director Nicky Davies
- Acting HR manager Luke Castle.

External scrutiny

We are subject to all of the external accountability mechanisms that apply to a statutory body in Queensland, including regular budget and performance updates with Queensland Treasury and the Department of Justice and Attorney-General.

Accountability mechanisms that complement the internal corporate governance framework include:

- external audit and certification
- judicial review of administrative decisions
- the Queensland Ombudsman
- the Crime and Corruption Commission Queensland
- Parliamentary Estimates Committee Hearings
- Finance and Administration Committee
- Legal Affairs and Community Safety Committee
- the Legal Services Commission
- public performance reporting, for example, through this annual report and the annual Service Delivery Statement.



Organisation structure

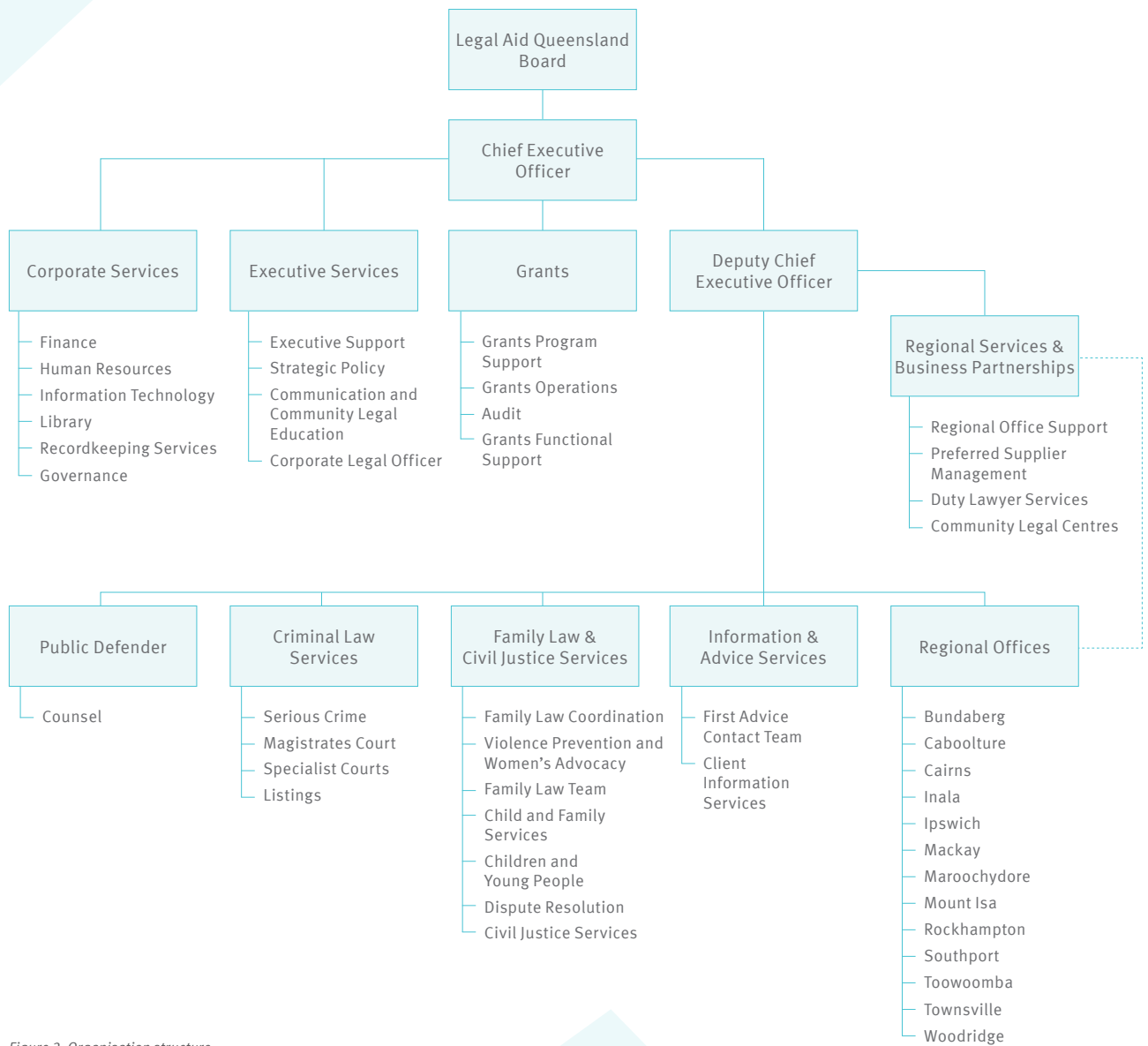


Figure 2. Organisation structure

Financial overview

	Budget \$'000	Actual \$'000
Grants and other contributions	114 986	116 254
User charges	2100	2585
Other revenue	1553	1406
Gains on disposal/valuation of assets	–	3684
Total income	118 639	123 929
Employee expenses	46 481	46 372
Supplies and services	15 770	11 607
Outsourced service delivery	59 053	62 955
Grants and subsidies	–	50
Depreciation and amortisation	1838	1572
Impairment losses/(reversals)	250	108
Other	93	205
Total expenses	123 485	122 869
Operating result from continuing operations	(4846)	1060

Table 2. Published 2016–17 budget versus actual performance

Our overall financial position for 2016–17 is healthy and reflects the board and management's commitment to sound financial management principles to ensure the long term sustainability of core services. The operating surplus for 2016–17 of \$1.060 million (or 0.86 percent of total income) compared with a deficit budget of \$4.846 million is primarily related to a valuation increase of \$3.665 million associated with our building at 44 Herschel Street, Brisbane as assessed at 30 June 2017. The deficit budget for 2016–17 was due to the planned Brisbane office refurbishment project, which did not proceed due to a much higher than anticipated level of demand for criminal law services during 2016–17, this being the primary influence to a higher than budgeted expenditure for outsourced service delivery.

The 2016–17 year presented some unique and unforeseen challenges financially with the unexpected increase in demand for criminal law services. Importantly though, we managed this demand by closely managing our budget, and our continued focus on managing our finances has maintained our balance sheet's strength and stability while allowing the organisation to continue to deliver frontline services in a timely and effective way.

This sound financial position allows us to invest in our assets and operational infrastructure, which ultimately helps us deliver services more efficiently to our clients. We will continue to minimise costs and risks in relation to liabilities and contingent liabilities through our ongoing focus on sound governance practices in our financial management.

The organisation collectively has a strong focus on financial management and this allows for a greater ability to plan and deliver against objectives while meeting our core responsibility to provide cost effective services to financially disadvantaged Queenslanders. The 2016–17 actual operating surplus follows seven previous years of operating surplus results and this provides a continued foundation for strong financial management into the future.

Income

Federal and state government grants are our main income source, with relatively little income derived from service charges or clients' contributions towards their legal costs (see Figure 4 for more information).

Another part of our overall income management focuses on interest income earned on cash investments. This portion of income is moderate in nature but important as it helps deliver core services and provide operational support functions.

The non-cash gain on revaluation of \$3.665 million related to our Brisbane building has contributed to an increase in revenue in 2016–17.

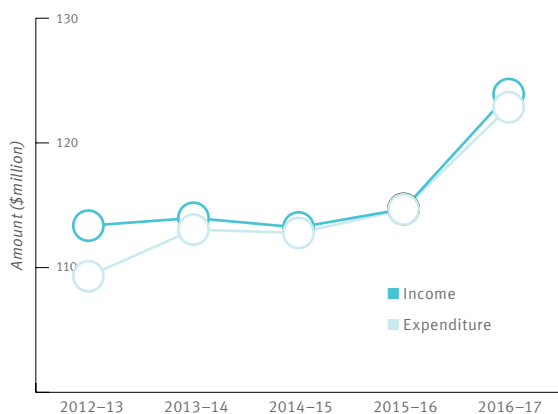


Figure 3. Income and expenditure

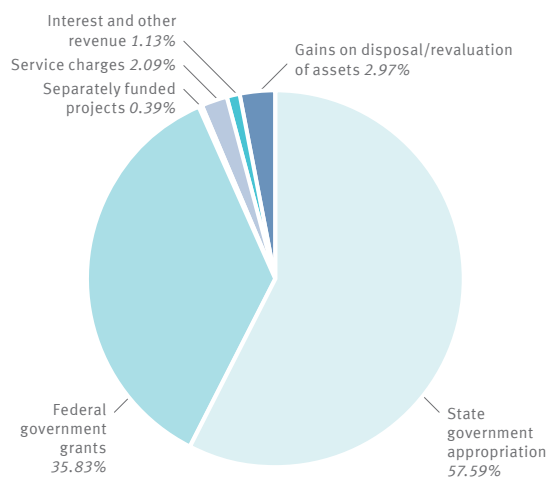


Figure 4. Income 2016–17

Expenses

Our major expenditure categories cover salary and wages for our staff along with paying our statewide network of private law firms to carry out legal aid work on our behalf (see Figure 6 for more information). The expenditure paid to private law firms is consistent with our mixed service delivery model, which allocates about 80 percent of legally-aided matters to private lawyers. The remaining costs support the in-house legal practice and infrastructure for all service delivery (see Figure 5 for more information). Our continued focus on expenditure management has contributed significantly to the organisational delivery and actual surplus achieved for the year ended 30 June 2017.

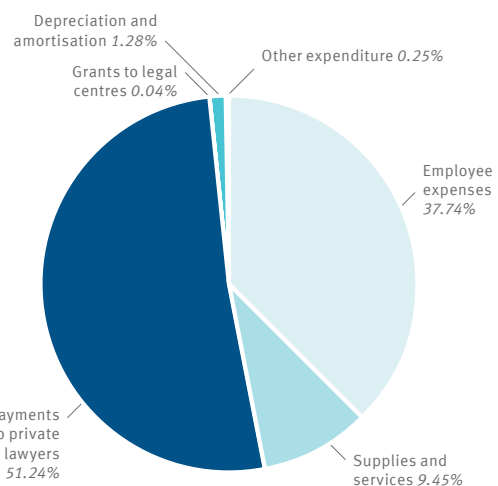


Figure 5. Expenses 2016–17

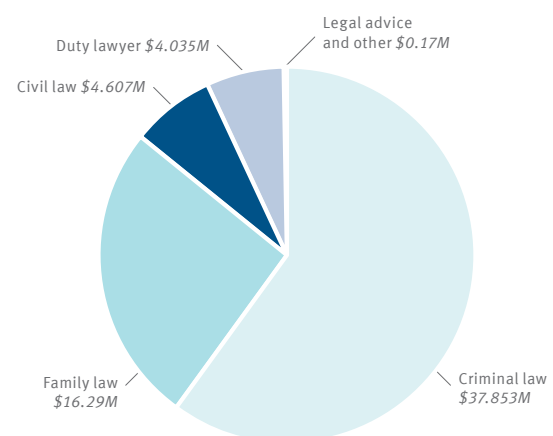


Figure 6. Payments to private lawyers 2016–17

Assets

The most valuable assets we have are cash and cash equivalents (of \$44.7 million), and our land and building in Brisbane (currently valued at \$23 million). Other assets we own include unique computer-based business systems and money owed to us by clients.

Liabilities

Our largest liability is money we have to put aside to pay private lawyers for work assigned to them but not yet completed. Sometimes these cases can take several years to complete so money needs to be kept aside from the outset of the matter. In addition to this, our other main liabilities include known future payments to suppliers and providing payments associated with annual leave entitlements for our staff.

Equity

Equity is made up of two components—first the accumulated surplus (also known as retained earnings), which essentially is money in the bank and available to use for business needs, and secondly the land asset revaluation reserve. The accumulated surplus balance as at 30 June 2017 was \$25.4 million, which represents about 60 percent of our total equity. The second component of our equity is the land revaluation reserve and this represents the increase, over time, in the value of the land we own in Brisbane where our head office is located. Following the independent valuation of our Herschel Street property in 2016–17, the land asset revaluation reserve has decreased to \$16.91 million.

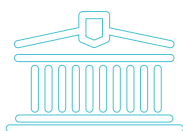
Cash

We have maintained and managed healthy cash levels over the past number of years to ensure we can pay our employees, ensure payment to our network of private lawyers for matters they finalise, and to allow us to replace equipment and other assets along with upgrading our facilities when and where required. We invest this cash in low-risk funds managed by a state government institution. This investment strategy provides us with some income from interest earned but also protects us from market fluctuations.



Report card

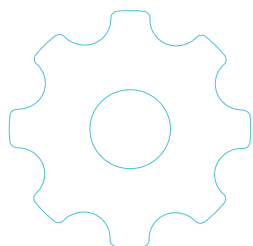
Queensland Government community objectives



Delivering quality frontline services

Building safe, caring and connected communities.

Our services



Community legal education—through publications, information sessions and webinars, collaborative projects and community events

Information and referral—through our website, statewide call centre and customer service counters

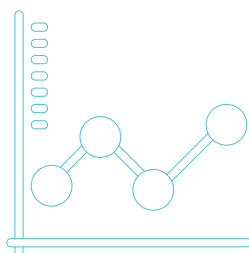
Legal advice and legal task services—over the phone, by video-link or face-to-face

Duty lawyer services—in criminal, family, domestic and family violence, child protection, anti-discrimination and employment law

Lawyer assisted dispute resolution—for families facing separation, consumers and farmers

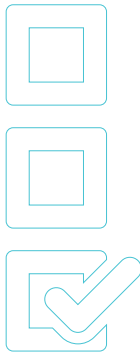
Representation in courts and tribunals—including criminal law, family law, child protection, domestic violence, anti-discrimination and consumer protection matters.

Performance indicators



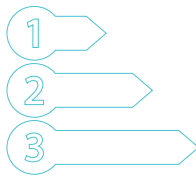
- ☐ Progress towards Queensland and Commonwealth Government targets
- ☐ Audit outcomes demonstrate quality services
- ☐ Client survey shows high levels of client satisfaction
- ☐ Disadvantaged clients are able to access services
- ☐ Services enhanced through policy reform and good stakeholder relationships
- ☐ Services delivered within budget
- ☐ High levels of staff satisfaction
- ☐ Business improvement projects support better services.

Outcomes



- ✓ Achieved Commonwealth Government (National Partnership Agreement on Legal Assistance Services) targets (see Table 3 on page 25).
- ✓ Achieved Queensland Government targets (see Table 4 on page 26).
- ✓ 99 percent of audited preferred supplier files achieved an acceptable level of compliance with standards.
- ✓ Our biennial client survey showed satisfaction with our services is high, with overall satisfaction rated 7.4 out of 10.
- ✓ Ensured clients from key disadvantaged groups were able to access our services (see Table 5 on page 46).
- ✓ Provided 28 policy/law reform responses to government.
- ✓ Delivered our services within budget (see financial overview on page 15).
- ✓ Achieved targets set for business improvement projects (see page 54 for more detail).

Priorities for the future



- Continue to provide quality cost effective legal services statewide.
- Improve the availability of child protection legal services.
- Align our services with Youth Justice reforms.
- Enhance our Farm and Rural Legal Service.
- Continue to support the government in its response to domestic and family violence.



About us

Our purpose, vision and values

Our purpose

To provide quality, cost effective legal services to financially disadvantaged people throughout Queensland.

Our vision

To be a leader in a fair justice system where people are able to understand and protect their legal rights.

Our values

Social justice

We seek to protect people's rights, promote fair treatment and help those at risk of social exclusion.

Respect

We respect the people we assist and those with whom we work.

Quality

We continue to improve the quality of our work and the outcomes for our clients.

Cost effectiveness

We deliver innovative, sustainable and cost effective services.

Accountability

We are accountable for our actions and decisions.

Who we are and what we do

Legal Aid Queensland provides legal help to financially disadvantaged Queenslanders. We are an independent statutory authority that operates under the *Legal Aid Queensland Act 1997*.

We receive state government funding to provide legal services for state law matters, and federal government funding to provide the legal services designated in the National Partnership Agreement on Legal Assistance Services.

Our services include community legal education (CLE), information and referral, legal advice and legal task services, duty lawyer services, lawyer assisted dispute resolution and representation services. Our services are provided across a range of areas of law including crime, family, child protection, child support, domestic and family violence, social security, consumer protection, employment and anti-discrimination.

Our work contributes to the Queensland Government's objectives of delivering quality frontline services and building safe, caring and connected communities. We deliver vital legal services to financially disadvantaged people who cannot afford to engage a lawyer. Our programs help to break the cycle of disadvantage for Queenslanders.

Our head office is in Brisbane. To meet the needs of Queenslanders living in rural and regional areas, we implement a range of strategies, including a statewide call centre and offering our services from 13 regional offices: Southport, Ipswich, Toowoomba, Woodridge, Inala, Caboolture, Maroochydore, Bundaberg, Rockhampton, Mackay, Mount Isa, Townsville and Cairns. Our regional office staff work with a network of community access points that act as information outposts and referral points in communities. We also coordinate the Queensland Legal Assistance Forum and Regional Legal Assistance Forums.

We provide free CLE, legal information, legal advice and legal task services, and duty lawyer services.

We provide duty lawyer, representation and dispute resolution services through a mixed service delivery model involving our in-house legal practice and preferred supplier law firms around the state to maximise legal services available to disadvantaged Queenslanders. Staff assess individual legal aid applications against the Legal Aid Queensland funding guidelines and by applying means and merits tests, and manage the funding arrangements for cases where aid is approved.

We also respond to requests from the state and federal governments for submissions on legislative reforms and other matters.



Our performance

Overview of services

The Australian Government and the states and territories entered into a new National Partnership Agreement on Legal Assistance Services (NPA) in July 2015. The NPA governs the manner in which Commonwealth legal aid services funding to the states and territories is to be used, as well as the broader goals and objectives of legal assistance services.

The NPA emphasises the early resolution of legal problems through community legal education (CLE) and discrete assistance (ie information, referral, legal advice and legal task services).

The service delivery categories used in the NPA have been adopted throughout this annual report.

The categories are:

- community legal education
- discrete assistance—information, referral, legal advice and legal task services
- facilitated resolution processes
- duty lawyer services
- representation services
- law and legal service reform
- stakeholder engagement.

Services

Community legal education	4653
Discrete assistance	
Information and referral	232 107
Legal advice and legal task services	37 008
Facilitated resolution processes	
Family dispute resolution conferences	3247
Civil dispute resolution	4
Duty lawyer services	
Criminal law duty lawyer	86 642
Family law duty lawyer	2505
Domestic and family violence duty lawyer	15 453
Child protection duty lawyer	450
Administrative Appeals Tribunal duty lawyer	249
Representation services	
Applications received	40 600
Applications approved	31 194
Applications refused	9406

Table 3. Overview of Legal Aid Queensland services 2016–17

National Partnership Agreement on Legal Assistance Services target

The NPA includes a national performance framework for legal assistance for Commonwealth funded services. The sole performance benchmark relating to Legal Aid commissions is for 95 percent or more of representation services to be delivered to people experiencing financial disadvantage.

In 2016–17, we achieved 99.9 percent compliance compared to a 95 percent target.

