

NORTH WEST COMMUNITY LEGAL CENTRE

PRINCIPAL LEGAL PRACTITIONER REPORT

Annual General Meeting

2018



Chris Young
North West Community Legal Centre
14 September 2018

Executive Summary

The 2017/18 Financial Year saw some significant change for the NWCLC. New premises, changing faces on the Board of Management and a more complex legal assistance sector provided some challenges.

Throughout the period, the NWCLC continued to service the needs of the most disadvantaged in our community.

This brief report to the Board of Management of the NWCLC will form part of the NWCLC Annual Report.

A more detailed financial and statistical analysis of the Centre operations, client data and outcomes will be provided in a separate report.

Financially, the NWCLC has secured ongoing funding for 2018/19 at the same level as previous years.

The Review into National Legal Assistance Services may change this come 2019/2020.

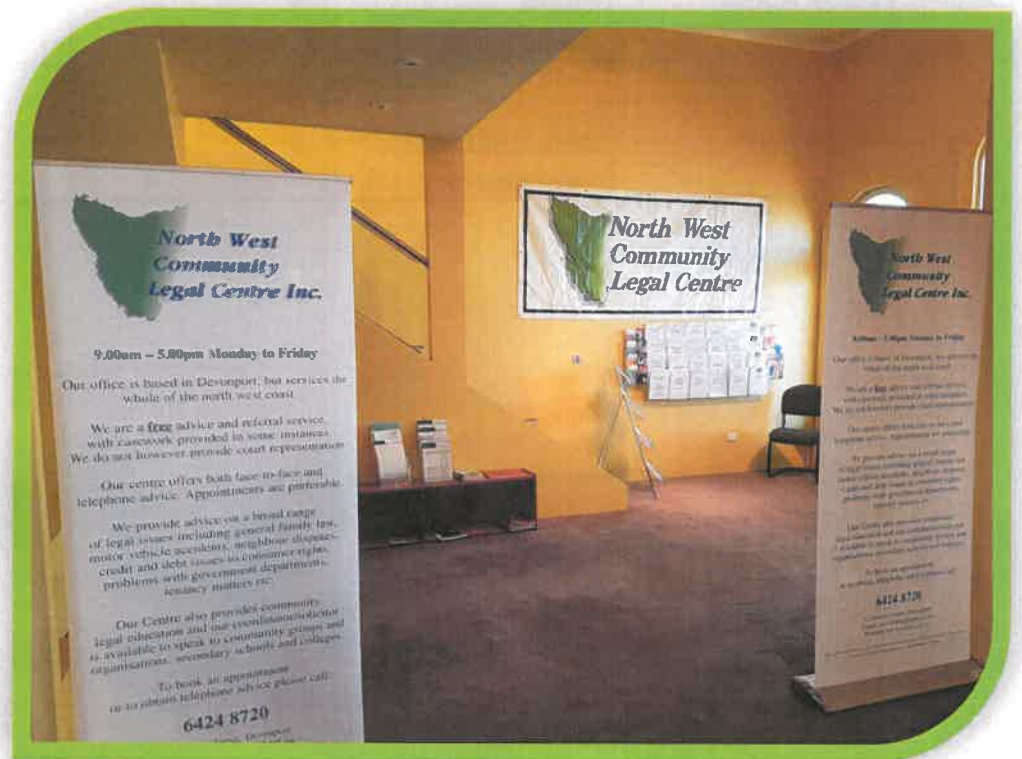
The next 12 to 18 months may see a marked change in the legal assistance both at a National and State level. Funding priorities and client need will dictate where our sector performs and in what roles.

Staff of the NWCLC continue to provide excellent service to clients. I thank them for their service. Over the last 12 months.



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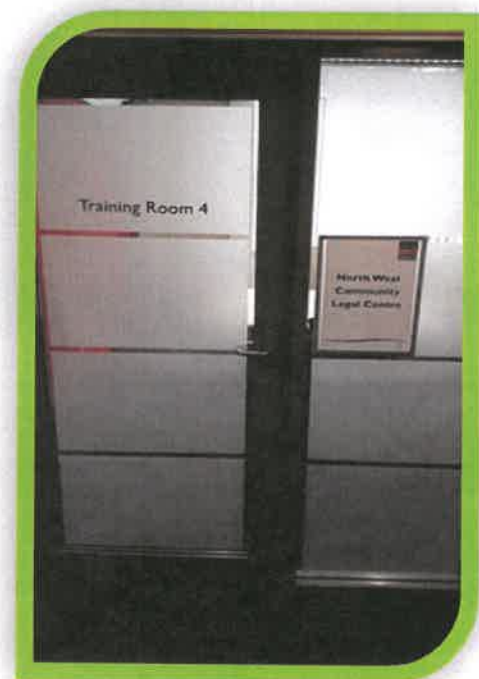


