



LAW REFORM COMMISSION  
*of*  
WESTERN AUSTRALIA

# Annual Report

1 JULY 2013 – 30 JUNE 2014

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## STATEMENT OF COMPLIANCE WITH THE *FINANCIAL MANAGEMENT ACT 2006*

FOR THE YEAR ENDING 30 JUNE 2014

Hon Michael Mischin MLC  
Attorney General

In accordance with section 61 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to State Parliament the Annual Report of the Law Reform Commission of Western Australia for the year ending 30 June 2014.

This report has been prepared in accordance with the provisions of the *Financial Management Act 2006*. The content and layout are consistent with the requirements of Treasurer's Instruction 903.

Yours sincerely



**Dr David Cox**  
Chair  
Law Reform Commission  
of Western Australia

4 September 2014



**Mr Alan Sefton**  
Commissioner  
Law Reform Commission  
of Western Australia

4 September 2014



**Dr Augusto Zimmermann**  
Commissioner  
Law Reform Commission  
of Western Australia

4 September 2014

# ABOUT THIS REPORT

This report provides an overview of the activities of the Law Reform Commission of Western Australia ('the Commission') during 2013-14.

The overview gives a summary of the Commission's activities, operational structure and performance management framework. The Agency Performance section details the Commission's operations, including its financial targets and key performance indicators. This is followed by the section that identifies significant issues impacting on the agency. The last section, Disclosure and Legal Compliance, covers all financial statements, governance requirements and a breakdown of key performance indicators.

The appendix outlines the Commission's current references.

For further information on the operations of the Commission, for copies of this Annual Report, or any of the Commission's other publications, please visit the Commission's web page at [www.lrc.justice.wa.gov.au](http://www.lrc.justice.wa.gov.au)

Printed copies and copies supplied in alternative formats for those with disabilities may be requested from the Commission by calling the number below.

## LAW REFORM COMMISSION CONTACT DETAILS

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# MESSAGE FROM THE CHAIR

The 2013-14 financial year has been a year of transition for the Commission. The 2013-14 State Budget Papers disclosed that, for the first time since the Commission was created in 1972, the Commission would no longer have any future budget allocated to perform its statutory functions. This was confirmed in the 2014-15 State Budget papers. This change was notwithstanding that there has been a significant contraction of the resources for the Commission over time. When the Commission was first established in 1972, it had four full-time legally qualified researchers. In recent years the Commission's administrative functions have been performed by one legally qualified staff member, who also acted as the Commission's Executive Officer, and an Executive Assistant. Under a service agreement with the Department of the Attorney General (DotAG) administrative assistance has also been provided to the Commission by DotAG in areas including accounting, information technology and payroll. DotAG has now been tasked with providing all administrative support to the Commission from its own resources.

Subsequent to the above announcement, the Commission's Executive Officer has accepted a secondment to a different Department and its Executive Assistant has accepted a voluntary severance arrangement. In March 2014 transitional arrangements were accordingly brought forward, under which DotAG staff assumed greater responsibility for the discharge of the Commission's administrative functions. The Commission no longer has separate premises, with storage and meeting facilities now being provided at DotAG.

The model on which the Commission has been operating has involved the engagement of external independent researchers and project writers to enable it to discharge its core functions. In the absence of a future recurrent budget for such expenditures, the Commission has continued to seek clarification about the extent to which it will be able to continue to utilise such resources in the future, particularly where DotAG may not be

in a position to itself provide the requisite level of assistance. This dialogue is ongoing.

The Commission remains committed to ensuring a smooth transition to the new resourcing model and ensuring that its independence and functions are maintained at its current high standard. It has the benefit of an assurance from the Attorney General he remains committed to those objectives.

Despite the challenges that the transition has presented, it is testament to the commitment of the Commission, its staff and project writers that the financial year has nevertheless been a productive period for the Commission. The Commission produced its final report on complaints against state judicial officers and also released a discussion paper and final report on enhancing family and domestic violence laws.

## COMPLETED REFERENCES

The final report about law reform in the area of complaints made against the State's judicial officers, called Complaints Against Judiciary, was released in November 2013. The report examined the adequacy of, and any desirable changes to, the existing principles, practices and procedures for dealing with complaints or allegations of misbehaviour or incapacity against State judicial officers in Western Australia. Consideration was given to the need to protect and preserve judicial independence while recognising the benefits of a system that facilitated complaints being dealt with in an efficient, accessible, transparent and accountable manner. The Commission's final report reviewed judicial complaints systems both nationally and internationally and proposed reforms to improve the process in Western Australia. The report contained 18 recommendations in line with the earlier proposals within the discussion paper in terms of establishing a formal complaints regime and judicial commission in Western Australia broadly based on the NSW Judicial Commission.

Released in December 2013, the discussion paper on potential improvements to the way family and

## MESSAGE FROM THE CHAIR

(continued)

domestic violence is dealt with by the Western Australian justice system, entitled Enhancing Family and Domestic Violence Laws, was the result of an extensive research and consultation process. The discussion paper outlined the nature and extent of family and domestic violence and major national and state policy initiatives currently in operation.