Queensland Government service delivery statement measures

Performance targets	Notes	2016–17 target	2016–17 actual
Percentage of administrative decisions referred to external review that are overturned	1	6%	3.3%
Percentage of accounts processed by Grants division within a 14 day period	2	90%	97.5%
Average cost per client for crime duty lawyer service	3	\$63	\$45.62
Average cost for calls received through the call centre	4	\$5	\$4.27

1 This measure reflects the effectiveness of the decision making process for approval of grants of aid to clients. The positive result is the outcome of continued decision making training and improvement processes by the Grants division. This measure will be continually monitored by management.

2 This new measure reflects the effectiveness of the grants processing area as it is expected that all accounts should be processed by the Grants division within a 14 day period.

3 This new measure reflects the efficiency of criminal law duty lawyer services as it calculates the average time spent with a client and converts this into a dollar figure based on the hourly rate.

4 This new measure reflects the efficiency of call centre services as it calculates the average time spent on a call through the call centre and converts this into a dollar figure based on the hourly salary rate of call centre staff, excluding overheads.

Table 4. Queensland Government service standards 2016–17

Objective 1: Support early resolution of legal problems and social inclusion

Objective 2: Provide quality and cost effective legal services statewide to our clients

Community legal education

CLE activities are an integral part of the services offered by Legal Aid Queensland.

Our CLE activities are coordinated through a strategy that responds to priority client groups and legal problems and aims to:

- improve community understanding of the law
- reduce litigation and costs to the justice system
- help community members to understand their legal rights and responsibilities and how to access legal help if they need it
- help stakeholders to understand our services and how to access them.

Our CLE Strategy is delivered through:

- web-based legal information and multimedia resources
- written publications, including legal information factsheets and guides
- legal information sessions and webinars for community members and community support workers
- collaborative projects that focus on increasing awareness of the law and our services within hard-to-reach communities
- participation in community events such as Homeless Connect.

The NPA's focus on prevention, early intervention legal services and collaboration has been a key driver for the strategy and coordinating our CLE work.

During the year we:

- distributed editions of our e-newsletters Head Note and CLE Bulletin to stakeholders
- participated in community events including Homeless Connect, Streetlinks, Young People Transition to Independence, Finance Fairs, Musgrave Park Family Fun Day as part of NAIDOC Week and the Mental Health Expo
- hosted two face-to-face community forums in partnership with Queensland Council of Social Services; nearly 50 community workers and community lawyers from all over Queensland attended our 'Essential services: prevention and pathways' and 'Sexually transmitted debt—tenancy, domestic violence and family law issues unpacked' forums
- coordinated our CLE webinar program for community workers; we delivered 10 webinars and videos on dealing with the police, credit and debt, domestic violence, bankruptcy, discrimination law, and accessing Legal Aid Queensland's services
- delivered 86 CLE activities to 4653 people and produced 19 resources in response to sector or community need; topics included Legal Aid Queensland's services, young adults and crime, cyber bullying and sexting, domestic violence, dealing with clients with impaired capacity, consumer law, mortgage stress, discrimination, credit and debt, consumer leases and contracts
- administered the CLE Collaboration Fund's seventh round to resource collaborative initiatives and partnerships to extend the reach of our CLE work. The fund allows us to draw on community legal centres (CLCs), the Aboriginal and Torres Strait Islander Legal Service (ATSILS) and Regional Legal Assistance Forums' (RLAF) existing community relationships and professional networks to educate priority communities across Queensland. The six funded projects will deliver targeted CLE resources and initiatives to elderly people, people with disabilities, migrant communities, Indigenous people and young people.

Discrete assistance

Information and referral

Legal Aid Queensland provides comprehensive, statewide, free legal information and referral services to disadvantaged Queenslanders. Our free legal information and referral services can be accessed online via the Legal Aid Queensland website (www.legalaid.qld.gov.au), by phone through our call centre, and in person at one of our 14 offices throughout metropolitan and regional Queensland.

The organisation first established a statewide call centre in 1997 to provide telephone information services to the general public. The Legal Aid Queensland website complements this service, providing comprehensive legal information, as well as a statewide network of referral agencies. Clients can also access information in person by visiting one of our offices or a community access point.

Website

Our website allows all Queenslanders to access accurate legal information and service provider referrals.

The website includes features such as:

- mobile accessibility, making the site easy to read on smart phones and tablets
- efficient search functionality, where users can simply type in what they are searching for without the need to understand where the information is located on the site
- a quick exit button on the right of each page, which allows users who are viewing sensitive information to quickly exit the site and redirects them to another website

During the year, our website was accessed 1,022,278 times with 2,168,116 pages being viewed.

- a built-in screen reader and translation tool called 'Browsealoud', which will read out our content to users (especially useful for people with vision impairments or low literacy levels)
- a 'For lawyers' section, which includes announcements, key policies and procedures (like the Grants Handbook, best practice guidelines and case management standards) for our preferred supplier lawyers
- a 'Find a lawyer' search feature, which allows users to locate a preferred supplier law firm or CLC near them
- legal information written in plain language to make it easier to use and understand.

The website also meets the Web Content Accessibility Guidelines 2.0, which is essential under the Anti-Discrimination Act.

Call centre

Our client information services call centre answered 143,709 calls in 2016–17 and provided 95,701 legal information and referral services to clients. The team also provided 441 legal information and referral services via email.

We continued to give prisoners in correctional centres priority access to our call centre to reduce their waiting time. Prisoners are considered highly vulnerable clients as they have extremely limited access to legal services and support, and are at a high risk of social exclusion and financial disadvantage. Prisoners' call times are restricted and time waiting in a queue counts towards their call limit and impacts their capacity to deal with their legal issues.

In 2016–17, we continued our partnership with the Queensland Police Service as a community service provider for the Police Referrals Management Service. The service helps people who come into contact with police and other community agencies and organisations and who require support for legal issues. During the year, we handled 2854 referrals from this program.

Our call centre provided legal information to 95,701 people in 2016–17.

We also worked to improve our business processes and systems to further streamline the delivery of information and advice to clients. The changes included:

- refining our filters and making better referrals to other service providers
- training our client information officers in practical call handling skills
- training our regional front counter staff on information and advice practices, pathways and referrals
- introducing streamlined videoconferencing services by adopting new technology
- streamlining and promoting client access to services across multiple platforms
- refining our staff induction training to focus on customer service.

These actions, together with ongoing improvements to our website, which encourages self-help and provides relevant legal information, have resulted in:

- stability in call wait times
- a reduced average call length
- increased capacity to provide clients with access to relevant legal information publications and online resources.

Flood and cyclone legal help

Legal Aid Queensland implemented its Disaster Legal Response Plan in March 2017 in response to Cyclone Debbie and subsequent flooding experienced across a large area of Queensland.

Our client information services call centre was the first contact point for legal help with a dedicated telephone line (1300 650 143) for people affected by the cyclone and subsequent flooding. We also developed a priority booking system for legal advice for these clients.

We promoted our legal information resources on our website and promoted our free legal services via media releases, social media, posters and by visiting recovery centres in Bowen, Cannonvale, Proserpine and Mackay.

We liaised with the Mackay Community Legal Centre and Caxton Legal Service about the legal help they could provide to those affected by the cyclone and floods.

We also participated in joint public meetings in Mackay and Proserpine with the Insurance Council of Australia and provided on-site legal advice clinics immediately after the meeting.

Legal advice and legal task services

Financially disadvantaged Queenslanders can access our free legal advice and legal task services by telephone, including via the National Relay Service, by videoconference and face-to-face at Legal Aid Queensland offices and at designated outreach services. The legal advice service is primarily provided by our Brisbane-based First Advice Contact Team (FACT), specialist teams and regional offices. The FACT provides face-to-face advice to eligible clients at our Brisbane office and statewide telephone advice services. They also help as domestic and family violence duty lawyers as needed.

The FACT also provides legal task services for people who might need help with preparing letters and other documents following initial legal advice.

In 2016–17, we provided legal advice and legal task services to 37,008 people.

We continued to provide a call centre lawyer service, where an advice lawyer helps our call centre staff to identify and manage clients' complex legal issues. The lawyer also provides advice to clients who are particularly vulnerable and where their matter is time sensitive.

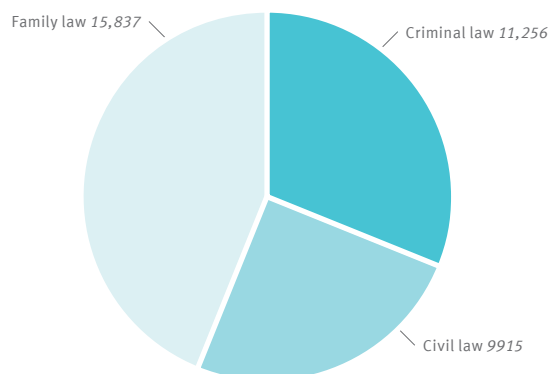


Figure 7. Legal advice and legal task services 2016–17

We provide free legal advice in:

Criminal law

- Criminal charges in the Magistrates, District and Supreme Courts
- Youth justice
- Traffic matters

Family law

- Parenting issues (eg arrangements about children)
- Relationship issues (eg divorce, property settlement)
- Domestic and family violence
- Child support and maintenance
- Child protection
- Family dispute resolution

Civil law

- Anti-discrimination
- Farm and rural debt issues
- Social security appeals
- Peace and good behaviour
- Victim Assist
- Motor vehicle property damage
- Excluding young people from school and services
- Consumer and debt disputes
- Employment.

Prison Advice Service

We provide a Prison Advice Service, which primarily uses videoconferencing to provide legal advice services to people in Queensland's prisons. Videoconferencing reduces travel time and provides cost savings. The Prison Advice Service and some regional advice lawyers also provide face-to-face advice services at designated prisons.

During the year, we provided legal advice and legal task services to 2385 prisoners around the state.

Refugee and Immigration Legal Service advice clinic

We worked with the Brisbane-based Refugee and Immigration Legal Service (RAILS) to provide a fortnightly legal advice clinic for clients who have family law, domestic violence and/or child protection issues. The lawyers in the clinic help clients to apply for legal aid (if appropriate).

Victim Assist advice clinic

We provide specialist legal advice and minor assistance to victims of crime about applications for financial help to Victim Assist Queensland. We provide a weekly Victim Assist telephone advice clinic.

Consumer advice clinic

During 2016–17, we continued to provide telephone advice clinics five days a week, and face-to-face consumer advice clinics at our Inala, Woodridge and Ipswich offices. In the aftermath of Cyclone Debbie, we provided advice clinics to clients seeking advice about their insurance.

Anti-Discrimination advice clinic

We provide a specialist legal advice and task assistance clinic about state and federal anti-discrimination laws. We provide telephone advice clinics two days a week.

Employment law advice clinic

We provide a specialist legal advice and task assistance clinic about federal employment law matters under the *Fair Work Act 2009*. We provide telephone advice clinics three days a week.

Legal Advice Referral Pathways Program

We continued to provide our Legal Advice Referral Pathways Program, which helps vulnerable clients, particularly women who have experienced domestic and family violence, to receive priority legal advice. The program operates in 12 locations around the state—Brisbane, Caboolture, Gold Coast, Ipswich, Richlands, Woodridge, Maroochydore, Toowoomba, Bundaberg, Mackay, Rockhampton and Townsville. We saw an increase in the number of referrals and partner organisations during the year.

Women's Domestic Violence Court Assistance Service and Application Assistance Program

During the year, we provided legal advice, support and information to women dealing with domestic and family violence matters and related child protection and family law matters, including through the Application Assistance Program and the Women's Domestic Violence Court Assistance Service.

The Application Assistance Program helps women applying for domestic and family violence protection orders in the Brisbane Magistrates Court by:

- helping women prepare and lodge applications for domestic and family violence protection orders
- providing support for women in court
- helping women with risk assessments and safety planning
- referring women to legal and support services.

The Women's Domestic Violence Court Assistance Service provides free and confidential help to all women who attend the Brisbane Magistrates Court for domestic and family violence matters. The service is available to all women applying for or responding to a domestic and family violence protection order, and helps them:

- access the court's safety facilities
- understand what protection orders are, including their conditions and what to do if an order is breached
- understand the court process, including support and information
- talk to the police prosecutor and court staff
- make a safety plan
- access relevant legal and community services
- with crisis counselling and emotional support
- complete applications for legal aid.

Child Protection Early Intervention Pilot Service

In 2016–17, we re-established a pilot service in Brisbane focused on providing legal advice and advocacy for vulnerable parents early in child protection intervention. The Children and Young People team employed three extra lawyers and a litigation support officer who are primarily focused on acting for parents in child protection matters—enhancing our capacity to undertake early intervention legal work in this area. The team works collaboratively with community-based support agencies to make sure the pilot reaches vulnerable parents involved, or at risk of becoming involved, with the child protection system. Early intervention legal support involves advocating for parents to receive support and guidance to keep their children safe so that statutory child protection intervention occurs only as a last resort. This support may involve legal advice and help before the start of court proceedings. We plan to evaluate the pilot service in 2017–18.

Case study: Child Protection Early Intervention Pilot Service

A woman was referred to the Child Protection Early Intervention Pilot Service by a support agency. She was pregnant and had an older child living at home subject to an intervention with parental agreement.

The early intervention lawyer gave the woman initial advice and attended a case planning meeting with her to discuss Child Safety's expectations of her and what support services would be provided during the intervention with parental agreement.

An agreement was reached with Child Safety about support services and expectations about her unborn child. When the baby was born, Child Safety took both children into care, removing the infant from the client's care at the hospital.

The lawyer helped the client to apply for a grant of legal aid in time for the lawyer to appear at the first mention of the court assessment order application by Child Safety. At court, the client agreed to the assessment order being made, but disagreed the children should be placed in care while Child Safety assessed their concerns. Based on the lawyer's knowledge of the agreement previously reached at the case planning meeting, the lawyer successfully opposed custody being granted to Child Safety during the assessment order.

When the assessment was completed and the order expired, the Director of Child Protection Litigation applied for a protective supervision order, which meant the children remained living at home with the client, with Child Safety providing ongoing support to the family.

Duty lawyer services

Criminal Law Duty Lawyer Service

Our Criminal Law Duty Lawyer Service operates in 76 Queensland Magistrates and Childrens Courts and plays a crucial role in our youth and adult justice systems. The service offers free initial legal advice and representation to people charged with criminal and serious traffic offences, who are on bail or in custody in Queensland. Duty lawyers can enter guilty pleas, make bail applications and request remands for clients.

Duty lawyer services are provided by our in-house lawyers and authorised private lawyers who deliver services under roster or tender arrangements.

We are committed to case conferencing and mediating matters with the prosecution to ensure our clients have their legal issues resolved as soon as possible. This can have significant sentencing benefits for clients and can also result in savings to the criminal justice system by avoiding court time being wasted. It also means witnesses and victims do not have to go through the stress of attending court.

Case study: Family Advocacy and Support Services

We helped a woman after she was referred to the Family Advocacy and Support Services from the family law courts registry. She had separated from her partner and they had an 18 month old child. Her former partner was allegedly using illicit drugs, had committed significant and severe domestic violence during their relationship, and had been threatening towards her following separation.

A domestic and family violence protection order was in place between them and it had been agreed the former partner could see their child on some weekends since separating. The former partner had recently been charged with breaching the protection order but had not been served with the charges.

At a visit arranged for him to see their child, he attempted to run the mother over in his car while the child was in the back seat of the car. After this event, he took off without returning the child to the mother. The mother was very distressed and worried about her young child's safety, wanting the child returned to her care.

The Family Advocacy and Support Services lawyer took instructions from the client, preparing an urgent application for a recovery order for the child to be returned to her. The documents were filed and the court listed the matter to be heard on a very urgent basis. The lawyer represented the mother at court and secured an order for the Australian Federal Police to recover and return the child to her care. A few days later, the child was returned to the mother's care.

The Family Advocacy and Support Services support worker provided crisis counselling for the mother, helped with safety planning and supported the mother when talking to the police to give a statement about the incident where the former partner attempted to run her over. They also helped the mother to liaise with the police after the recovery order was issued, helping them locate the child and return the child to her care.

Family Law Duty Lawyer Service

Our Family Law Duty Lawyer Service provides help to self-represented litigants in the Family Court of Australia and the Federal Circuit Court throughout Queensland for family law matters. We provide services in Brisbane, Southport, Ipswich, Maroochydore, Toowoomba, Hervey Bay, Bundaberg, Rockhampton, Mackay, Townsville and Cairns.

The duty lawyer service provides information, legal advice, referrals and in some cases representation to clients with matters in court that day. We also help people complete their own forms and documents, negotiate and settle consent orders, and seek adjournments. We help people complete applications for legal aid or access our review process if they have previously been unsuccessful with applications for aid.

Family Advocacy and Support Services

In March 2017, we established the Family Advocacy and Support Services in the Commonwealth law courts in Brisbane, Townsville and Cairns. This is a federal government funded service focusing on giving more and earlier help to clients who have been impacted by family violence.

The service recognises people coming to the family law courts need more than just legal help—it involves lawyers and social support workers who can work together to address the client's legal and non-legal needs.

The service provides legal advice and help for unrepresented people on their court date, complementing the Family Law Duty Lawyer Service. Legal help is also provided for clients who are not in court but have a very urgent family law issue, such as seeking recovery or airport watch list orders for children.

Lawyers give people information and legal advice, negotiate with other parties, prepare simple court documents and represent people in court (in some situations). Support workers can help clients with safety planning and referrals for their social support needs.

The service has already helped many vulnerable clients.

Domestic and Family Violence Duty Lawyer Service

During the year, we were a key partner involved in implementing the Specialist Domestic and Family Violence Court at Southport, operating duty lawyer services to support clients and the court. The service helps people access free legal help before their court appearance. The service's clients include those affected by domestic and family violence, those who are responding to an application for a domestic and family violence order and defendants charged with breaching domestic and family violence orders and related criminal cases. The duty lawyers provide legal advice, representation and referrals to other legal and support services for people appearing before the specialist court.

This year, the duty lawyers in the Specialist Domestic and Family Violence Court have helped 4879 people appearing before the court for domestic violence matters.

We also operated domestic and family violence duty lawyer services in 14 other courts around Queensland. The duty lawyers provide free legal information and advice, help clients to fill out forms and documents needed for that day in court, discuss the clients' eligibility for ongoing support from Legal Aid Queensland in the domestic violence matter and other related legal problems, and provide referrals to appropriate support services. In some circumstances, the duty lawyer may also appear in court on the client's behalf for their domestic violence matter.

The duty lawyer services are provided in the 15 courts by in-house lawyers and lawyers from preferred supplier law firms and CLCs. Providing legal help and referrals early in the court process helps applicants and respondents to better understand their options and the legal implications of these options. It also helps people to connect with support services early to help keep them and their children safe.

Child Protection Duty Lawyer Service

We operated the Child Protection Duty Lawyer Service in Brisbane, Ipswich, Southport, Maroochydore, Toowoomba, Caboolture, Pine Rivers, Townsville and Cairns Childrens Courts. The service provides free legal help to parents and young people before they appear in court for their child protection matter.