Staffing

MEMBER	POSITION	FTE	YEARS OF SERVICE
Chris Young	Principal Legal Practitioner / Coordinator	1	11.5
Jennifer Dunn	Legal Practitioner	0.5	6.5
Hew Robertson	Legal Practitioner	1	2
Karen Harris	Office Administrator	.8	22
Pat Morgan	Assistant Office Administrator	.7	9

NWCLC employees are covered by the Social, Community, Housing and Disability Services Award 2010. The roll out of the Equal Remuneration Orders in the last few years has seen pay rates and entitlements bridge the gap on other publicly funded sectors, but there remains a disparity in pay rates.

Staff of the Centre are offered continuing professional development courses throughout the year to maintain and improve their skill base.



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Funding

The NWCLC in 2017/18 received funding from two sources, the Commonwealth Federal Attorney Generals' Department and the State Department of Justice.

Core funding of \$415,000 was received from these sources with the surplus for the year of \$3500.

A more detailed analysis of funding spend will follow in a separate report, but it is clear that the majority of our funds are spent on wages and other staff expenses.

Labour costs per client (employee expenses / individual clients):

Financial Year		
2015/16	2016/17	2017/18
\$257	\$289	\$249

Total cost per client (Total Expenses / clients):

Financial Year		
2015/16	2016/17	2017/18
\$312	\$366	\$339

These figures when read in the light of increased rental costs due to the new building since August 2017 are good results as the Centre continues to sit around 80% of its funding expended on wages and front line service delivery. Funding levels over this period have just kept pace with increased expenses.

The funding baseline received will need to be maintained under any new funding agreement otherwise the service will need to look at staffing and operational expenses.



Clients / Stats

The top (20) problem types have been displayed below. Our numbers are slightly increasing but so is the level of support provided to clients.

Traditionally Community Legal Centre's when they were first established were seen to be one-off general advice and referral services, however given the changing nature of the legal assistance sector in this country with the reduction in Legal Aid capacity and the increased demand, given that the Community Legal Centre's continue to assist in filling these gaps, while providing in some cases ongoing support.

This issue should be read in light of my comments below in regards to the current reviews into the State and Federal Legal Assistance Services.

Problem Type	Number
Other Civil	117
Road/Traffic	110
Wills/Probate	63
Children	57
Property in Marriage	55
Separation	43
Consumer Complaints / Services	42
Restraint Order	42
De facto Property	41
Credit and Debt	36
Employment	34
MVA	32
Divorce	26
Unfair Dismissal	24
Power of Attorney	23

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Consumer Complaints / Products	21
Civil Property Disputes	19
Boundary Fence	18
Credit and Debt / Owed to Client	17
Other	374
TOTAL	1217

Residential Tenancy Clients seen on behalf of the Tenants Union of Tasmania total 57 for the 2017/18 Financial year, bringing the total client number up to 1274.

The clients that the North West Community Legal Centre meet come from a wide variety of social and demographic backgrounds.

The financial support that these clients receive most commonly come solely from Commonwealth/Centrelink support payments, alternatively family payments and part-time/casual employment.

Age demographics are anywhere between (15 -90) with a close to even split in relation to gender of clients.

The themes picked up in 2017/2018 in regards to the types of matters that the Centre is seeing are increased numbers of employment disputes, residential tenancy and credit & debt.

Road traffic and other civil matters have increased as well given the reduction in capacity on the Legal Aid Commission of Tasmania offices on the North West Coast.

This is not a reflection on the staff of the Legal Aid Commission, it is just a reality that the number of legal practitioners employed by the Legal Aid Commission on the North West Coast has fluctuated over the last (12) months.



Service Area

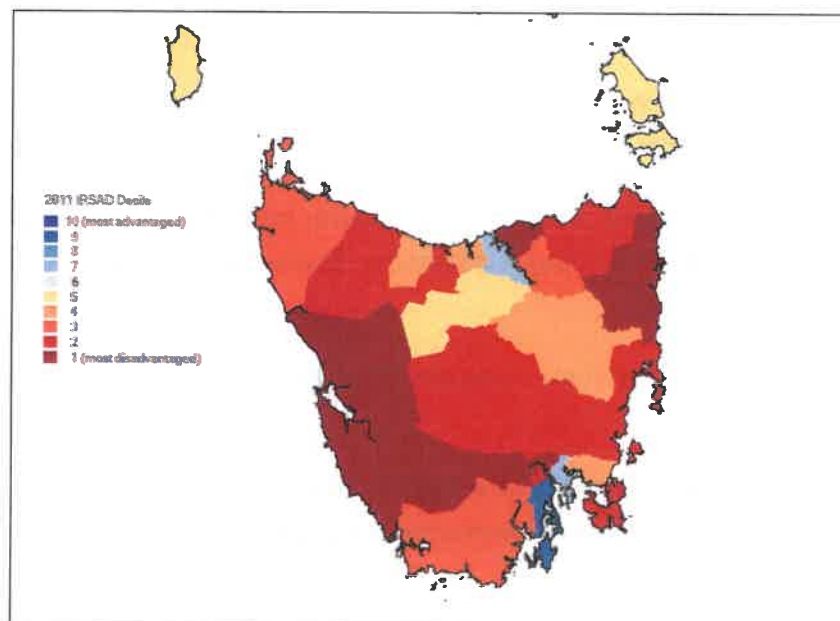
Service area continues to be the entire North West and West Coast of Tasmania. We travelled to King Island for the first time in a couple of years in this period. King Island an area of unmet need.