Case study: Domestic and Family Violence Duty Lawyer Service

A woman presented to the Domestic and Family Violence Duty Lawyer Service after getting a domestic violence protection order the previous day with only mandatory conditions and a requirement the respondent must not go to her home.

The client gave information about evidence of injuries to herself and her children. The duty lawyer successfully applied to vary the order granted the previous day, adding an extra condition that the respondent must have no contact with the client or the children. They also arranged for a risk assessment to be completed by the police, resulting in a referral to the child protection unit to consider harm done to the children.

The duty lawyer also referred the client to support services to help with concerns about her tenancy and financial matters and to the local High Risk Team for ongoing case management. High Risk Teams are made up of government agencies working alongside specialist non-government services to provide an integrated response to families affected by domestic and family violence.

The service is a court-based advice model where lawyers provide free legal information and advice, help people fill out forms and documents needed for that day in court and also talk to the clients about their eligibility for ongoing legal representation from Legal Aid Queensland. In some circumstances, the duty lawyer may also appear in court on the client's behalf for their child protection matter.

The Child Protection Duty Lawyer Services are provided by in-house lawyers and lawyers from preferred supplier law firms and CLCs.

Lawyers being available to provide advice to people about their child protection issues help the clients to be properly informed before going into court, to feel more confident negotiating the legal process and more accepting of the outcomes.

Anti-Discrimination Commission Queensland advice clinic

We continued to work with the Anti-Discrimination Commission Queensland (ADCQ) to provide a weekly advice clinic at their offices. The clinic is available to clients whose complaints have been accepted by the commission. Clients receive legal advice face-to-face or via phone about their complaint's prospects of success, the conciliation process, how to proceed to the Queensland Civil and Administrative Tribunal (QCAT) and, if appropriate, help with applying for legal aid.

Social security advice services

We continued to provide social security appeal advice clinics in collaboration with the Administrative Appeals Tribunal (AAT) and Basic Rights Queensland. We provide clinics at the AAT's Social Services and Child Support Division and General Division on Tuesdays and Wednesdays each week.

Clinics focus on providing advice and assistance to clients about disability support pensions, debts, compensation preclusion cases, social security benefits cases where there is a dispute about whether a person is in a couple relationship, other complex cases and matters involving vulnerable clients. The service provides advice to clients on their prospects of success and/or evidence and, if appropriate, helps them apply for legal aid.

Workplace advice clinic

In March 2017, we began providing a Workplace Advice Clinic at the Fair Work Commission's Brisbane office on Tuesdays and Thursdays each week.

The clinic provides people with legal advice about unfair dismissal, general protections and bullying applications. Lawyers provide advice to clients on their prospects of success and/or evidence and, if appropriate, help them apply for legal aid.

Facilitated resolution processes

Resolving family law problems through dispute resolution processes

Legal Aid Queensland is a national leader in providing lawyer-assisted family law dispute resolution. We provide a statewide lawyer-assisted family dispute resolution program. We aim to resolve family law disputes before matters go to court or before a final hearing if court proceedings have started. The program achieved an outstanding result last year, with 78 percent of matters achieving an early resolution.

We have dispute resolution conference organisers in Brisbane and regional centres around the state to help families. Family law dispute resolution conferences are held at our Brisbane and regional offices. An important part of our dispute resolution program is our property arbitration program.

Providing services to the farming community

Our Farm and Rural Legal Service provides free legal help to Queensland farmers and primary producers experiencing financial hardship related to their business, including those with severe debt problems or those in dispute with their lenders.

We provide legal advice and represent clients in mediations with their banks and finance providers. The service is provided by an in-house lawyer and by contracting three private law firms to provide the service across central and northern Queensland.

Representation services

Our in-house practice, together with hundreds of private law firms (preferred suppliers) and barristers, provide representation services to legally-aided clients in serious crime, general crime, juvenile justice, family law, child protection, domestic violence and other civil law matters. We use grants of aid to purchase these services from private lawyers.

In 2016–17, our expenditure to private lawyers for representing clients was \$58.75 million.

About 80 percent of our legal representation is provided by private lawyers, and barristers who are briefed by them, with the remainder provided by our in-house practice.

Funding private lawyers to do legal aid work makes up more than 50 percent of our total expenditure.

Processing applications for grants of aid

Our Grants division is responsible for processing applications for grants of legal assistance and managing these grants following approval. We assessed 40,600 new applications in 2016–17 (see Figure 8 for more information) and saw an increase in the number of applications for criminal law matters compared with 2015–16. Applications are processed by staff in our Brisbane and regional offices.

We approved 31,194 initial applications for legal aid in 2016–17.

Demand for our services is high so we use strict criteria when granting aid for legal representation. In determining whether to approve a grant of aid, grants officers assess requests in line with our guidelines, which are set by the Legal Aid Queensland Board, and apply the means and merits tests. This process looks at the financial means of the person applying and the case's merit. If an application is refused, internal and external review processes are available to applicants.

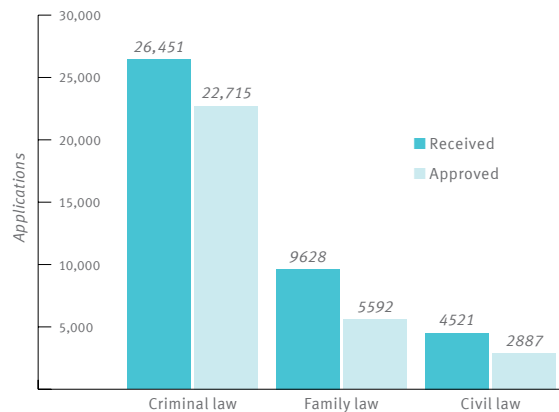


Figure 8. Applications for grants of aid received and approved 2016–17

In-house legal practices

Criminal law services

Magistrates Court

We provide legal representation in the Magistrates Court for pleas of guilty, summary trials, committals and other Magistrates Court matters.

Our lawyers are involved in the Magistrates Court callover process in Brisbane and provide case conferencing services for summary and committal matters. During the year, we expanded our in-house duty lawyer services in Brisbane to help unrepresented defendants in the daily criminal callover in the Brisbane Magistrates Court. This has been well received by the court and provides legal help and representation to a previously unrepresented group of defendants.

In the past year, following the state government's election commitment to reintroduce diversionary processes and programs, we actively participated in re-establishing diversionary courts in Queensland. Our extensive knowledge and experience of previous diversion programs allowed us to provide feedback about the development and operation of specialist courts and programs.

Our lawyers also helped to progress and improve interaction with clients and local stakeholder groups involved in the Queensland Integrated Courts Referral Program.

Serious and general crime

Our lawyers specialise in the defence of complex and general criminal law cases, in Commonwealth and state jurisdictions. We also provide legal assistance in *Dangerous Prisoners (Sexual Offenders) Act 2003* (DPSOA) matters.

Representation is often delivered in serious criminal matters such as murder, major fraud and complicated drug prosecutions. The defence of these matters is challenging and demanding, requiring extensive research, investigation and preparation.

In DPSOA matters, we act for people responding to dangerous prisoner applications brought by the Attorney-General, at periodic reviews of continuing detention orders, and in contravention proceedings for breaches of supervision orders.

Lawyers also provided help to clients who must appear before hearings conducted by the Crime and Corruption Commission Queensland or the Australian Crime Commission.

Our General Crime team has helped absorb some of the growing demand in criminal law work, particularly in the south east Queensland's District and Supreme Court jurisdictions.

Our experienced lawyers continued to contribute to criminal justice system consultation to help increase efficiencies in the superior courts, particularly in relation to complex trial case management.

Appeals

Legal Aid Queensland represents people on appeal in the District Court appellate jurisdiction, Queensland Court of Appeal and the High Court of Australia. Appellate jurisdictions are the safety net for the criminal justice system and our lawyers appear in many appeals alongside in-house counsel.

Our lawyers work with stakeholders in the appellate jurisdictions to improve representation and the justice system generally. Our Appeals team helped to coordinate and deliver representation in a number of appeals before the Court of Appeal in Cairns during mid-2017. Our lawyers have also been engaged in initiatives such as the Court of Appeal Registry Hyperlinking Pilot, which provides all cases relied on by the defence by electronic hyperlink.

Mental Health Court

Our Mental Health Unit provides advice and representation for people charged with criminal offences who have been referred to the Mental Health Court. The team is also committed to helping Queenslanders affected by mental illness or significant impairment and strives to provide them with a voice in the justice system.

The team works closely with our in-house counsel to conduct matters, representing the vast majority of non-privately represented clients appearing in the Mental Health Court.

Helping young people in the criminal justice system

Our criminal lawyers represent young people primarily in casework matters and duty lawyer services throughout Queensland. We also provide legal advice services at regular sessions to young people in detention.

Our Youth Legal Aid team provides specialist legal assistance to children and young people in the youth justice system, particularly in south east Queensland. The team is a significant stakeholder in the youth justice sector and advocates strongly on behalf of vulnerable children.

Family law services

Social science work

Our social workers and psychologists play an integral role in delivering our legal services to vulnerable clients. They support people through legal processes, chair family dispute resolution conferences, complete social assessment and family reports, psychological and pre sentence reports and provide counselling services. We provide social work services from our Brisbane and Townsville offices.

During the year, our social workers and psychologists completed forensic assessment reports and psychological reports for independent children's lawyers and separate representatives involved in family law and child protection matters, and provided testimony before the courts. Our psychologists help our criminal lawyers by preparing pre sentence reports. They helped our lawyers by providing clients with information and referrals to appropriate external organisations for help with non-legal matters such as mental health problems, substance dependencies and accommodation difficulties.

Helping those affected by domestic and family violence

We represent people in domestic and family violence matters through grants of aid to private law firms and to our in-house legal practice.

Our specialist multi-disciplined Violence Prevention and Women's Advocacy team helps clients experiencing domestic and family violence. The team comprises specialist lawyers and social workers who provide services to people and practical advice about service delivery in domestic and family violence cases.

Helping people with child support issues

We provide information, referral, legal advice and representation services to clients in some child support areas. We can explain how the child support formula works, how the Family Tax Benefit is affected and how to prove paternity.

Children and young people

Helping children, their families and the courts to assess the best interests of children involved in legal proceedings is a key focus of the work conducted by

our family and child protection lawyers. We continued to provide legal services for children and young people involved in family law and child protection matters in 2016–17.

Courts exercising family law and child protection jurisdiction make a significant number of independent children's lawyer and separate representative appointments, where judicial officers order a child's interests be separately represented. Independent children's lawyers and separate representatives provide best interests representation for children, playing a unique and difficult role within the family law and child protection systems. They gather and assess independent evidence, help children and young people to participate in legal processes that affect them, and provide measured guidance and recommendations to the courts about the best interests of children and young people. The cases they work on are complex and demanding. Many of these matters are dealt with by specialist in-house lawyers. Our in-house independent children's lawyers and separate representatives have significant experience and knowledge about parenting and child protection cases.

In addition to appearing in complex child protection and family law matters, our in-house lawyers also perform considerable work in the Family Court of Australia's Magellan list—a case management list devoted to cases where there are allegations of serious physical abuse or sexual abuse of children.

In 2017, we delivered the separate representative training program for lawyers wanting to join the separate representative panel, together with a child protection masterclass for existing panel members. We facilitated independent children's lawyer and separate representative panel meetings to help ensure knowledge is shared and issues are discussed between the private practitioners on the panel and in-house specialist lawyers. This ensures a consistent, quality approach to representing children and young people.

Child protection

We are the largest legal service provider in child protection matters in Queensland, providing information and advice, representation of parents, direct representation of young people, separate representation of children and young people in the Childrens Court of Queensland, and limited representation in the QCAT in respect of reviewable decisions.

Civil justice services

Anti-discrimination services

We provide specialist legal advice, assistance and representation in matters involving anti-discrimination, sexual harassment and vilification. We provide representation in the Australian Human Rights Commission, ADCQ, QCAT, Queensland Court of Appeal and Federal Court of Australia.

Employment law

We provide specialist legal advice, assistance and representation about federal employment law matters under the *Fair Work Act 2009* in relation to unfair dismissal, general protections and bullying in the workplace. We provide representation in the Fair Work Commission, Federal Circuit Court and Federal Court of Australia.

Civil Law Legal Aid Scheme

The Civil Law Legal Aid Scheme is an outlays only scheme that helps financially disadvantaged people who have a civil law claim for which no grant of legal aid is available. Funded by the Public Trustee of Queensland and administered by Legal Aid Queensland, the scheme covers outlays required to prepare civil law claims for settlement negotiations and/or court proceedings. The scheme does not fund legal professional fees and lawyers accessing the scheme must agree to speculate their fees. The scheme operates under guidelines independent of Legal Aid Queensland's grants of legal aid.

The scheme will consider providing funding for outlays where:

- there are reasonable prospects of the scheme recovering outlays
- the action can be dealt with in the Queensland legal jurisdiction
- an approved firm is willing to act on a speculative basis for their professional fees.

Applications are subject to means testing and merit assessment, and assistance will only be approved if it is considered the claim has reasonable prospects of success.

Legal help for war veterans and their dependants

We receive federal funding under the War Veterans' Legal Aid Scheme to provide help to veterans and their dependants in relation to appeals of Veterans Review Board decisions about:

- war caused disability pension entitlements or assessment claims under Part II of the *Veterans Entitlement Act 1986*, and
- claims under the *Military Rehabilitation and Compensation Act 2004* about warlike or non-warlike service about:
 - accepting liability
 - rehabilitation programs
 - permanent impairment
 - incapacity payments for former members
 - special rate disability pensions
 - dependant benefits.

In 2016–17, we helped 48 veterans and their dependents to file appeals.

Consumer protection

We provide specialist advice, assistance and representation in consumer law matters. We provide advice to clients as well as lawyers and financial counsellors throughout Queensland.

During the year, we helped people with:

- mortgage stress
- housing repossession
- debt
- loans (including small amount loans and car loans)
- telecommunications and unsolicited consumer agreements (including door-to-door selling)
- insurance.

Social security appeals

We provide specialist legal advice, assistance and representation for clients considering appealing Centrelink decisions. We also provide legal representation for social security appeals in the AAT and Federal Court of Australia.

National Disability Insurance Scheme appeals

During the year, we began providing legal representation to people in their National Disability Insurance Scheme (NDIS) appeals. The NDIS allows eligible participants to access government funding for reasonable and necessary supports to allow the person with disability to participate and contribute to social and economic life to the best of their abilities.

Decisions about their eligibility for funding and the extent of that funding are made by the National Disability Insurance Agency (NDIA). If a person is unhappy with the NDIA's decision, they can ask for an internal review of the decision by the agency, and if they remain dissatisfied with the NDIA's decision they can apply to the AAT to review the decision.

We provide legal services through arrangements with the Department of Social Services where a case raises complex or novel legal issues. Applications for legal assistance are made directly to the Department of Social Services.

In 2017, we provided legal representation to two NDIA participants seeking reviews in the AAT.

Legal representation in the Mental Health Review Tribunal

In 2017, we began working with the Mental Health Review Tribunal (MHRT) to provide legal representation services to patients appearing before the tribunal under the new *Mental Health Act 2016*.

The tribunal sits in 72 locations across Queensland, and it's expected more than 2000 hearings each year will need legal representation services.

The Mental Health Review Tribunal is an independent statutory body protecting the rights of people receiving involuntary treatment for mental illness. It provides an independent review process and makes decisions about whether treatment should occur either in hospital or in the community.

To help service clients statewide, we have established an in-house Mental Health Review Tribunal team based in Brisbane along with a network of more than 25 external legal service providers (private law firms that do legal aid work and CLCs).

Our in-house team, working together with the network of service providers, gives legal help to some of Queensland's most vulnerable people appearing in the tribunal across the state.

Case study: Providing legal representation to clients in the Mental Health Review Tribunal

Our in-house Mental Health Review Tribunal team provided legal representation to a client appearing before the Mental Health Review Tribunal for a review of his forensic order.

The client had been placed on a forensic order by the Mental Health Court in 2006 after being found of unsound mind in respect of a number of offences. The client had been diagnosed with paranoid schizophrenia and, before the order was made, had received limited consistent treatment for his illness.

Over the past 10 years, the client had made significant progress on his order. His mental health stabilised after introducing antipsychotic medication and regular therapeutic intervention.

At the time of the hearing, the client was living in the community with stable mental health. He ran his own business, engaged in prosocial recreational activities and volunteer work through his local church.

We advocated for the client at his hearing to represent his preference to have his forensic order revoked and replaced with a less restrictive treatment support order. The tribunal heard evidence from the client's treating team and submissions from the Attorney-General's representative. After considering the issues, the tribunal agreed with our submissions and replaced the client's forensic order with a treatment support order.

Counsel

In 2016–17, our in-house team of barristers, led by public defender John Allen QC, again showed their commitment to providing quality specialist legal advocacy services efficiently and effectively.

We appointed new deputy public defenders to fill the vacancies created by the appointment of David Shepherd to the Magistracy and the appointment of Carl Heaton QC to the position of deputy director of public prosecutions.

Counsel continued to undertake complex trials and sentences in the Supreme, District and Magistrates Courts, and also appeared in all Mental Health Court sittings and in the Supreme Court's civil jurisdiction for respondents in applications brought under the Dangerous Prisoners (Sexual Offenders) Act. Counsel also provided advice and representation in family and civil law matters.

Our Townsville and Brisbane-based barristers also appeared in regional courts, including those in remote areas such as Mount Isa and the Gulf of Carpentaria.

Senior barristers provided advice on the merit of appeals to help the appeals section in assessing applications for legal aid. They also appeared in appeals against sentences and/or convictions before the Queensland Court of Appeal, including matters in which the Attorney-General had appealed against the sentence.

The increased volume, complexity and diversity of the work undertaken by counsel has provided opportunities for in-house counsel to develop the skills and experience that ensure legally-aided clients continue to have access to high quality representation and advice.

Ensuring quality legal services

Legal Aid Queensland aims to provide quality legal services to financially disadvantaged people and we continue to improve the quality of our work and the outcomes for our clients.

Measuring client satisfaction

In March 2017, we commissioned market research consultants Colmar Brunton to conduct our biennial client survey. This involved a telephone survey of 500 previous clients. Clients were asked about their overall satisfaction with Legal Aid Queensland, and more detailed questions about the specific services they received and their experiences.

The survey revealed positive outcomes for Legal Aid Queensland in overall service satisfaction and performance across our key service areas. Overall satisfaction was rated 7.4 out of 10 and satisfaction was generally very high across most client groups in Queensland. The results indicated we are performing strongly on casework and conferencing services and civil law clients are the most satisfied with information and advice services.

Client satisfaction with legal representation and conferencing services increased respectively from 8.0 and 7.8 in 2015, to 8.6 and 8.5 in 2017. In particular, clients receiving representation from in-house lawyers rated their satisfaction highly at 9.2 out of 10.

Satisfaction scores are influenced significantly by the outcome of a client's application for a grant of aid for representation in court. Clients who did not receive a grant of aid were the least satisfied, with a mean score of 5.1 out of 10, whereas clients who received a grant of aid scored the application service at 8.9 out of 10.

The research provided useful information to help us prioritise future service improvement initiatives.

In-house lawyers

We continued to use our Quality Legal Services Framework for Legal Aid Queensland employed lawyers. The document lists the measures we have in place to ensure we maintain a high standard of service delivery to our clients.

This includes:

- recruiting and selecting lawyers through open, merit based selection processes
- providing an induction program for new lawyers to ensure they are familiar with standards of conduct, professional requirements and administrative processes
- developing and delivering a continuing professional development (CPD) program for lawyers
- compliance with legal profession standards
- compliance with legal service standards, case management standards and practice management standards
- providing legal professional supervision to lawyers
- regularly reviewing files and auditing lawyers
- responding to client feedback and complaints
- conducting a client satisfaction survey every two years to guide improvements to service delivery. We conducted a survey in 2017. See page 42 for more information.

Preferred supplier law firms

Our preferred supplier law firms are required under their agreement with Legal Aid Queensland to meet our policies, guidelines, and file management, practice and case management standards.

As part of our commitment to ensuring funding is used in line with the terms and conditions of approved grants, we implement a rolling program of compliance checks. These compliance checks focus on particular aspects of compliance across a large number of grants of aid and suppliers.

In 2016–17, we focused on the following areas of compliance:

- the client's financial eligibility and supporting documentation used in assessing eligibility
- receiving and retaining signed legal aid application forms
- confirming a conference with counsel and the client happened before the client signed instructions to proceed to trial
- holding signed instructions for trial before requesting a grant of aid for trial.

We communicate all compliance activity outcomes to the participants and use these to continuously improve our grant funding processes.

We require the work performed by preferred supplier firms is to a high professional and ethical standard and the preferred supplier firms comply with the terms of the preferred supplier agreement. We respond to complaints received from clients and other stakeholders about preferred suppliers in line with our complaints policy and procedures. We assess complaints to identify any concerns about the preferred supplier's compliance with the agreement. If we identify concerns, the complaint is investigated by seeking a response from the preferred supplier and gathering any other material relevant to the complaint. We consider all available information and decide whether the complaint is substantiated or not substantiated. We then notify the complainant and the preferred supplier once the investigation is finalised.

We record all complaints and these can be used to identify a pattern of non-compliance. Substantiated non-compliances can be dealt with under the clauses of the preferred supplier agreement including a notice of breach or by terminating the preferred supplier agreement. Complaints of a serious nature can also be referred to the Legal Services Commissioner.

Access by disadvantaged groups

Assisting culturally diverse clients

During the year, we continued our commitment to clients from culturally diverse backgrounds. We promoted our services within these communities to increase people's awareness of Legal Aid Queensland and improve their access to justice by:

- delivering focused CLE sessions to culturally diverse communities
- distributing translated legal information to culturally diverse communities
- using free interpreter services for clients in line with the state government's Language Services Policy
- providing a fortnightly family law advice clinic at the RAILS in Brisbane
- promoting our website, which includes a built-in screen reader and translation tool called 'Browsealoud', that can translate content into 90 languages.

Improving services for Indigenous clients

We are committed to providing services to Aboriginal and Torres Strait Islander people. During the year, we:

- provided funding to support the ATSILS
- funded disbursements such as counsel for ATSILS clients in higher court criminal law and other matters
- promoted our Indigenous Information Hotline, which gives priority to Aboriginal and Torres Strait Islander callers so they can access legal information and advice for the cost of a local call from a landline anywhere in Queensland
- provided outreach clinics where lawyers travel to surrounding regions or link in by videoconference in Cooktown, Dirranbandi, Goondiwindi, Tara and Tully
- coordinated RLAFs, which include ATSILS representatives
- held an information stall at the Musgrave Park Family Fun Day event in Brisbane during NAIDOC Week

- maintained best practice guidelines for in-house and private lawyers performing legal aid work to ensure legal services are provided to Aboriginal and Torres Strait Islander clients in a culturally appropriate way
- published legal information brochures, factsheets, wallet cards and posters that specifically target Aboriginal and Torres Strait Islander people
- provided cultural awareness training to staff
- implemented an Aboriginal and Torres Strait Islander employment strategy.

Helping people with a disability

We recognise many people with disabilities experience legal problems and require services that are responsive to their individual needs and circumstances. Our website is accessible to users, including people with disabilities, as required by the Web Content Accessibility Guidelines endorsed by the Australian Government.

Web accessibility focuses on providing equal access and opportunity for people with disabilities. For example, websites should be compatible with screen readers used by people with vision impairment and with devices used by people who cannot use a mouse because of a physical impairment. It also benefits people with literacy issues, older users and mobile device users.

When people with a disability make contact with our call centre or in person at one of our offices, we have processes in place for identifying their vulnerabilities and giving them priority and supported access to our services.

During the year, we implemented the National Relay Service to improve how people who are deaf, or who have a hearing or speech impairment can contact us.

Legal services for regional, rural and remote Queenslanders

Legal Aid Queensland supports legal services to rural, regional and remote areas of Queensland. We have 13 regional offices providing services to regional Queensland and a statewide network of more than 370 preferred supplier private law firms.

We provide direct legal services such as grants of aid, legal advices and duty lawyer services to people in rural, regional and remote Queensland (see Figures 9 and 10 for more information). Other Legal Aid Queensland services available to regional people include:

- Family Law Duty Lawyer Services in Townsville, Cairns, Mackay, Bundaberg, Rockhampton, Maroochydore, Toowoomba, Southport, Hervey Bay and Ipswich
- Family Advocacy And Support Services in Cairns and Townsville
- Child Protection Duty Lawyer Services in Cairns, Townsville, Ipswich, Southport, Maroochydore, Toowoomba, Caboolture and Pine Rivers Childrens Courts
- Domestic and Family Violence Duty Lawyer Services in Southport, Ipswich, Maroochydore, Toowoomba, Caboolture, Pine Rivers, Cairns, Townsville, Ipswich, Mackay, Rockhampton, Richlands and Bundaberg
- Criminal Law Duty Lawyer Services in regional towns across Queensland including Ingham, Ayr, Cloncurry and Childers
- counsel appearing in regional court circuits including Innisfail, Bowen and Charters Towers, and as counsel in courts in Emerald and Toowoomba
- legal outreach clinics from our offices to Cooktown and Goondiwindi where lawyers travel to surrounding regions or link in by videoconference to provide legal advice services
- a Farm and Rural Legal Service
- a statewide Indigenous Information Hotline, which gives priority to Aboriginal and Torres Strait Islander callers so they can access legal information and advice for the cost of a local

call from a landline anywhere in Queensland

- operating our Legal Advice Referral Pathways Program in Bundaberg, Gold Coast, Ipswich, Mackay, Toowoomba, Rockhampton and Townsville
- access for preferred supplier law firms to our CPD program and library resources
- thirty-six community access points across Queensland providing community support services, information about our services, a sample of our publications and help to access free telephone legal advice
- supporting the Western Queensland Justice Network to provide free legal services to people living in north west regional Queensland
- coordinating the work of 12 RLAFs across the state, which help to identify emerging legal issues in their communities.

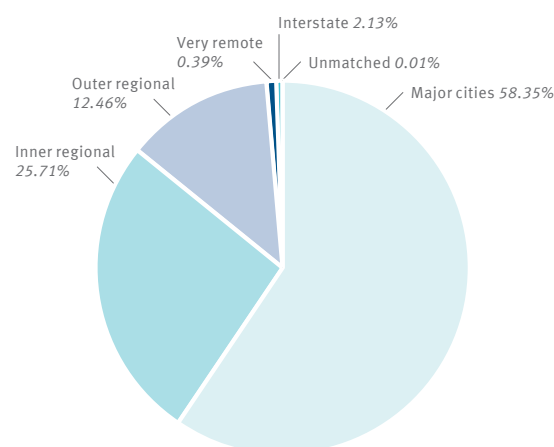


Figure 9. Legal advices provided by location 2016-17

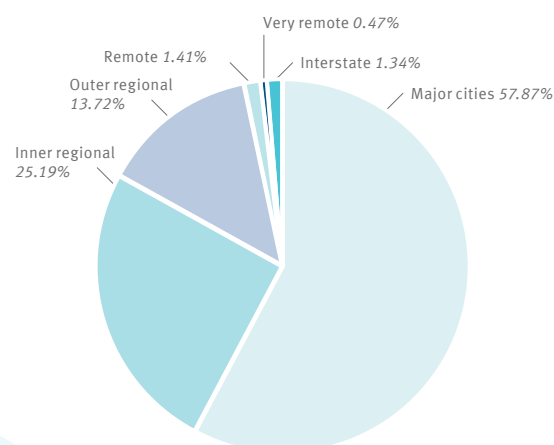


Figure 10. Applications for grants of aid received by location 2016-17

Women as a priority client group

We treat women, especially women experiencing domestic and family violence, as a priority client group. We support the Queensland Government strategy to reduce domestic and family violence by delivering legal information, advice and representation to disadvantaged Queenslanders experiencing domestic and family violence. We support and acknowledge Queensland's domestic violence laws' objective—to maximise or increase the safety, protection and wellbeing of people who fear or experience domestic violence, including their children.

Our specialist Violence Prevention and Women's Advocacy team works with clients who experience domestic and family violence. Their mission is to increase women's access to our services and improve our responsiveness to meet women's legal needs. They work to develop and maintain effective working relationships with service providers and identify, review and respond to issues impacting on women's access to justice.

The team acts for women with complex legal issues in the areas of family law, child protection, discrimination, domestic violence and crime. They also provide services to women from culturally diverse backgrounds and

women with intellectual disabilities. We have a network of family lawyers in our 13 regional offices who deliver legal services to local communities in response to issues arising from family relationships, including domestic and family violence, and child protection.

Our Violence Against Women Strategy is an integrated, collaborative and consistent response to clients who have been affected by domestic violence. Under the strategy, we have developed and implemented practical tools for our practitioners including:

- *Best practice guidelines for working with people who have experienced domestic violence*
- *Best practice guidelines for lawyers working with respondents in domestic violence proceedings*
- *Best practice guidelines for working with sexual assault victims*
- a domestic violence risk assessment tool
- an internal policy for responding to staff experiencing domestic violence.

We have legal information resources to help clients affected by domestic and family violence, which can be found on our website.

Key disadvantaged group	Criminal law %	Family law %	Civil law %	Total %
Legal advice				
Female	25.62	66.75	50.96	49.83
Indigenous	7.97	5.43	5.85	6.33
Regional and remote	13.55	15.38	11.50	13.81
Culturally diverse	10.51	12.12	13.45	11.96
Applications received				
Female	23.14	62.42	62.77	36.64
Indigenous	12.81	9.90	11.05	11.94
Regional and remote	15.64	17.12	12.13	15.59
Culturally diverse	5.59	9.29	11.50	7.10
Applications approved				
Female	22.53	60.24	70.40	32.90
Indigenous	13.56	11.20	12.00	13.04
Regional and remote	15.18	17.45	11.71	15.24
Culturally diverse	5.31	8.14	10.39	6.22

Table 5. Access by key disadvantaged groups 2016–17

Objective 3: Progress our vision through collaboration and policy leadership

Queensland Legal Assistance Forum

The Queensland Legal Assistance Forum (QLAF) helps member organisations address legal assistance issues by facilitating cooperative working relationships with other legal service providers in rural and regional areas. Legal Aid Queensland provides secretariat support to the forum. In 2016, three specialist forums were established under the QLAF:

- Best Practice and Evidence Based Working Group—to promote cooperation and collaboration between legal and non-legal service providers to improve the quality and effectiveness of services and client outcomes through improved practice, efficient systems and professional, well-trained staff.
- Aboriginal and Torres Strait Islander Service Planning Working Group—to promote cooperation and collaboration between legal assistance service providers and non-legal services, including social, community and health services working with Aboriginal and Torres Strait Islander people.
- Mental Health Service Planning Working Group—to promote cooperation and collaboration between legal and non-legal service providers, including social, community and health services working with people with mental health issues, intellectual disability or cognitive impairment.

Regional Legal Assistance Forums

There are 12 RLAFs around the state. During 2016–17, we continued to coordinate the work of those forums. The RLAFs aim to encourage collaborative and cooperative working relationships between legal aid service providers in each region. By working together service providers have been able to identify emerging legal needs in their communities and help determine which legal service is best placed to meet legal needs and ultimately reduce service delivery gaps.

Two of the RLAF networks successfully applied for funding from the CLE Collaboration Fund's sixth round to continue to provide CLE in partnership with other local legal service agencies. The RLAFs' work aligns with the NPA with its focus on increased collaboration and cooperation between legal assistance providers. It also allows legal assistance services to target people who experience or are at risk of experiencing social exclusion.

Community Legal Education Legal Assistance Forum

The CLE Legal Assistance Forum is a specialist forum of the QLAF. The CLE Legal Assistance Forum operates as a network and helps Legal Aid Queensland and the community legal sector to work collaboratively on CLE projects and share CLE information and resources to avoid duplication.

The network includes representatives from legal assistance service providers that deliver CLE services and fosters good CLE practice. During the year, the CLE Legal Assistance Forum met four times. The forum's activities are reported to the QLAF each quarter.

Children and Family Legal Assistance Forum

The Children and Family Legal Assistance Forum is a sub-committee of the QLAF. The forum aims to encourage cooperation and collaboration between legal assistance service providers working with families and children and to promote good practice across legal assistance services in delivering legal and related services to families and children.

A steering committee guides the forum's work and in 2016–17 was responsible for overseeing two working groups:

- a Domestic and Family Violence Services Advisory Committee
- a Fragmented Families Training Committee.

Supporting community legal centres

We act as state program manager for CLCs, monitoring their financial reporting and ensuring service delivery targets are met. During 2016–17, we administered funding on behalf of state and federal governments to 38 CLCs throughout Queensland (see Table 6 for more information).

This year, Queensland centres received \$19,652,515 in Community Legal Services Program funding. This funding included:

- \$1,809,962 in one-off funding from the Commonwealth Government across nine centres
- \$100,000 to the Women's Legal Service to continue their hotline.

The state government also provided \$298,000 through its project funding account to two centres for the following projects:

- Community Legal Centres Queensland – QLAF Coordinator Project (\$78,000), Self-Evaluation Toolkit Project (\$50,000) and Sustainability and Development Project (\$120,000)
- Aged and Disability Advocacy Australia – Enduring Power of Attorney Project (\$50,000).

Law and legal service reform

This year, we continued to respond to government policy and legislation development processes drawing on our extensive legal practice expertise to inform our policy contributions.

We provided submissions on the:

- Farm Debt Mediation Bill 2016 (two submissions)
- Limitation of Actions (Institutional Child Sexual Abuse) and Other Legislation Amendment Bill 2016 and Limitation of Actions (Child Abuse Civil Proceedings) Amendment Bill 2016 (one submission covering two related bills)
- Independent review of product sales commissions and product based payments
- Expansion of Financial Ombudsman Service Australia Small Business Jurisdiction
- Youth Justice and Other Legislation (Inclusion of 17 Year Old Persons) Amendment Bill 2016
- Adoption and Other Legislation Amendment Bill 2016
- Proposed amendments to the *Police Powers and Responsibilities Act 2000*
- Review of the financial system external dispute resolution framework
- Parole system review
- Victims of Crime and Other Legislation Amendment Bill 2016
- Options paper – the next chapter in child protection legislation for Queensland
- Mental Health Amendment Bill 2016
- Response to interim report – Review of the financial system external dispute resolution framework
- Criminal Law (Historical Homosexual Convictions) Expungement Bill 2017
- Review about whether a domestic violence disclosure scheme should be introduced in Queensland
- Retail banking remuneration review
- Proposed guardianship reforms
- Parliamentary Joint Committee on Human Rights inquiry into section 18C of the *Racial Discrimination Act 1975*

- Senate Economics Committee inquiry into consumer protection in the banking, insurance and financial services sector
- Classification of child exploitation material for sentencing purposes
- Insurance Council of Australia General Insurance Code of Practice Review
- Parliamentary Joint Committee on Corporations and Financial Services inquiry into lending to primary production customers
- Review of *Farm Debt Mediation Act 1994* (NSW)
- Senate Community Affairs References Committee inquiry into the design, scope, cost-benefit analysis, contracts awarded and implementation associated with the Better Management of the Social Welfare system initiative
- Improving dispute resolution in the financial system – consultation paper
- Telecommunications Industry Ombudsman Independent Review
- National Disability Insurance Scheme Code of Conduct.

Stakeholder engagement

Working with government and the courts

We supported government policy development and the justice system's efficient management by collaborating with our colleagues in government and the courts.

This involved participating in the:

- Queensland Courts Safety and Risk Committee
- Videoconferencing Operations Reference Group
- Magistrates Court of Queensland's Brisbane Criminal Law Stakeholder Group
- Queensland Courts Users Stakeholder Group
- Streamlining Criminal Justice Committee
- Mental Health Act Implementation Group
- Drug and Specialist Courts Review
- Domestic and Family Violence Specialist Court Working Group—Southport pilot
- Brisbane Domestic Violence Court Stakeholder Group
- Brisbane Child Protection Court Stakeholder Group
- Federal Circuit Court Stakeholder Group
- Language Services Reference Group
- Department of Social Services NDIS Stakeholder Advisory Group
- Australian Securities and Investment Commission Consumer Regulator Forum (Queensland).

We also worked with the Department of Justice and Attorney-General and the Department of Communities and other agencies in implementing the Queensland Child Protection Commission of Inquiry's recommendations and the recommendations of the Queensland Taskforce on Domestic and Family Violence's *Not Now, Not Ever* report.

Industry Reference Group

The Industry Reference Group provides a regular forum for consultation with the legal profession and for discussing and managing stakeholder concerns. The group comprises nominated representatives from the Queensland Law Society and Bar Association of Queensland and is chaired by Legal Aid Queensland's chief executive officer (CEO).

The group met twice during the year. During these meetings members were consulted on and provided feedback about:

- fees paid to private lawyers, barristers, psychiatrists, psychologists and social workers who do legal aid work
- the revised expensive criminal cases request form
- Mental Health Act reforms and the impacts for criminal law practice
- establishing new services—the Family Advocacy and Support Services and legal representation before the Mental Health Review Tribunal
- establishing panels of private barristers to do legal aid work in expensive criminal law matters.