Our service area has at times also encompassed Northern areas of the State, with conflicts of interest with the Launceston Community Legal Centre resulting in our service regularly conducting telephone appointments and services to clients in the Northern or North Eastern areas of the State.



2011 SEIFA

Index of Relative Socio-Economic Advantage and Disadvantage - LGAs in Tasmania



Based on LGA - 2011 ASGS
Source: ABS
© Commonwealth of Australia, 2013

ABS and Law Council of Australia data continues to show the catchment areas of NWCLC clients are still some of the most Socially and Economically disadvantaged in the State. Coupled with the geographical spread of these towns, the NWCLC services these areas with physical outreach and telephone/skype appointments.



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State and Federal Reviews into Legal Assistance Services

The Tasmanian State Government and the Federal Government are in the process of conducting in-depth reviews into Legal Assistance Services.

At a National level, the Commonwealth Legal Assistance Service Review is being undertaken by a consultant (URBIS).

The terms of reference in relation to this review are broad and unfortunately do not cover what I believe to be the most important issue that is the adequacy of the current level of funding to Commonwealth Legal Assistance Services to meet the demands of the unmet legal need.

The North West Community Legal Centre is actively involved with the Community Legal Centre's Tasmania in preparing submissions for this review and will meet with the consultants shortly.

This review will shape the next 5 year National Partnership on Legal Assistance Services, with the current Agreement set to expire in June 2020.



The Department of Justice's State Review is also underway with the Review Committee meeting at our Centre in the coming weeks. Like the Commonwealth Review, the State Review looks at the adequacy of provision of services to

Tasmanians in particular, gaps, duplication and options to better streamline and create greater efficiencies.

Again our Centre has provided significant input into this review with an aim to secure at a base level our funding, if not further funding for provision of legal services to members of the North West Community.

The National Review will be finalized by December of this year, with the State Review by November so it can inform the upcoming State Budget in May 2019.

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What Does the Future Hold?

The views of most generalist Community Legal Centre's (especially in this State) are that the work that Community Legal Centre's do needs to change in some way so that there is a greater recognition of the ongoing representation and support role that Community Legal Centre's provide to clients.

There is a view within the profession and the funding bodies that oversee our operations that Community Legal Centre's should no longer simply just hold themselves out as one off advice and referral but provide a more holistic approach to provision of services.

That is a theme that I have been advocating to National and State Reviews.

Chris Young

14 September 2018



**North West Community Legal
Centre Inc**

**Financial Statements
For the year ended 30 June 2018**

**Willing Associates Pty Ltd
Chartered Accountant
24 Edward Street
Devonport 7310**

**Phone: 03 6423 1027
Email: willingd@bigpond.net.au
Website: www.willingassociates.com.au**

North West Community Legal Centre Inc

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North West Community Legal Centre Inc

Balance sheet as at 30 June 2018

	2018	2017
Current Assets		
Cash & cash equivalents		
Cash at bank	71,893	45,436
Cash at bank - term deposit	411,072	404,530
Cash on hand	436	
Other		
Prepayments	1,768	1,183
	<u>485,169</u>	<u>451,149</u>
Non-Current Assets		
Property plant and equipment		
Plant and equipment at cost	76,709	74,005
Accumulated depreciation	(66,096)	(57,563)
	<u>10,613</u>	<u>16,442</u>
Total assets	<u>495,782</u>	<u>467,591</u>
Current Liabilities		
Trade & other accounts payable		
Trade creditors		1,230
Other creditors and accruals	5,435	
Superannuation payable	13,236	
PAYG withholding payable	4,936	4,124
GST liabilities		
GST payable control account	6,454	4,292
Provisions		
Provision for annual leave	23,851	24,211
Provision for long service leave	20,203	16,567
	<u>74,115</u>	<u>50,424</u>
Non-Current Liabilities		
Provisions		
Provision for long service leave	6,236	5,239
	<u>6,236</u>	<u>5,239</u>
Total liabilities	<u>80,351</u>	<u>55,663</u>
Net assets	<u>415,431</u>	<u>411,928</u>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