Community legal centre	Federal government funding \$	State government funding \$	Total recurrent funding \$
Aboriginal and Torres Strait Islander Women's Legal Services NQ Inc	93 315	48 028	141 343
Aged and Disability Advocacy Australia Limited	—	130 388	130 388
Banana Shire Community Legal Centre	—	63 475	63 475
Basic Rights Queensland	348 899	426 360	775 259
Bayside Community Legal Service Inc	—	125 037	125 037
Cairns Community Legal Centre Inc	313 413	259 020	572 433
Care Goondiwindi Association Inc	—	125 648	125 648
Carers Queensland Inc	—	251 144	251 144
Caxton Legal Centre Inc	886 562	365 548	1 252 110
Centacare	—	160 579	160 579
Central Queensland Community Legal Centre Inc	331 726	156 102	487 828
Community Legal Centres Queensland	—	224 942	224 942
Court Network Incorporated	—	423 649	423 649
DVConnect Ltd	—	130 388	130 388
Environmental Defenders Office Queensland Inc	—	233 000	233 000
Environmental Defenders Office of North Queensland Inc	—	100 000	100 000
Gladstone Regional Community Legal Service	—	126 950	126 950
Gold Coast Community Legal Centre & Advice Bureau Inc	335 089	227 642	562 731
LawRight (formerly Queensland Public Interest Law Clearing House Incorporated)	86 560	1 074 379	1 160 939
Mackay Regional Community Legal Centre Inc	68 487	244 822	313 309
Moreton Bay Regional Community Legal Service Inc	—	125 037	125 037
North Queensland Women's Legal Service Inc	513 452	328 245	841 697
Nundah Community Legal Service	—	125 648	125 648
Pine Rivers Community Legal Service	173 398	232 374	405 772
Prisoners' Legal Service Inc	91 201	388 531	479 732
Queensland Advocacy Inc	—	462 248	462 248
Queensland Indigenous Family Violence Legal Service	107 381	129 586	236 967
Refugee & Immigration Legal Service Inc	211 545	470 222	681 767
South West Brisbane Community Legal Centre Inc	83 660	591 100	674 760
Suncoast Community Legal Service Inc	42 367	267 199	309 566
Taylor Street Community Legal Service	192 640	129 373	322 013
Tenants Queensland Inc	30 430	217 877	248 307
TASC National (formerly The Advocacy & Support Centre Inc)	494 610	1 022 786	1 517 396
Townsville Community Legal Service Inc	296 967	98 483	395 450
Western Queensland Justice Network	275 498	—	275 498
Women's Legal Service Inc	599 038	607 103	1 206 141
Youth Advocacy Centre Inc	125 781	204 791	330 572
YFS Legal	150 234	344 596	494 830
Total	5 852 253	10 642 300	16 494 553

Table 6. Recurrent funding for CLCs from state and federal governments 2016–17

Improving criminal, family and civil law grants of aid

In consultation with our stakeholders, we conducted our annual fee review and increased fees for all state civil and criminal law matters by 1.3 percent. We also increased the disbursement fees payable for waiting time, late night jury, prison visits, and social and family assessment reports. We introduced an amended fee structure for criminal law appeals that better aligns with court processes.

We continued to review our approach to assessing and managing expensive criminal law cases. Following consultation with the legal profession, we implemented a new more detailed expensive case application form and discontinued the former administrative process of issuing a proposal letter for acceptance. We improved our accountability for providing expensive case funding by extending the requirement for practitioners to maintain and provide a detailed breakdown of work completed with all accounts submitted for payment.

Briefing counsel policy and committee

Our In-house Lawyers Briefing Counsel Policy ensures probity and accountability in decisions by our in-house lawyers when briefing counsel.

Our briefing policy sets out general briefing guidelines and provides specific procedures for briefing counsel in expensive or extraordinary cases. The general briefing guidelines include requirements to:

- consider the Law Council of Australia's Equitable Briefing Policy which is aimed at promoting diversity, equality and respect to improve the retention of women barristers within the profession
- consider briefing in-house counsel to ensure cost effectiveness
- briefing regional barristers wherever a barrister of sufficient experience and expertise is available
- briefing in a way that develops a wide and diverse pool of barristers who can do legal aid work
- ensuring a balanced distribution of work to barristers who have appropriate experience and expertise
- being objective, independent, apolitical and impartial.

A Briefing Monitoring Committee is chaired by the CEO to monitor in-house lawyers' briefing practices and ensure the In-house Lawyers Briefing Counsel Policy's goals are supported.

Objective 4: Building on our business capability and sustainability

Our people

Workforce plan

Our Workforce Plan outlines strategies and initiatives relating to attracting, motivating, developing and retaining employees, and their safety. It also includes responses to the Working for Queensland Employee Opinion Survey results and considers relevant government policies (eg Code of Conduct, union encouragement and flexible work practices). These focus areas have been identified as important to achieving desired workforce outcomes and we are continually building on our existing strengths and addressing identified opportunities. During the year, we made progress in implementing our Workforce Plan's initiatives.

Learning and development

We continued to provide our in-house CPD program during 2016–17. Most sessions are open to all staff, as well as law firms that provide legal aid services, CLCs and the ATSILS, with webinar facilities available to regional offices. Our program aims to ensure our lawyers are up to date with the latest legislation changes and have the opportunity to develop their professional skills and legal knowledge. The program allows legal staff to earn CPD points, which are needed to renew practising certificates each year.

Other development opportunities for staff included:

- Civil, family and child protection law intensives
- Complaints investigation
- Computer systems including Employee Self Service, Visualfiles, Windows 7, Microsoft Office and Excel
- Dispute resolution conference organisers conference
- Family law litigation support conference
- Criminal law litigation support conference
- Grants operations training
- First time supervisor training
- Performance management training
- Recruitment and selection training
- Achievement and development plan training
- Risk management training
- Psychological wellness programs
- Indigenous cultural awareness training

- Presentation skills training
- Induction training for all new staff.

We also provided staff with face-to-face and online e-learning opportunities to familiarise them with our policies and procedures, and to develop their skills and knowledge.

Library services

Our library provides comprehensive reference, research and research-training services to staff and preferred supplier law firms. It supports legal service delivery, planning and management through its modern collection, knowledge management databases and experienced staff.

During the year, we:

- started database projects to improve access to our existing online and hardcopy collections
- downsized and relocated our hardcopy collection
- maintained our specialty collections of judgments, including anti-discrimination decisions, comparable sentences, domestic violence hearings and family law property decisions to provide our lawyers with case law tools tailored to their needs
- worked with our criminal and civil lawyers to design three new case law databases
- trained staff to effectively use legal information resources for legal research.

Key in-house legal information resources are freely available to preferred supplier law firms, CLCs and the ATSILS to help them provide high quality legal services to clients.

Attracting and retaining staff

We want our staff to be able to find an appropriate work-life balance. During the year, we continued to offer and promote flexible working options, including accessing accrued time leave, working part time, job sharing, telecommuting and purchased leave arrangements. We also continued to provide remote computer access to many staff.

During the year, we developed and implemented an Aboriginal and Torres Strait Islander employment strategy. The strategy aims to increase Aboriginal and Torres Strait Islander employment opportunities and retention rates through targeted recruitment, improved selection processes, inclusive work practices and employee development.

We also implemented strategies to help our staff effectively manage the possible impact of their work on their mental health and emotional wellbeing. We are particularly aware our lawyers and support staff are routinely involved in work that is confronting and stressful, which puts them at risk of suffering vicarious trauma. We responded to these risks by arranging workshops on managing the psychological impacts of practising law and managing aggressive client behaviour. We also provided staff with information about support networks and self-help strategies, and access to confidential counselling services (see Figure 11 for staff absenteeism and turnover rates).

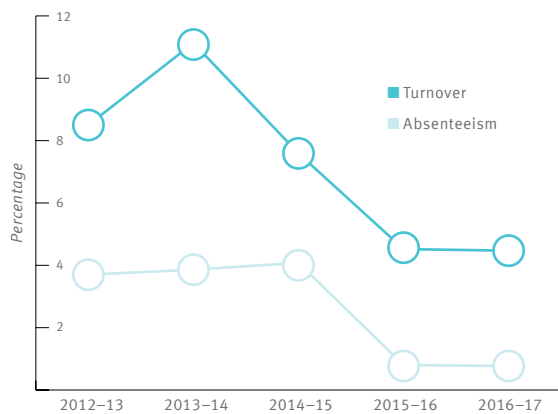


Figure 11. Staff absenteeism and turnover

Workplace composition (full-time equivalents)

At 30 June 2017, Legal Aid Queensland had 474 full-time equivalent (FTE) employees working in 14 offices throughout the state (see Figures 12 and 13 for more information).

Equal employment opportunity

We are committed to equal employment opportunity (EEO) principles and have successfully implemented these principles across the organisation. Our current EEO statistics highlight our commitment to equitable recruitment, selection and promotion policies (see Figure 14 for more information).

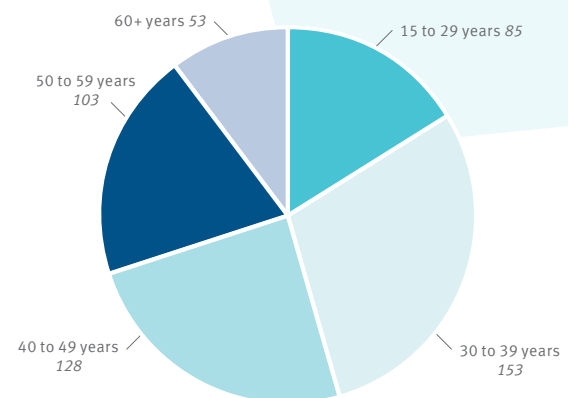


Figure 13. Staff age profile 2016-17

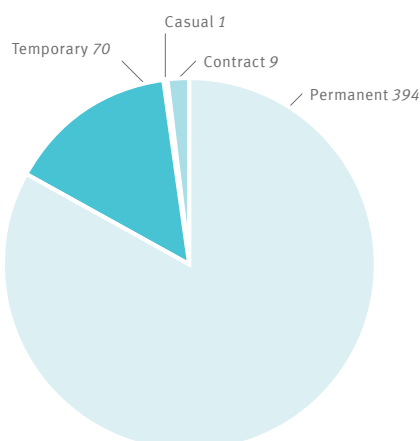


Figure 12. Actual staff by employment type (by FTE) 2016-17

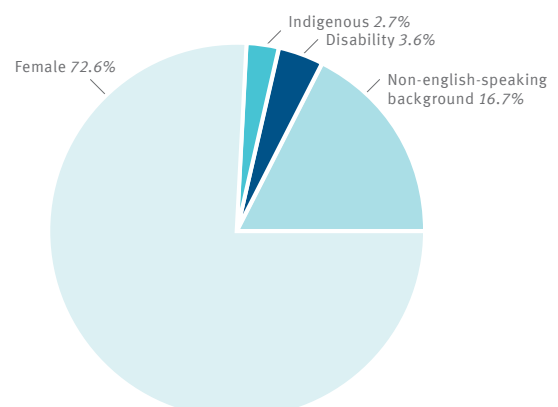


Figure 14. Equal employment opportunity target group membership 2016-17

Measuring staff satisfaction

We continue to participate in the whole-of-government Working for Queensland Employee Opinion Survey. The next survey will be conducted in July 2017. Our results in 2015–16 were very positive compared with the wider Queensland public sector and we expect a similar result in 2017–18. The feedback we received from the survey was invaluable in identifying areas for improvement and we will continue to implement changes in response to the survey feedback.

Code of Conduct

Legal Aid Queensland is covered by a whole-of-government Code of Conduct. The single Code of Conduct reflects ethical values contained in the *Public Sector Ethics Act 1994* and covers the following principles:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency.

The code guides us in managing issues like:

- conflict of interest
- personal conduct
- commitment to service delivery
- information sharing and relationship building across agencies
- adherence to organisational values and policies
- continuous performance improvement
- appropriate use of official information and resources.

Our Workplace Behaviours Policy also provides standards relating to appropriate workplace behaviour, and an employee's Performance and Development Plan outlines obligations relating to the Code of Conduct. We manage Code of Conduct breaches in line with the Public Service Commission's Discipline Guide.

We provide staff with Code of Conduct and workplace behaviours training when they start work and then annually.

Our systems and processes

Recordkeeping

Under the *Public Records Act 2002*, we are required to make and keep full and accurate records of our activities, and to comply with recordkeeping policies, standards and guidelines issued by the State Archivist. We use the Hewlett Packard Enterprise Records Manager 8 (RM8) electronic document and records management system and have integrated RM8 with several of our core business systems to facilitate a streamlined approach to capturing business records.

In 2016–17, we continued recordkeeping reforms to improve and support good corporate governance by:

- digitising important administrative records such as previous Legal Aid Queensland Board meeting minutes
- introducing quality assurance processes for naming records for our external partner law firms lodging legal aid applications
- identifying and rectifying gaps in our permanent electronic records.

We continued the transition from paper to digital records by:

- introducing digitisation processes that can be completed using our fleet of multifunction devices around the state
- digitising paperwork for the:
 - Domestic And Family Violence Duty Lawyer Service
 - Child Protection Duty Lawyer Service
 - Women's Domestic Violence Court Assistance Service.

We also improved the reliability and security of our recordkeeping systems by:

- updating our digitisation procedures to restrict access to some legal records to single practitioners, rather than legal teams, to comply with conflict management policies
- further developing the integration between RM8 and other core transactional systems.

We continued to implement appropriate disposal activities by:

- implementing annual electronic file review and closure processes
- supporting staff to archive aged emails held in Microsoft Outlook/Exchange
- supporting staff to archive aged records held on network drives.

We worked with other government agencies to share knowledge about best practice recordkeeping by:

- participating in focus group discussions with agencies such as Queensland State Archives
- delivering presentations at the annual Records and Information Management conference 'InForum'
- hosting site visits to showcase our digitisation program and recordkeeping program.

Reducing environmental impact

During 2016–17, we continued with our endeavours to improve energy and conservation efficiencies to help reduce our environmental impact.

We continued to strive for savings by:

- expanding the new lighting system that was installed as part of our main Brisbane office's refurbishment
- developing and implementing a plan to outsource our data centre, which will allow us to significantly reduce our electrical outlays on running and air-conditioning server equipment 24 hours a day
- using multifunctional devices for printing, copying, faxing and scanning to reduce our energy use and carbon footprint
- maintaining a system that allows us to use rain water collected in our three 16,000 litre water tanks to flush our toilets and irrigate our gardens
- reusing water (condensation) we capture from our air-conditioning systems to flush our toilets
- closely measuring, monitoring and publicising our energy and water use figures to inform and encourage staff

- implementing an electronic electricity use and reporting tool, which is monitored daily
- monitoring our water use daily to check for potential water leaks in our systems and reporting on water loss
- reducing our air-conditioning system's use during the cooler months
- using a high efficiency water chiller for our air-conditioning system, which effectively shuts down during low cooling demand periods
- modifying our air-conditioning water pumps so they shut down when the chiller cycles off
- increasing sensor lighting use to reduce energy use
- introducing timers to reduce using water boilers, hot water systems and water pumps
- venting our Herschel Street, Brisbane office building early in the morning in hotter months to expel hot air built up overnight
- educating staff about ways they can help save water and energy
- managing our cleaning, contract and service hours to reduce the cleaners use of after-hours lighting
- participating in a whole-of-government energy supply contract to increase purchasing power and improve supply conditions, while also reducing costs
- participating in events like Earth Hour
- constantly looking for opportunities to further reduce our water and energy use.

We continued to demonstrate our commitment to reducing our environmental footprint in other ways including:

- using videoconferencing facilities to reduce transport-related carbon emissions, energy use and associated costs
- choosing more energy efficient cars when replacing vehicles in our fleet.

We continued our active participation in waste management practices including recycling paper, cardboard, cans, glass and printer toner cartridges.

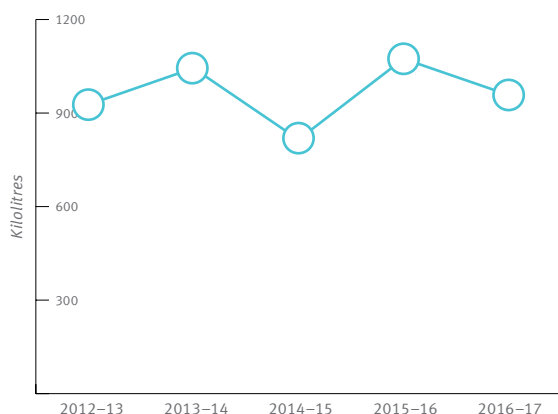


Figure 15. Herschel St, Brisbane office water consumption

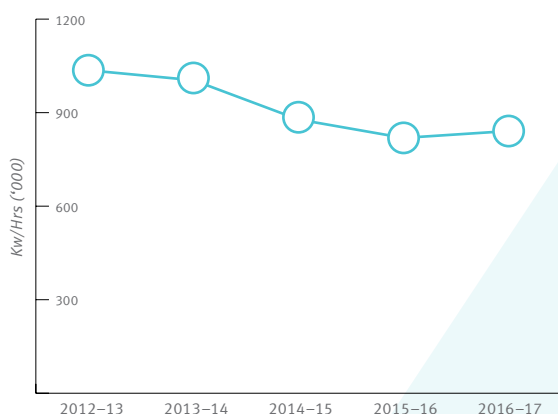


Figure 16. Herschel St, Brisbane office energy consumption

Accommodation

During 2016-17, the Accommodation Committee and the Legal Aid Queensland Board maintained the position our Brisbane office would remain at 44 Herschel Street and we would refurbish the remainder of the building to meet future accommodation needs. We continued to investigate whether it is feasible for the office to be expanded to allow for some of our leased CBD tenancies to relocate back to the Herschel Street office to reduce future rental expenditure.

We also leased new office space at 30 Herschel Street, Brisbane, in the building adjoining our 44 Herschel Street headquarters. The extra space will accommodate staff during a refurbishment and will also allow for future staff expansion.

During the year, we completed renovating the ground floor bathrooms at our Herschel Street building, which included refurbishing existing facilities, a new toilet and shower accessible for people with a disability, and a combined sick and carer's room.

We also relocated our Southport office in September 2016. The office is now close to the Southport courthouse and has significantly improved facilities for clients and staff.

ICT program

In 2016-17, we implemented Voice over Internet Protocol as a replacement to our traditional telephony systems. This has resulted in substantial cost savings and has increased our ability to collaborate internally with our regionally-dispersed offices and externally over videoconferencing.

We expanded the services available to our staff while working outside the office by introducing Surface Pro tablets to replace our laptop fleet. This allows our staff to access information immediately, increasing efficiency.

In 2016, we began a data centre outsourcing project which will provide us with robust infrastructure aligned with industry best practices. The project is due to be completed in 2017-18 and we expect to see significant improvements to our business continuity and disaster recovery capacity.

Open data

The following datasets are available on the Queensland Government Open Data portal:

- overseas travel
- Queensland Language Services Policy.

To access more information, government data and the Annual Report 2016-17 Open Data, visit www.data.qld.gov.au



Financial statements



LEGAL AID QUEENSLAND

**Financial Statements
for the year ended 30 June 2017**

LEGAL AID QUEENSLAND
for the year ended 30 June 2017

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LEGAL AID QUEENSLAND
for the year ended 30 June 2017

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LEGAL AID QUEENSLAND
Statement of Comprehensive Income
for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
Income from continuing operations			
Revenue			
Grants and other contributions	A1-1	116,254	111,024
User charges	A1-2	2,585	2,253
Interest		1,383	1,403
Other revenue		23	39
Total revenue		120,245	114,719
Gains on disposal/revaluation of assets			
Revaluation increment	B3-1	3,665	-
Gain on disposal of property, plant and equipment		19	2
Total income from continuing operations		123,929	114,721
Expenses from continuing operations			
Supplies and services	A2-1	74,562	68,139
Employee expenses	A2-2	46,372	44,716
Grants to legal centres		50	51
Depreciation and amortisation	B3, B4	1,572	1,481
Revaluation decrement	B3-1	-	116
Impairment losses/(reversals)	B2-1	108	(26)
Other expenses	A2-3	205	199
Total expenses from continuing operations		122,869	114,676
Operating result from continuing operations		1,060	45
Other comprehensive income			
<u>Items not recyclable to operating result:</u>			
Increase/(decrease) in asset revaluation surplus	B7-1	(3,642)	3,642
Total other comprehensive income		(3,642)	3,642
Total comprehensive income		(2,582)	3,687

The accompanying notes form part of these statements.