North West Community Legal Centre Inc

Balance sheet as at 30 June 2018

	2018	2017
Members' Funds		
Accumulated surplus (deficit)	415,431	411,928
Total members' funds	415,431	411,928

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

North West Community Legal Centre Inc

Income Statement

For the year ended 30 June 2018

	2018	2017
	\$	\$
Income		
Consulting fees	8,810	9,959
Funding - Legal Aid Commission	417,211	324,816
Interest received	7,049	5,643
Sundry	5,528	1,387
	<u>438,598</u>	<u>341,805</u>
Expenses		
Advertising and promotion	2,484	1,262
Annual dinner	2,218	2,461
Audit fees	898	868
CLASS contribution	2,467	2,331
Contract payments	1,700	
Depreciation - plant	8,533	5,544
Electricity	3,959	2,711
Employee costs	317,255	283,671
Employee entitlements provision	4,273	4,765
Filing fees	62	56
Insurance	3,949	3,655
Journals & periodicals	1,100	1,100
Leasing charges	2,130	2,496
Levy - NACLC	1,702	1,919
Newspapers	27	328
Petty cash & staff amenities	3,091	3,363
Postage	818	455
Printing & stationery	8,787	7,619
Registration & license fees	2,857	5,276
Rent	36,007	13,686
Repairs & maintenance	8,318	469
Security	1,245	395
Subscriptions		783
Sundry expenses	876	1,176
Telephone & internet	16,278	9,077
Travel	3,329	5,153
Water rates	732	
	<u>435,095</u>	<u>360,619</u>
Surplus	<u><u>3,503</u></u>	<u><u>(18,814)</u></u>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

North West Community Legal Centre Inc
Notes to the Financial Statements
For the year ended 30 June 2018

Statement of Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act (Tas.) 1964 . The committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (Tas.) 1964 and the following Australian Accounting Standards:

AASB 1031: Materiality

AASB 110: Events Occurring After the Balance Sheet Date

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The policies have been consistently applied unless otherwise stated.

Property, plant and equipment

Property, plant and equipment are carried at cost. Depreciable items are depreciated over their expected useful life using the diminishing value method.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Income tax

The association is exempt from income tax under section 23(h) of the Income Tax Assessment Act (1997).

Grant income

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability (Grants Unexpended) until such conditions are met or services provided

Goods and services tax (GST)

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as a current asset or a current liability respectively in the balance sheet.

North West Community Legal Centre Inc

**Responsible person's declaration
For the year ended 30 June 2018**

The responsible persons declare that in the responsible persons' opinion:

- 1 there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- 2 the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



H Bassett
Chairperson



D Darios
Treasurer

10 September 2018



willing
associates

chartered
accountant

DC Willing FCA
M Peebles CPA
S Lucas BCom

24 Edward Street
Devonport Tas. 7310

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Independent Auditor's Report **To the members of North West Community Legal Centre Inc.**

Report on the financial report

We have audited the accompanying financial report being a special purpose financial report of North West Community Legal Centre Inc, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by members of the committee.

Committee's responsibility for the financial report

The Committee of the entity is responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members.

The Committee's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the

Limited liability by a scheme approved under Professional Standards Legislation

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of APES 110 Code of Ethics for Professional Accountants.

Auditor's opinion

In our opinion:

- 1 the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of North West Community Legal Centre Inc. at 30 June 2018, and of its performance for the year then ended;
- 2 we obtained the information we required for the audit and North West Community Legal Centre Inc. kept proper accounting records and other books during the year ended 30 June 2018; and
- 3 the rules relating to the administration of the funds of North West Community Legal Centre Inc. have been observed.

Willing Associates Pty Ltd
Chartered Accountant



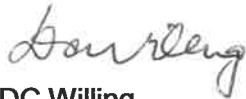
M Peebles
Director
Devonport, 18 June 2019

North West Community Legal Centre Inc
Members of the Committee
For the year ended 30 June 2018

Chairperson: Amy Walsh,
Treasurer: Jessica Godfrey,
Secretary: Dimitrios Darios,
Public Officer: Danielle Tuck,
Committee: Karolina Damen,
Toni Brown (life member)
Ryan Gilmour,
Alison Smith,
Thomas Hogan,

We are the auditors of the abovenamed and confirm that the list of names of the members of the committee for the financial year ended 30 June, 2018 as noted above, agrees with the minutes of the annual general meeting relating to that period.

Willing Associates Pty Ltd
Chartered Accountant



DC Willing
Director
10 September 2018