LEGAL AID QUEENSLAND
Statement of Financial Position
as at 30 June 2017

	Notes	2017 \$'000	2016 \$'000
Current assets			
Cash and cash equivalents	B1	44,743	42,374
Receivables	B2	852	918
Other		803	912
Total current assets		46,398	44,204
Non-current assets			
Receivables	B2	398	388
Property, plant and equipment	B3	27,255	27,242
Intangible assets	B4	1,849	2,463
Total non-current assets		29,502	30,093
Total assets		75,900	74,297
Current liabilities			
Trade creditors	C2-1	2,307	2,826
Accrued employee benefits	B5	5,381	5,013
Provision for grants of aid	B6	18,763	16,163
Grants payable to community legal centres	E4	1,074	61
Unearned grants revenue		1,259	1,002
Lease incentives		23	-
Total current liabilities		28,807	25,065
Non-current liabilities			
Provision for grants of aid	B6	4,473	4,324
Grants payable to community legal centres	E4	200	-
Lease incentives		94	-
Total non-current liabilities		4,767	4,324
Total liabilities		33,574	29,389
Net assets		42,326	44,908
Equity			
Accumulated surplus		25,416	24,356
Asset revaluation surplus	B7-1	16,910	20,552
Total equity		42,326	44,908

The accompanying notes form part of these statements

LEGAL AID QUEENSLAND
Statement of Changes in Equity
for the year ended 30 June 2017

	Accumulated surplus		Asset revaluation surplus		Total	
	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	24,356	24,311	20,552	16,910	44,908	41,221
Operating result from continuing operations	1,060	45		-	1,060	45
<i>Other comprehensive income</i>						
Increase/(decrease) in asset revaluation surplus	-	-	(3,642)	3,642	(3,642)	3,642
<i>Total comprehensive income for the year</i>	1,060	45	(3,642)	3,642	(2,582)	3,687
Balance as at 30 June	25,416	24,356	16,910	20,552	42,326	44,908

The accompanying notes form part of these statements.

LEGAL AID QUEENSLAND
Statement of Cash Flows
for the year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
Cash flows from operating activities			
Inflows			
Grants and other contributions		117,725	110,632
Service charges		2,672	2,739
GST input tax credit from ATO		9,338	8,769
Other		1,406	1,442
		<u>131,141</u>	<u>123,582</u>
Outflows			
Supplies and services		(81,488)	(76,079)
Employee expenses		(45,968)	(44,223)
Grants to legal centres		(50)	(51)
GST remitted to ATO		(190)	(300)
Other		(137)	(138)
		<u>(127,833)</u>	<u>(120,791)</u>
Net cash provided by/(used in) operating activities	CF-1	<u>3,308</u>	<u>2,791</u>
Cash flows from investing activities			
Inflows			
Proceeds from sale of plant and equipment		117	23
Outflows			
Payments for plant and equipment		(1,050)	(528)
Payments for intangibles		(6)	(126)
		<u>(1,056)</u>	<u>(654)</u>
Net cash provided by/(used in) investing activities		<u>(939)</u>	<u>(631)</u>
Net increase/(decrease) in cash and cash equivalents		2,369	2,160
Cash and cash equivalents at beginning of financial year		42,374	40,214
Cash and cash equivalents at end of financial year	B1	<u>44,743</u>	<u>42,374</u>

The accompanying notes form part of these statements.

LEGAL AID QUEENSLAND
Statement of Cash Flows
for the year ended 30 June 2017

	2017 \$'000	2016 \$'000
NOTES TO THE STATEMENT OF CASH FLOWS		
CF-1 Reconciliation of operating surplus to net cash provided by operating activities		
Operating surplus	1,060	45
Depreciation and amortisation expense	1,572	1,481
Revaluation (increment)/decrement	(3,665)	116
Impairment losses on trade receivables	13	(50)
Net gain on sale of property, plant and equipment	(9)	(1)
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade debtors	(9)	242
(Increase)/decrease in GST receivable	52	56
(Increase)/decrease in prepayments	109	(171)
Increase/(decrease) in trade creditors	(519)	(1,084)
Increase/(decrease) in GST payable	-	(31)
Increase/(decrease) in accrued employee benefits	368	534
Increase/(decrease) in provision for grants of aid	2,749	591
Increase/(decrease) in grants payable to community legal centres	1,213	61
Increase/(decrease) in unearned grants revenue	257	1,002
Increase/(decrease) in lease incentives	117	-
Net cash from operating activities	3,308	2,791

LEGAL AID QUEENSLAND
Basis of Financial Statement Preparation
for the year ended 30 June 2017

General information

Legal Aid Queensland is a statutory body funded by the Queensland and Commonwealth Governments through agreements, to enhance access to justice by providing legal assistance to Queensland residents who are financially disadvantaged.

Statement of compliance

Legal Aid Queensland has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements are prepared having regard to Queensland Treasury's Minimum Reporting Requirements for the year ended 30 June 2017, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, Legal Aid Queensland has applied those requirements applicable to not-for-profit entities, as Legal Aid Queensland is a not-for-profit statutory body.

Measurement

The historical cost convention is used unless fair value is stated as the measurement basis. New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note E6.

Presentation matters

Currency and rounding

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period as detailed in Note E8.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the organisation does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

LEGAL AID QUEENSLAND
Basis of Financial Statement Preparation
for the year ended 30 June 2017

Authorisation of financial statements for issue

The financial statements are authorised for issue by the Board Chair and Chief Finance Officer at the date of signing the Management Certificate.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

SECTION 1

NOTES ABOUT OUR FINANCIAL PERFORMANCE

A1 REVENUE

A1-1 Grants and other contributions

	2017 \$'000	2016 \$'000
Commonwealth Government		
Legal services	43,825	42,098
Community legal centres*	112	110
Commonwealth expensive cases reimbursement	743	1,309
	<u>44,680</u>	<u>43,517</u>
State Government		
Legal services	66,645	45,566
Other projects**	4,929	1,690
	<u>71,574</u>	<u>47,256</u>
Other		
Department of Justice and Attorney-General grant***	-	20,251
Total grants and other contributions	<u>116,254</u>	<u>111,024</u>

* This represents funding for the Community Legal Centre program manager.

** Included in Other projects is a \$3.7M Queensland Government funding for the provision of additional domestic violence duty lawyer services and \$0.8M Queensland Health funding for Mental Health Review Tribunal.

*** Department of Justice and Attorney-General grant:
Distributions to Legal Aid Queensland can only be made from the Legal Practitioner Interest on Trust Accounts Fund established under that *Legal Profession Act 2004*, with the authority of the Minister. This payment has been consolidated as part of State Government revenue from 2016-17.

A1-2 User Charges

Case Contributions	844	1,117
Cost recovery – Family****	557	653
Cost recovery – Others	1,184	483
Total user charges	<u>2,585</u>	<u>2,253</u>

**** Included in the Cost recovery - Family are contributions from independent children's lawyers (ICL) matters.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

A1 REVENUE (continued)

Accounting policy - Revenue recognition

Service charges are recognised when services are delivered and invoiced. Government grants and other contributions that are non-reciprocal in nature are recognised as operating revenue in the year in which the organisation obtains control over them. Government grants that are reciprocal in nature and unspent are recognised as a liability, Unearned Grants Revenue.

Interest income is interest received from investment deposits on call with Queensland Treasury Corporation and cash held with Commonwealth Bank.

A2 EXPENSES

A2-1 Supplies and services

	2017	2016
	\$'000	\$'000
Outsourced services		
Legal representation	58,750	54,981
Other	4,205	3,248
	<u>62,955</u>	<u>58,229</u>
Corporate overheads		
Communications and transport	1,046	1,074
Information technology	2,089	1,874
Office premises and requisites	3,635	2,784
Operating leases rentals	2,506	2,499
Other	2,331	1,679
	<u>11,607</u>	<u>9,910</u>
Total	<u>74,562</u>	<u>68,139</u>

Accounting policy – Operating lease rentals

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred. Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

Disclosure – Operating leases

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Lease terms extend over a period of 5 to 15 years. The organisation has no option to purchase the leased item at the conclusion of the lease although some leases provide for a right of renewal while some are renegotiated at the end of the lease terms. Operating lease rental expenses comprises the minimum lease payments payable under operating lease contracts. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

A2 EXPENSES (continued)

A2-2 Employee expenses

	2017	2016
	\$'000	\$'000
Employee benefits		
Wages and salaries	38,537	37,239
Employer superannuation contributions	4,596	4,413
Long service leave levy	802	761
Termination benefits	55	-
Employee related expenses		
Payroll tax	2,287	2,201
Workers' compensation premium	95	102
Total	46,372	44,716

The number of employees as at 30 June, including both full-time and part-time employees, measured on a full-time equivalent basis is:

	2017	2016
Number of employees	474	456

Accounting policy - Wages and salaries

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

As Legal Aid Queensland expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Accounting policy - Sick leave

Prior 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 for this leave as it is taken.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

A2 EXPENSES (continued)

A2-2 Employee expenses (continued)

Accounting policy - Annual leave

Annual leave is classified and measured as other long term employee benefits as the organisation does not expect to wholly settle all such liabilities within 12 months following the reporting date. However, it is presented as a current liability as the organisation does not have an unconditional right to defer payment for at least 12 months after the end of the reporting period. For annual leave's liability where it is not expected to be wholly settled within 12 months of the end of the reporting period, it is measured at the present value of the expected future payments to be made to the employees, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity. Refer to Note E8 for the impact of incorrectly disclosing annual leave as a non-current provision.

Accounting policy - Long service leave

Under the Queensland Government's long service leave scheme, a levy is made on Legal Aid Queensland to cover this cost. Levies are expensed in the period in which they are paid or payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

Accounting policy - Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans

QSuper is the default fund for Queensland Government employees, however from July 2017, employees can choose their superannuation provider. Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement (EBA) or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan

The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined by the Treasurer on the advice of the State Actuary. Contributions are paid by the organisation at the specified rate following completion of the employee's service each pay period. The organisation's obligations are limited to those contributions paid.

Key management personnel and remuneration disclosures are detailed in Note E1.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

A2 EXPENSES (continued)

A2-3 Other expenses

	2017 \$'000	2016 \$'000
Insurance premiums – professional	60	55
Insurance premiums – other	77	77
External audit fees	58	60
Loss on asset disposals	10	1
Special payments:		
Ex-gratia payments – payments to former Core Agreement employees	-	6
Total	205	199

Audit fees

Total external audit fees relating to the 2016-17 financial statements are estimated to be \$58,000 (2016: \$60,000). There are no non-audit services included in this amount.

Special payments

Special payments include ex gratia expenditure and other expenditure that Legal Aid Queensland is not contractually or legally obligated to make to other parties. In compliance with section 20 of the *Financial and Performance Management Standard 2009*, Legal Aid Queensland maintains a register setting out details of all special payments greater than \$5,000.

In 2015-16, as part of the settlement offer to finalise negotiations for the State Government Entities Certified Agreement 2015, an undertaking was made that a Section 831 one-off payment of \$1,300 (or pro-rata) would be extended to those employees who resigned, retired or otherwise moved to other employment arrangements after 1 April 2016, but before the agreement was certified on 1 June 2016. These payments attracted applicable salary on-costs

Accounting policy - Insurance

Legal Aid Queensland's non-current physical assets and other risks are insured through AON Insurance, premiums being paid on a risk assessment basis.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

SECTION 2

NOTES ABOUT OUR FINANCIAL POSITION

B1 CASH AND CASH EQUIVALENTS

	2017	2016
	\$'000	\$'000
Imprest accounts	3	3
Cash at bank	716	712
Queensland Treasury Corporation Cash Fund	44,024	41,659
Total	44,743	42,374

Cash deposited with the Queensland Treasury Corporation earned interest at rates between 2.45% and 2.94% (2016: 2.75% and 3.81%). Interest earned on cash held with the Commonwealth Bank earned between 1.35% and 1.60% (2016: 1.60% and 1.85%).

Accounting policy - Cash and cash equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June. It also includes liquid investment deposits on call with the Queensland Treasury Corporation Cash Fund that are convertible readily to cash on hand at Legal Aid Queensland's option and are subject to a low risk of changes in value

B2 RECEIVABLES

	2017	2016
	\$'000	\$'000
Current		
Trade debtors	220	234
GST receivable	649	701
GST payable	(17)	(17)
	632	684
Total	852	918
Non-current		
Trade debtors	499	476
Less: Allowance for impairment loss	(101)	(88)
Total	398	388

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B2 RECEIVABLES (continued)

Accounting policy - Receivables

Trade debtors are recognised at the nominal amounts due at the time of service delivery. Settlement due date is within 30 days from invoice date. However, they are often negotiated with each customer, having regard to the individual's financial circumstances and the security held by Legal Aid Queensland.

Other debtors generally arise from transactions outside the usual operating activities of the organisation. No interest is charged and no security is obtained for these debts.

Disclosure – Credit risk exposure of receivables

The maximum exposure to credit risk at balance date for trade debtors is the gross carrying amount of those assets inclusive of any provisions for impairment.

Collateral in the form of mortgages representing charges over real property are held by Legal Aid Queensland. Of the \$618,574 recorded in trade debtors, \$312,120 is secured by mortgages and caveat, reducing the credit risk the organisation is exposed to.

The collectability of trade debtors is assessed periodically with provision being made where trade debtors are impaired. All known bad debts were written-off as at 30 June.

B2-1 Impairment of receivables

The recognised impairment loss in the Statement of Comprehensive Income is \$108,000 for the current year, an increase of \$134,000 from 2016, this being primarily related to a number of aged contributions unable to be recovered due to clients no longer contactable.

(i) Disclosure - Individually impaired receivables position (aged)

	Gross receivables	2017 Allowance for impairment	Carrying amount	Gross receivables	2016 Allowance for impairment	Carrying amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Overdue						
Less than 1 year	30	(30)	-	-	-	-
1-2 years	39	(39)	-	30	(30)	-
2-3 years	15	(15)	-	3	(3)	-
Greater than 3 years	17	(17)	-	55	(55)	-
Total overdue	101	(101)	-	88	(88)	-

The carrying amount for the individually impaired financial assets is zero but they are not written off as yet as recovery effort is still being made on them. However, they will be fully written off when all avenues of recovery have been exhausted. The interest earned by the impaired financial assets was \$2,444 (2016: \$1,800).

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B2 RECEIVABLES (continued)

B2-1 Impairment of receivables (continued)

(ii) Disclosure - Ageing of past due but not impaired receivables

	2017	2016
	\$'000	\$'000
Overdue		
Less than 1 year	85	111
1-2 years	21	52
2-3 years	44	80
Greater than 3 years	305	277
Total overdue	455	520

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B3 PROPERTY PLANT AND EQUIPMENT AND RELATED DEPRECIATION EXPENSE

B3-1 Property plant and equipment – balances and reconciliation of carrying amount

	2017 \$'000	2016 \$'000
Land		
At fair value	18,210	21,852
Building		
At gross value	4,790	1,148
	4,790	1,148
Less accumulated depreciation	-	-
Fair value	4,790	1,148
Plant and equipment		
At cost	10,395	9,973
Less accumulated depreciation	(5,915)	(5,540)
Less accumulated impairment losses	(236)	(236)
	4,244	4,197
Work in progress	11	45
Total	27,255	27,242

Land and Building

Land and building were comprehensively revalued at \$23M as at 30 June 2017 by Jones Lang La Salle (JLL), an independent professional valuer, on a fair value basis in accordance with the requirements of the Australian Accounting Standard AASB 13 *Fair Value Measurement* and Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*. The resulting valuation is categorised into level 2 of the fair value hierarchy.

Valuation Approach: Capitalisation of net income and discounted cash flow.

Inputs: Sales and leasing evidence from various industry sources, market indicators and investor sentiment. Where applicable, adjustments are made for the location, quality of the building, leasing covenants and re-development potential of the site.

Key Judgement: Given the property's land size, build improvement, classification and the notional lease, the highest and best use for the property as at the date of valuation is its current use as a commercial office building. The high levels of residential apartment supply in the current market coupled with a difficult office leasing market are creating subdued level of interest across the development site market. However, investor demand for real estate assets remain very strong for assets with favourable leasing conditions and under the assumption of a 7 year notional lease calculation in the valuation, the property is considered to provide a reasonably strong leasing covenant and cash flow security over the short to medium term. This change in the market conditions have resulted in the decline in the land value and an increase in the building value for the organisation.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B3 PROPERTY PLANT AND EQUIPMENT AND RELATED DEPRECIATION EXPENSE (continued)

B3-1 Property plant and equipment – balances and reconciliation of carrying amount (continued)

Represented by movements in carrying amount

	Land		Building		Plant and equipment		Work in progress		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	21,852	18,210	1,148	1,290	4,197	4,140	45	879	27,242	24,519
Acquisitions	-	-	-	-	321	-	729	116	1,050	116
Disposals	-	-	-	-	(108)	(22)	-	-	(108)	(22)
Transfers between classes	-	-	-	-	763	950	(763)	(950)	-	-
Net revaluation increment/(decrement) in operating surplus	-	-	3,665	(116)	-	-	-	-	3,665	(116)
Net revaluation increment/(decrement) in asset revaluation surplus	(3,642)	3,642	-	-	-	-	-	-	(3,642)	3,642
Depreciation	-	-	(23)	(26)	(929)	(871)	-	-	(952)	(897)
Carrying amount at 30 June	18,210	21,852	4,790	1,148	4,244	4,197	11	45	27,255	27,242

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B3 PROPERTY PLANT AND EQUIPMENT AND RELATED DEPRECIATION EXPENSE
(continued)

B3-2 Accounting policies

Property plant and equipment

Recognition thresholds for property plant and equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition.

Land \$1
Plant and equipment \$5,000
Buildings \$10,000

Items with a lesser value are expensed in the year of acquisition.

Acquisition of assets

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition including architect fees, engineering design fees and other costs incurred in getting the asset ready for use.

Measurement of property plant and equipment using fair value

Land and buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair value Measurement* and Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

In respect of the abovementioned assets classes, the cost of items acquired during the financial year has been judged by management of Legal Aid Queensland to materially represent their fair value at the end of the reporting period.

Measurement of property plant and equipment using cost

Plant and equipment are measured at cost in accordance with Queensland Treasury's *Non-Current Asset Policies*. The carrying amounts for plant and equipment at cost should not materially differ from their fair value.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Revaluation of property plant and equipment measured at fair value

Property, plant and equipment measured at fair value are comprehensively revalued at least once every five years using independent professional valuers with interim valuations being performed on an annual basis using an appropriate index, where there has been a material change in the index. However, if the assets experience significant and volatile changes in fair value, they are subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B3 PROPERTY PLANT AND EQUIPMENT AND RELATED DEPRECIATION EXPENSE
(continued)

B3-2 Accounting policies (continued)

Property plant and equipment (continued)

This is arranged by the Facilities unit after consultation with senior management. Independent revaluation of the building is undertaken on the basis of ongoing owner occupancy.

Materiality concepts (according to the *Framework for the Preparation and Presentation of Financial Statements*) are considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

The fair values reported by the organisation are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs (refer to Note C1-I).

In the years where independent valuation is not undertaken, the assets previous valuations are materially kept up-to-date via the application of relevant indices. Legal Aid Queensland ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. The State Valuation Service (SVS) supplies the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to SVS. SVS provides assurance of their robustness, validity and appropriateness for application to the relevant assets.

Any revaluation increment arising on the revaluation of an asset is recognised in other comprehensive income and credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that class.

On revaluation:

- for assets revalued using a cost valuation approach (e.g. depreciated replacement cost) - accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'; and
- for assets revalued using a market or income-based valuation approach - accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

Depreciation of property plant and equipment

Land is not depreciated as it has an unlimited useful life.

Depreciation on the office building, plant and equipment and amortisation on leasehold improvements is calculated on a straight-line basis to uniformly allocate the net cost or revaluation amount of each asset, less its estimated residual value, progressively during its estimated useful life at Legal Aid Queensland.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B3 PROPERTY PLANT AND EQUIPMENT AND RELATED DEPRECIATION EXPENSE
(continued)

B3-2 Accounting policies (continued)

Depreciation of property plant and equipment (continued)

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within property, plant and equipment

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the asset's remaining useful life. Improvements to leasehold property are amortised progressively over their estimated useful lives to Legal Aid Queensland or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is probable.

For each class of depreciable asset the following depreciation rates are used:

Asset class	Useful lives
Building at fair value/cost	50 years
Plant and equipment:	
- Leasehold improvements	1-25 years
- Computer equipment and copiers	3-7 years
- Motor vehicles	4 years
- Other equipment	2-5 years

Impairment of non-current assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the organisation determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and the depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. When an asset is revalued using either a market or income valuation approach, any accumulated impairment losses at that date are eliminated against the gross amount of the asset prior to restating for the revaluation.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B4 INTANGIBLE ASSETS

B4-1 Intangible assets – balances and reconciliation of carrying amount

	2017 \$'000	2016 \$'000
Software purchased:		
At cost	6,034	6,034
Less: Accumulated amortisation	(4,573)	(4,106)
	<u>1,461</u>	<u>1,928</u>
Software internally generated:		
At cost	1,067	1,067
Less: Accumulated amortisation	(685)	(532)
	<u>382</u>	<u>535</u>
Software work in progress (WIP):		
At cost	6	-
Total	<u>1,849</u>	<u>2,463</u>

Represented by movements in carrying amount:

	Software purchased		Software internally generated		Software WIP		Total
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000
Carrying amount at 1 July	1,928	1,951	535	687	-	282	2,463
Acquisitions	-	-	-	-	6	127	6
Transfers between classes	-	409	-	-	-	(409)	-
Amortisation	(467)	(432)	(153)	(152)	-	(620)	(584)
Carrying amount at 30 June	<u>1,461</u>	<u>1,928</u>	<u>382</u>	<u>535</u>	<u>6</u>	<u>-</u>	<u>1,849</u>
							<u>2,463</u>

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B4 INTANGIBLE ASSETS (continued)

B4-2 Accounting policies

Recognition and measurement of intangibles

Intangible assets with a cost or other value greater than \$100,000 are recognised in the financial statements, with items of lesser value being expensed. Each intangible asset is amortised over its estimated useful life to Legal Aid Queensland, less any anticipated residual value.

It has been determined that there is not an active market for any of the organisation's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

Purchased software

Costs associated with the purchase of computer software is capitalised and is amortised on a straight-line basis over the period of expected benefit to Legal Aid Queensland.

Internally generated software

Costs associated with the development of internally generated software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to Legal Aid Queensland, namely seven years.

Amortisation of intangibles

All intangible assets of the organisation have finite useful lives and are amortised on a straight-line basis.

For each class of intangible assets the following amortisation rates are used:

Asset class	Useful lives
Intangibles:	
- Software purchased	3-7 years
- Software internally generated	7 years

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B5 ACCRUED EMPLOYEE BENEFITS

	2017 \$'000	2016 \$'000
Current		
Annual leave	4,148	4,005
Long service leave levy payable	189	206
Wages outstanding	1,044	802
Total	5,381	5,013

Accounting policy – Accrued employee benefits

Refer Note A2-2. The portion of annual leave not expected to be wholly settled within the 12 months following the reporting date is \$902,020 (2016: \$873,000).

No provision for long service leave is recognised in the organisation's financial statements as the liability is held on a whole-of-Government basis and reported in the financial report prepared pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

B6 PROVISION FOR GRANTS OF AID

	2017 \$'000	2016 \$'000
Current		
Grants of aid outstanding	18,763	16,163
Non-current		
Grants of aid outstanding	4,473	4,324
Movement		
Balance as at 1 July	20,487	19,896
Additional provision recognised	74,940	70,514
Discount on estimated utilisation of grants of aid	(2,995)	(3,279)
Discount on estimated cancellation of grants of aid	(6,514)	(6,504)
Discount on present value	(182)	(166)
Reduction in provision as a result of payments	(62,500)	(59,974)
Balance as at 30 June	23,236	20,487

Discount relating to estimated utilisation of grants of aid is based on prior year history of actual payments to preferred suppliers compared to the maximum grant of aid approved. Overall write-back factor used in 2017 is 9.09% (2016: 10.77%).

Discount relating to cancellation of grants of aid is based on prior year history of actual grants of aid cancelled, taking into account the age of the grant of aid before being cancelled. Overall cancellation factor used in 2017 is 21.76% (2016: 23.95%).

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

B6 PROVISION FOR GRANTS OF AID (continued)

The average discount rate used to calculate the present value of non-current provision is 1.89% (2016: 1.56%).

Accounting policy – Provision for grants of aid

Provision is made for the supply of legal services. Expenditure accrues as the provision increases, when applications for legal services are approved. The provision decreases as practitioners' tax invoices are rendered for services provided. The provision for grants of aid represents anticipated payments, net of cost of recoveries, on current legal matters assigned to private legal practices.

Key Estimate and Judgement: Monthly adjustments to the provision are based on historical grants cancellation and utilisation data. The historical data form the pattern to be applied to the outstanding grants of aid, based on their age and file characteristics. Where the settlement of the obligation is expected after twelve or more months, the obligation is discounted to the present value using an appropriate discount rate.

B7 EQUITY

B7-1 Asset revaluation surplus by asset class

	2017		2016	
	Land	Total	Land	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July	20,552	20,552	16,910	16,910
Revaluation decrements	(3,642)	(3,642)	-	-
Revaluation increments	-	-	3,642	3,642
Balance as at 30 June	16,910	16,910	20,552	20,552

Accounting policy

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

SECTION 3

NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES

C1 FAIR VALUE MEASUREMENT

C1-1 Accounting policies and basis for fair value measurement

What is fair value?

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the organisation include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

Fair value measurement hierarchy

Legal Aid Queensland does not recognise any financial assets or financial liabilities at fair value.

All assets and liabilities of the organisation for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

Level 1	represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
Level 2	represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
Level 3	represents fair value measurements that are substantially derived from unobservable inputs.

The organisation's valuations of assets are eligible for categorisation into level 2 of the fair value hierarchy (refer to Note B3-1). There were no transfers of assets between fair value hierarchy levels during the period.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

C2 FINANCIAL RISK DISCLOSURES

C2-1 Financial instrument categories

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the organisation becomes party to the contractual provisions of the financial instrument. Legal Aid Queensland has the following categories of financial assets and financial liabilities:

Category	Note	2017 \$'000	2016 \$'000
Financial assets			
Cash and cash equivalents	B1	44,743	42,374
Receivables	B2	1,250	1,306
Total		45,993	43,680
Financial liabilities			
Trade creditors		2,307	2,826

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

C2-2 Financial risk management

Legal Aid Queensland's operational activities are not exposed to substantial financial risk. The investment of cash is exposed to a degree of interest rate risk and market risk.

The board reviews risk and return of cash investments. It has adopted a low tolerance for risk with regard to the investment of cash funds. Financial risk management is currently undertaken by the Finance team, with guidance from Queensland Treasury Corporation.

Legal Aid Queensland's activities expose it to a variety of financial risks as set out below:

Credit risk exposure

Credit risk exposure refers to the situation where the organisation may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

No credit enhancements relate to the financial assets held by Legal Aid Queensland

No significant concentration of credit risks have been identified, as exposure is spread over a large number of counterparties and customers. Exposure to credit risk is monitored on a regular basis. The method for calculating any provisional impairment for risk is based on past experience and current and expected changes in economic conditions.

Liquidity risk

Liquidity risk refers to the situation where the organisation may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

C2 FINANCIAL RISK DISCLOSURES (continued)

C2-2 Financial risk management (continued)

Liquidity risk (continued)

There is a surplus of \$17,591,000 (2016: \$19,139,000) in current assets to meet the obligations of current liabilities. Accordingly the liquidity risk is considered to be low.

All of the organisation's financial liabilities have maturity of less than one year and therefore they are not presented in a table.

Market risk

Legal Aid Queensland does not trade in foreign currency and is not materially exposed to commodity price changes. It is exposed to interest rate risk through its cash deposited in interest bearing accounts but it does not undertake any hedging in relation to the risk.

Interest rate sensitivity analysis

With all other variables held constant, the organisation would have a surplus and equity increase/ (decrease) of \$447,426 (2016: \$423,742) if interest rates would change by +/-1% from the year-end rates applicable to the organisation's financial assets and liabilities. This is attributable to the organisation's exposure to variable interest rates on its deposit with Queensland Treasury Corporation

C3 COMMITMENTS

Capital expenditure commitments

Capital expenditure commitment for technology refurbishments, buildings fit-out and intangible (inclusive of non-recoverable GST input tax credits), contracted for at reporting date but not recognised in the accounts is payable as follows.

	2017	2016
	\$'000	\$'000
Payments due within one year	<u>59</u>	<u>687</u>

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

C3 COMMITMENTS (continued)

Non-cancellable operating lease commitments

Commitments under operating leases at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

	2017	2016
	\$'000	\$'000
Not later than one year	2,755	2,346
Later than one year but not later than five years	8,154	5,582
Later than five years	3,787	3,170
Total	14,696	11,098

Other expenditure commitments

Other expenditure commitments at the end of the period but not recognised in the accounts are as follows:

	2017	2016
	\$'000	\$'000
Not later than one year	457	385
Later than one year but not later than five years	86	-
Total	543	385

C4 EVENTS AFTER THE BALANCE SHEET DATE

Other than matters already mentioned elsewhere in these financial statements, there are no other matters that have arisen since 30 June 2017 and the date of signing these financial statements.

C5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

At the date of authorisation of the financial report, the expected impacts of new or amended Australian accounting standards with future commencement dates are as set out below.

AASB 1058 *Income of Not-for-Profit Entities* and AASB 15 – *Revenue from Contracts with Customers*

These standards will first apply to the organisation from its financial statements for 2019-20.

The organisation has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report are as follows:

- under the new standards, other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

C5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE (continued)

AASB 1058 *Income of Not-for-Profit Entities* and AASB 15 – *Revenue from Contracts with Customers* (continued)

- grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled
- a range of new disclosures will also be required by the new standards in respect of the organisation's revenue.

AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB107*

As from the organisation's financial statements for 2017-18, this standard will require additional disclosures to enable the reader to evaluate changes in liabilities arising from financing activities. These disclosures will include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities and be disclosed by way of a reconciliation in the notes to the Statement of Cash Flows. As Legal Aid Queensland does not have any borrowings, this standard will not have any impact on the organisation.

AASB 9 *Financial instruments* and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*

These standards will first apply to the organisation from its financial statements for 2018-19. The main impacts of these standards on Legal Aid Queensland are that they will change the requirements for the classification, measurement and disclosures associated with financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.

Legal Aid Queensland has commenced reviewing the measurement of its financial assets against the new AASB 9 classification and measurement requirements. However, as the classification of financial assets at the date of initial application of AASB 9 will depend on the facts and circumstances existing at that date, the organisation's conclusions will not be confirmed until closer to that time. At this stage, and assuming no change in the types of transactions the organisation enters into, all of the organisation's financial assets are expected to be required to be measured at fair value (instead of the measurement classifications presently used in Note C2-1). In the case of the organisation's current receivables, as they are short-term in nature, the carrying amount is expected to be as a reasonable approximation of fair value. Changes in the fair value of those assets will be reflected in the organisation's operating result.

Another impact of AASB 9 relates to calculating impairment losses for the organisation's receivables. Assuming no substantial change in the nature of the organisation's receivables, as they don't include a significant financing component, impairment losses will be determined according to the amount of lifetime expected credit losses. On initial adoption of AASB 9, the organisation will need to determine the expected credit losses for its receivables by comparing the credit risk at that time to the credit risk that existed when those receivables were initially recognised.

Legal Aid Queensland will not need to restate comparative figures for financial instruments on adopting AASB 9 as from 2018-19. However, changed disclosure requirements will apply from that time. A number of one-off disclosures will be required in the 2018-19 financial statements to explain the impact of adopting AASB 9.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

C5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE (continued)

AASB 16 – Leases

This Standard will first apply to the organisation from its financial statements for 2019-20. When applied, the standard supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases – Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

Impact for Lessees

Unlike AASB 117 *Leases*, AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.

In effect, the majority of operating leases (as defined by the current AASB 117) will be reported on the statement of financial position under AASB 16. There will be a significant increase in assets and liabilities for agencies that lease assets. The impact on the reported assets and liabilities would be largely in proportion to the scale of the agency's leasing activities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the commencement date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. If a lessee chooses to apply the 'cumulative approach', it does not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application. The organisation will await further guidance from Queensland Treasury on the transitional accounting method to be applied.

Legal Aid Queensland has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating leases, including the extent of additional disclosure required.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to Legal Aid Queensland, or have no material impact on the organisation.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

SECTION 4

NOTES ON OUR PERFORMANCE COMPARED TO BUDGET

D1 BUDGETARY REPORTING DISCLOSURES

This section discloses the organisation's original published budgeted figures for 2016-17 compared to actual results, with explanations of major variances, in respect of the organisation's Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

D2 BUDGET TO ACTUAL COMPARISON – STATEMENT OF COMPREHENSIVE INCOME

	Variance Notes	Original Budget 2017 \$'000	Actual Result 2017 \$'000	Variance \$'000
Income from continuing operations				
Revenue				
Grants and other contributions	V1	134,685	116,254	(18,431)
User charges	V2	2,100	2,585	485
Interest		1,538	1,383	(155)
Other revenue		15	23	8
Total revenue		138,338	120,245	(18,093)
Gains on disposal/revaluation of assets				
Revaluation increment	V3	-	3,665	3,665
Gain on disposal of property, plant and equipment		-	19	19
Total income from continuing operations		138,338	123,929	(14,409)
Expenses from continuing operations				
Supplies and services	V1	94,522	74,562	19,960
Employee expenses		46,481	46,372	109
Grants to legal centres		-	50	(50)
Depreciation and amortisation	V4	1,838	1,572	266
Revaluation decrement		-	-	-
Impairment losses/ (reversals)	V5	250	108	142
Other expenses		93	205	(112)
Total expenses from continuing operations		143,184	122,869	20,315

LEGAL AID QUEENSLAND
Notes to the Financial Statements
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D2 BUDGET TO ACTUAL COMPARISON – STATEMENT OF COMPREHENSIVE INCOME (continued)

	Variance Notes	Original Budget 2017 \$'000	Actual Result 2017 \$'000	Variance \$'000
Operating result from continuing operations		(4,846)	1,060	5,906
Other Comprehensive Income				
<u>Items not recyclable to operating result</u>				
Increase/ (decrease) in asset revaluation surplus	V3	-	(3,642)	(3,642)
Total other comprehensive income		-	(3,642)	(3,642)
Total comprehensive income		(4,846)	(2,582)	2,264

D2-1 Explanation of major variances – Statement of Comprehensive Income

V1. The original budgeted figure included grants received to be passed on to community legal centres of \$19.7 million not recognised in Legal Aid Queensland's accounts but reported in whole of government reporting and Service Delivery Statement. This is offset with \$1.5 million part year funding received for Mental Health Review Tribunal and the Commonwealth Family Advocacy and Support Service not budgeted in the Service Delivery Statement. The increase in expenditure compared to budget was mainly driven by increase in demand for criminal law matters, which resulted in an increase in grants expense.

V2. The increase in user charges is primarily associated with the cost recoveries of a long outstanding criminal confiscation matter of \$0.5 million.

V3. The revaluation increment is associated with the increase in the building's value as a result of an independent asset revaluation at 30 June 2017 as explained in Note B3-1. The revenue item represents the reversal of a prior year revaluation decrement recorded as an expense in the Statement of Comprehensive Income. Similarly, the decrease in asset revaluation surplus is due to the decrease in land's value as a result of the asset revaluation

V4. The reduced expenditure associated with depreciation and amortisation is primarily attributable to the capital budget for 2016-17 not being spent accordingly and therefore certain items that were expected to be capitalised in 2016-17 were not.

V5 The reduction is due to a lower than anticipated level of bad debt write-off for the 2016-17 financial year.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

D3 BUDGET TO ACTUAL COMPARISON – STATEMENT OF FINANCIAL POSITION

	Variance Notes	Original Budget 2017 \$'000	Actual Result 2017 \$'000	Variance \$'000
Current assets				
Cash and cash equivalents	V6	32,765	44,743	11,978
Receivables		1,330	852	(478)
Other		643	803	160
Total current assets		34,738	46,398	11,660
Non-current assets				
Receivables		390	398	8
Property, plant and equipment	V7	24,659	27,255	2,596
Intangible assets		1,938	1,849	(89)
Total non-current assets		26,987	29,502	2,515
Total assets		61,725	75,900	14,175
Current liabilities				
Payables		2,002	2,307	(305)
Accrued employee benefits	V8	4,511	5,381	(870)
Provision for grants of aid	V9	14,577	18,763	(4,186)
Grants payable to community legal centres	V10	-	1,074	(1,074)
Unearned grants revenue	V11	253	1,259	(1,006)
Lease incentives		-	23	(23)
Total current liabilities		21,343	28,807	(7,464)

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

D3 BUDGET TO ACTUAL COMPARISON – STATEMENT OF FINANCIAL POSITION
(continued)

	Variance Notes	Original Budget 2017 \$'000	Actual Result 2017 \$'000	Variance \$'000
Non-current liabilities				
Provision for grants of aid	V9	4,007	4,473	(466)
Grants payable to community legal centres		-	200	(200)
Lease incentives		-	94	(94)
Total non-current liabilities		4,007	4,767	(760)
Total liabilities		25,350	33,574	(8,224)
Net assets		36,375	42,326	5,951
Equity				
Accumulated surplus		23,325	25,416	2,091
Asset revaluation surplus		13,050	16,910	3,860
Total equity		36,375	42,326	5,951

D3-1 Explanation of major variances – Statement of Financial Position

V6. The increase in cash at bank is primarily due to the additional funding from the election commitment to increase legal aid funding to a level that is equal to the national average per capita as well as part year funding for the Mental Health Review Tribunal representation and service delivery towards the Commonwealth Family Advocacy and Support Service. Additionally, unspent advance funding received from the Commonwealth Government for expensive criminal cases is also contributing to the increase.

V7. The increase in property, plant and equipment is primarily related to the increase in the value of the organisation's building of \$3.6 million following the valuation undertaken as at 30 June 2017, offset with capital projects budgeted but not required in 2016-17.

V8. The increase is primarily due to annual recreation leave provisions and growth in full time equivalent positions.

V9. The increase for provision of grants of aid is primarily related to the higher demand for criminal law matters, which has resulted in an increase to the current and non-current provision.

V10. The variance mainly relates to advance funding from Department of Justice and Attorney-General for future payments to community legal centres.

V11. The variance has arisen from advance funding received from the Commonwealth Government for expensive criminal cases

LEGAL AID QUEENSLAND
Notes to the Financial Statements
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D4 BUDGET TO ACTUAL COMPARISON – STATEMENT OF CASH FLOWS

	Variance Notes	Original Budget 2017 \$'000	Actual Result 2017 \$'000	Variance \$'000
Cash flows from operating activities				
Inflows				
Grants and other contributions	V1,V10,V11	134,685	117,725	(16,960)
User charges	V2	1,850	2,672	822
GST input tax credit from ATO	V12	4,091	9,338	5,247
Other		1,538	1,406	(132)
		142,164	131,141	(11,023)
Outflows				
Supplies and services	V1	(99,028)	(81,488)	17,540
Employee expenses		(46,381)	(45,968)	413
Grants to legal centres		-	(50)	(50)
GST remitted to ATO	V12	(35)	(190)	(155)
Other		(205)	(137)	68
		(145,649)	(127,833)	17,816
Net cash provided by/(used in) operating activities		(3,485)	3,308	6,793
Cash flows from investing activities				
Inflows				
Proceeds from sale of plant and equipment		-	117	117
Outflows				
Payments for plant and equipment	V13	(3,090)	(1,050)	2,040
Payments for intangibles		-	(6)	(6)
		(3,090)	(1,056)	2,034
Net cash provided by/(used in) investing activities		(3,090)	(939)	2,151

LEGAL AID QUEENSLAND
Notes to the Financial Statements
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D4 BUDGET TO ACTUAL COMPARISON – STATEMENT OF CASH FLOWS (continued)

	Variance Notes	Original Budget 2017 \$'000	Actual Result 2017 \$'000	Variance \$'000
Net increase/(decrease) in cash and cash equivalents		(6,575)	2,369	8,944
Cash and cash equivalents at beginning of financial year		39,340	42,374	3,034
Cash and cash equivalents at end of financial year		32,765	44,743	11,978

D4-1 Explanation of major variances – Statement of Cash Flows

V12. The increase in cash inflows and cash outflows for Goods and Services Tax to and from the Australian Taxation Office is directly attributable to an under estimated budget.

V13. The decrease is due to capital projects such as Maroochydore office refurbishment and Townville office relocation and refurbishment not required during the 2016-17 financial year. These projects did not proceed due to LAQ having arranged new lease arrangements for these regional offices.

LEGAL AID QUEENSLAND
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SECTION 5

OTHER INFORMATION

E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

As from 2016-17, the organisation's responsible Minister is identified as part of the organisation's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Attorney-General and Minister for Justice and Minister for Training and Skills. The following details for non-Ministerial KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of the organisation during 2016-17 and 2015-16. Further information on these positions can be found in the body of the Annual Report under the sections relating to Board Members and Executive Management.

Position	Position Responsibility
Board of Directors	Provide leadership and the overall strategic direction for Legal Aid Queensland, including the development of the strategic plan and major goals and strategies, in conjunction with the senior management team.
Chief Executive Officer	Lead the functions and strategic direction of Legal Aid Queensland to achieve efficiency, sustainability and the delivery of high quality legal services.
Deputy Chief Executive Officer	Manage Legal Aid Queensland's day to day operations including statewide regional legal services and preferred supplier strategy to achieve Legal Aid Queensland's strategic and operational objectives.
Public Defender Counsel	Manage Counsel to achieve Legal Aid Queensland's strategic and operational objectives and particularly to deliver the highest quality of legal assistance services to clients
Director Family Law and Civil Justice Services	Lead and manage the Family Law and Civil Justice Services areas to achieve Legal Aid Queensland's strategic and operational objectives, and particularly to deliver high quality legal assistance services to clients.

LEGAL AID QUEENSLAND
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E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

Position	Position Responsibility
Director Criminal Law Services	Lead and manage the Criminal Law Services division to achieve Legal Aid Queensland's strategic and operational objectives, and particularly to deliver high quality legal assistance services to clients
Director Corporate Services	Lead and manage a significant range of corporate services and direct service delivery functions, including finance, facilities, human resources, information technology, library, business analysis, governance and records management.
Director Grants	Lead and manage a significant range of functions associated with managing external and in-house legal service procurement.
Director Executive Services	Lead and manage strategic policy, law reform, media and public affairs, community legal education and special projects.
Director Information and Advice	Lead and manage the information and advice services state-wide and establish a culture of integrated service delivery, efficiency and improved client experience.
Chief Finance Officer	Lead and manage the finance team including planning, performance reporting, procurement, systems, financial and risk management.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

KMP Remuneration Policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The organisation does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements as from 2016-17, which are published as part of Queensland Treasury's Report on State Finances.

Please refer to Note E5 for board members' remuneration.

Remuneration policy for the organisation's other KMP is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008* and as approved by the Legal Aid Board in 2016-17. Individual remuneration and other terms of employment (including motor vehicle entitlements) are specified in employment contracts.

For the 2016-17 year, remuneration of KMP (other than Minister and board members) increased by 2.5% in accordance with government policy.

Remuneration expenses for KMP comprise the following components:

Short term employee expenses which include salaries, allowances including monetary vehicle allowance earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position.

Long term employee expenses include amounts expensed in respect of annual leave and long service leave entitlements earned.

Post employment expenses include amounts expensed in respect of employer superannuation obligations.

Termination benefits are not provided for within individual contracts of employment. Contracts of employments provide only for notice periods or payment in lieu of notice on termination regardless of the reason for termination.

Performance payments are not paid under the contracts in place.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
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E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

Remuneration Expenses

The following disclosures focus on the expenses incurred by the organisation that is attributable to non-Ministerial KMP during the respective reporting periods. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income. They also include the remuneration of other personnel who have acted in the positions during the year.

1 July 2016 – 30 June 2017

Position	Short term employee expenses	Long term employee expenses	Post-employment expenses	Total expenses
	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	138	40	17	195
Acting Chief Executive Officer (1/7/2016-18/10/2016)	93	9	9	111
Deputy Chief Executive Officer	112	12	14	138
Acting Deputy Chief Executive Officer (1/7/2016 – 18/10/2016)	57	7	8	72
Public Defender Counsel	162	19	19	200
Director Family Law and Civil Justice Services	119	12	13	144
Acting Director Family Law and Civil Justice Services (1/7/2016 – 18/10/2016)	70	2	7	79
Director Criminal Law Services	187	19	21	227
Director Corporate Services	182	20	21	223
Director Grants	171	21	21	213

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Notes to the Financial Statements
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E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

1 July 2016 – 30 June 2017 (continued)

Position	Short term employee expenses	Long term employee expenses	Post-employment expenses	Total expenses
	\$'000	\$'000	\$'000	\$'000
Director Executive Services (to 25/2/2017)*	74	10	10	94
Director Information and Advice (from 12/9/2016)	74	1	9	84
Director Information and Advice (to 11/9/2016)	28	4	4	36
Chief Finance Officer	119	15	16	150
Total remuneration	1,586	191	189	1,966

* This position has now been abolished

1 July 2015 – 30 June 2016

Position	Short term employee expenses	Long term employee expenses	Post-employment expenses	Total expenses
	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	185	19	21	225
Acting Chief Executive Officer (18/4/2016-30/6/2016)	57	5	6	68

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

1 July 2015 – 30 June 2016 (continued)

Position	Short term employee expenses	Long term employee expenses	Post-employment expenses	Total expenses
	\$'000	\$'000	\$'000	\$'000
Deputy Chief Executive Officer	142	14	17	173
Acting Deputy Chief Executive Officer (18/4/2016 – 30/6/2016)	30	3	3	36
Public Defender Counsel	173	19	20	212
Director Family Law and Civil Justice Services	156	15	17	188
Acting Director Family Law and Civil Justice Services (18/4/2016 – 30/6/2016)	23	1	2	26
Director Criminal Law Services	185	20	20	225
Director Corporate Services	179	19	20	218
Director Grants	163	16	18	197
Director Executive Services	89	5	12	106
Director Information and Advice	95	11	12	118
Chief Finance Officer	128	14	15	157
Total remuneration	1,605	161	183	1,949

LEGAL AID QUEENSLAND
Notes to the Financial Statements
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E2 RELATED PARTY TRANSACTIONS

Transactions with KMP

During the financial year, a board member's practice was paid \$60,546 for legal services provided to Legal Aid Queensland's clients. This work was awarded in accordance with Legal Aid Queensland's normal operating procedures, without preferential treatment and accordingly payment was made consistent with the scale of fees.

Transactions with other Queensland Government-controlled entities

The organisation's primary ongoing sources of funding from Government for its services are appropriation revenue provided in cash via the Department of Justice and Attorney-General

E3 MONIES HELD IN TRUST

	2017	2016
	\$'000	\$'000
Summary of cash flows:		
Balance as at 1 July	40	93
Receipts	871	1,416
Payments	(874)	(1,469)
Transfer to user charges	(11)	-
Balance as at 30 June	26	40

E4 GRANTS PAYABLE TO COMMUNITY LEGAL CENTRES

During the year Legal Aid Queensland received monies from both state and federal governments that are passed on to the community legal centres. As the organisation performs only a custodial role in respect of these transactions and balances, they are not recognised in the Statement of Comprehensive Income but are disclosed in these notes for the information of users. The balance as at 30 June represents advance monies from state government that have yet to be passed on to the community legal centres, and the portion of Sundry Grants and Translation Funds which was unspent during the year and to be carried forward. The Sundry Grants and Translation Funds are to be used for agreed purposes for the community legal centres such as payments for counselling and translation services.

	2017	2016
	\$'000	\$'000
Current		
Grants payable	1,074	61
Non-current		
Grants payable	200	-

LEGAL AID QUEENSLAND
Notes to the Financial Statements
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E4 GRANTS PAYABLE TO COMMUNITY LEGAL CENTRES (continued)

	2017 \$'000	2016 \$'000
Movement		
Balance as at 1 July	61	152
Receipts	21,268	18,104
Payments	(20,055)	(18,195)
Balance as at 30 June	1,274	61

Excluded in the receipts and payments above is funding to Western Queensland Justice Network which is a community legal centre 100 percent owned by Legal Aid Queensland.

E5 REMUNERATION OF BOARD MEMBERS

The remuneration received, or due and receivable by board members from Legal Aid Queensland is in connection with the management of the organisation and is approved by Cabinet in accordance with the *Remuneration Procedures for part-time Chairs and members of Queensland Government bodies*. Remuneration includes annual fees and sub-committee fees, and contributions to members' superannuation.

	2017 \$	2016 \$
Margaret McMurdo* (present Chair)	2,125	-
Brian Stewart (Chair until 27/2/2017)	8,499	14,466
Allan Welsh	9,370	9,370
Peter Nolan*	-	13,703
Sandra Deane	9,370	9,370
Philip Askin	6,851	6,851
Total	36,215	53,760

* Margaret McMurdo was appointed as the Board Chair on 5 May 2017. Peter Nolan's 2017 remuneration was paid in 2016. Board remuneration also varies due to positions held by some board members on board sub-committees.

E6 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN POLICY

Changes in accounting policy

The organisation did not voluntarily change any of its accounting policies during 2016-17.

Accounting standards early adopted for 2016-17

No Australian Accounting Standards have been early adopted for 2016-17.

LEGAL AID QUEENSLAND
Notes to the Financial Statements
for the year ended 30 June 2017

E6 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN POLICY (continued)

Accounting standards applied for the first time in 2016-17

The only Australian Accounting Standard that became effective for the first time in 2016-17, and materially impacted on this financial report is AASB 124 Related Party Disclosures. This standard requires note disclosures about key management personnel (KMP) remuneration expenses and other related party transactions, and does not impact on financial statement line items. As Queensland Treasury already required disclosure of KMP remuneration expenses, there was minimal impact for the organisation's disclosures compared to 2015-16 (refer to Note E1). Material related party transactions for 2016-17 are disclosed in Note E2. No comparative information is required in respect of 2015-16.

E7 TAXATION

The activities of Legal Aid Queensland are exempt from Commonwealth taxation except for Goods and Services Tax (GST) and Fringe Benefits Tax (FBT). Input tax credits receivable and GST payable from/to the Australian Taxation Office are recognised and accrued (refer to Note B2).

E8 PRIOR PERIOD ADJUSTMENT

In preparation of the 2016-17 financial statements, the organisation identified current annual leave incorrectly presented as non-current annual leave in previous years' financial statements. The organisation does not have unconditional right to defer settlement of the annual leave liability for at least 12 months after the reporting period and therefore should present the annual leave as a current liability in its entirety, pursuant to AASB 101 *Presentation of Financial Statements*. The value of annual leave impacted by this error in 2015-16 was \$873k (2014-15: \$818k).

Comparative numbers reported in the 2015-16 Statement of Financial Position, and at the beginning of the comparative financial year (1 July 2015) have been restated to correct these errors below. The line items affected are as follows:

	2014-15			2015-16		
	Published Financial Statements \$'000	Correction of Error \$'000	Restated Actuals 1 July 2015 \$'000	Published Financial Statements \$'000	Correction of Error \$'000	Restated Actuals \$'000
<u>Statement of</u>						
<u>Financial Position</u>						
<u>Current liabilities</u>						
Accrued employee benefits	3,661	818	4,479	4,140	873	5,013
<u>Non-current liabilities</u>						
Accrued employee benefits	818	(818)	-	873	(873)	-

Legal Aid Queensland management certificate

LEGAL AID QUEENSLAND Management Certificate for the year ended 30 June 2017

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act and section 60 15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*, we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects, and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Legal Aid Queensland for the year ended 30 June 2017 and of the financial position of Legal Aid Queensland at the end of that year; and
- (c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period; and
- (d) there are reasonable grounds to believe that Legal Aid Queensland is able to pay all of its debts, as and when they become due and payable; and
- (e) the financial statements and notes satisfy the requirement of the *Australian Charities and Not-for-profits Commission Act 2012*.



The Hon Margaret McMurdo AC
Board Chair

21 August 2017



Gavin Holdway FCPA
Chief Finance Officer

21 August 2017

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT

To the Board of Legal Aid Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Legal Aid Queensland.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2017, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, the *Australian Charities and Not-for-profit Commission Act 2012*, the Australian Charities and Not-for-profit Commission Regulation 2013 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the 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 report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Other information

Other information comprises the information included in the Legal Aid Queensland's annual report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon.

The Board is responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, the *Australian Charities and Not-for-profit Commission Act 2012*, the Australian Charities and Not-for-profit Commission Regulation 2013 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, 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 expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity'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 entity'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 report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board 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 other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2017:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects



Nick George
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

Acronyms and abbreviations

AASB	Australian Accounting Standards Board
AAT	Administrative Appeals Tribunal
ADCQ	Anti Discrimination Commission Queensland
ARRs	Annual report requirements for Queensland Government agencies
ATO	Australian Taxation Office
ATSILS	Aboriginal and Torres Strait Islander Legal Service
CEO	Chief executive officer
CFO	Chief finance officer
CLC	Community legal centre
CLE	Community legal education
CPD	Continuing professional development
DPSOA	<i>Dangerous Prisoners (Sexual Offenders) Act 2003</i>
EEO	Equal employment opportunity
FBT	Fringe Benefits Tax
FAA	<i>Financial Accountability Act 2009</i>
FACT	First Advice Contact Team
FPMS	<i>Financial and Performance Management Standard 2009</i>
FTE	Full-time equivalent
GST	Goods and Services Tax
HR	Human resources
IASB	International Accounting Standards Board
ICT	Information Communication and Technology
IT	Information technology
LPITAF	Legal Practitioner Interest on Trust Accounts Fund
MHRT	Mental Health Review Tribunal
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
NPA	National Partnership Agreement on Legal Assistance Services
OESR	Office of Economic and Statistical Research
QCAT	Queensland Civil and Administrative Tribunal
QLAF	Queensland Legal Assistance Forum
RAILS	Refugee and Immigration Legal Service
RLAF	Regional Legal Assistance Forum
RM8	Records Manager 8
SVS	State Valuation Services

Appendix

Compliance checklist

	Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant minister/s 	ARRs – section 7	2
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	1
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	1
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy	1
		ARRs – section 9.3	
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	1
	<ul style="list-style-type: none"> Information licensing 	QGEA – Information Licensing ARRs – section 9.5	1
General information	<ul style="list-style-type: none"> Introductory information 	ARRs – section 10.1	3–4, 23
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	23
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	3–6, 20–21
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community 	ARRs – section 11.1	20
	<ul style="list-style-type: none"> Other whole-of-government plans/specific initiatives 	ARRs – section 11.2	25–26
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	20–21
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	25–26
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	16–18
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	14
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	10
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	6–8
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	Public Sector Ethics Act 1994 ARRs – section 13.4	54
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5	4

	Summary of requirement	Basis for requirement	Annual report reference
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	9
	• Audit committee	ARRs – section 14.2	9
	• Internal audit	ARRs – section 14.3	43
	• External scrutiny	ARRs – section 14.4	12
	• Information systems and recordkeeping	ARRs – section 14.5	54
	• Workforce planning and performance	ARRs – section 15.1	52–54
Governance – human resources		Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i>	
	• Early retirement, redundancy and retrenchment	Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2016)	N/A
		ARRs – section 15.2	
Open Data	• Statement advising publication of information	ARRs – section 16	56
	• Consultancies	ARRs – section 33.1	N/A
	• Overseas travel	ARRs – section 33.2	56
	• Queensland Language Services Policy	ARRs – section 33.3	56
Financial statements		FAA – section 62	
	• Certification of financial statements	FPMS – sections 42, 43 and 50	106
		ARRs – section 17.1	
		FAA – section 62	
	• Independent Auditor's Report	FPMS – section 50	107
		ARRs – section 17.2	

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