The Commission considered the processes and responses of the Western Australian justice system in relation to family and domestic violence, as well as the difficulties currently faced by victims, such as those created by duplications in legal proceedings. This included a detailed examination of the laws relating to violence restraining orders, the responses of Police in Western Australia, as those who bear principal responsibility for enforcing the law, and the role of family violence courts. In line with the terms of reference, the Commission considered options for reform to enhance these laws and processes, including the desirability and benefits of having separate family and domestic violence legislation. The discussion paper set out 29 questions and 53 proposals arising from the terms of reference.

The final report on Enhancing Family and Domestic Violence Laws revealed 45,000 reported incidents of family and domestic violence were recorded in Western Australia in 2012 and it made a total of 73 recommendations, including separate legislation for domestic violence restraining orders.

The report was tabled in State Parliament on 25 June 2014 with the Attorney General noting that it was likely that the report would lead to some significant reforms in the way Western Australia's legal system implemented and enforced domestic violence laws.

Key recommendations included those relating to the creation of specific family and domestic violence protection order legislation which would result in family and domestic violence restraining orders being separated from the existing *Restraining Orders Act 1997*, clearer definition as to what constitutes family and domestic violence, and modification of a range of offence provisions, including in the *Criminal Code*, to more consistently recognise the significance of family and domestic violence.

### NEW REFERENCES

In March 2014 the Commission received a reference from Attorney General, the Hon Michael Mischin MLC, to review the *Firearms Act 1973*. The review will provide advice on and recommend legislative and/or procedural changes regarding the licensing and storage of firearms, the definitions and categorisation of firearms, the effects of changes in firearm technology and penalties for firearms offences. The Commission will also review issues raised in relevant reports related to the operation of the *Firearms Act 1973*. The Attorney General has requested a final report by 1 September 2015.

In May 2014 a further reference was received in which the Attorney General asked the Commission to enquire into compensation regimes for people suffering from asbestos-related diseases. The focus of the reference will be consideration of whether reform should occur in relation to the 'once and for all' rule for damages in personal injury cases as well as whether a plaintiff should be able to be awarded damages for the value of services provided by the plaintiff to others. The Commission has been asked to provide its final report by the end of the 2014-15 financial year.

## COMMUNITY CONSULTATION

Each reference the Commission takes on involves a thorough and detailed research and consultation process. The Commission has been fortunate to have had the assistance of many diligent and dedicated experts who willingly bring their knowledge and skills to the preparation of the Commission's reports. The efforts made by all involved are sincerely appreciated by the Commission. Their views and efforts in identifying the difficulties of current laws, and proposing considered alternatives to the existing arrangements to address those difficulties, plays a significant role in the development of proposals and reports. The efforts made by individuals and organisations ensure that the Commission's reports are comprehensive, accurate and considered. The Commission is greatly appreciative of the work of writers and researchers, including the Hon Neville Owen, Ms Victoria Williams and Mr Tim Hammond. In particular, it acknowledges, with thanks, the tireless dedication and professionalism of Ms Victoria Williams, which ensured that the comprehensive discussion paper and final report of the Commission in relation to the family and domestic violence terms of reference was completed in a very short period, to the highest standard.

The Commission would like to thank the Attorney General for his interest in and support of the Commission's work. The Commission would also like to acknowledge the support of DotAG in the areas of IT, finance and human resources. The Commissioners also note that DotAG will be assuming responsibility for providing administrative and executive support to the Commission as of 1 July 2014.

As flagged in the forward estimates in the 2014 State Budget, from 1 July 2014 there is no allocation of new funds to support the functions of the Commission, nor is there any allocation within the DotAG 2013-14 budget which is specifically allocated to support the work of the Commission. It is understood that the existing funds held in the Law Reform Commission Account are to be retained and will continue to be available to provide for the remuneration and allowances due to Commissioners. The Commission is endeavouring to clarify the extent and means by which funding may be made available to enable it to utilise independent external resources, where appropriate, to assist it discharge its core functions in relation to researching, consulting and reporting.

Finally, the Commissioners would like to express their appreciation for the work of its former Executive Officer, Ms Heather Kay, and former Executive Assistant, Ms Sharne Cranston.

The Commission is extremely grateful for their dedication and professionalism. Their work in coordinating administrative and legal research activities, managing the references and keeping the Commission travelling smoothly has ensured that the referrals have been completed to a high standard. The Commissioners sincerely wish Ms Kay the best for the future and wish Ms Cranston well in retirement.

2013-14 was the final year of Mr Richard Douglas' term as Chair. We are very grateful for Richard's dedicated and learned leadership. In addition his thoughtful and insightful contribution has greatly benefitted the Commission.

**Dr David Cox**

# OVERVIEW OF THE LAW REFORM COMMISSION

## EXECUTIVE SUMMARY

The Commission's role is to keep the law up-to-date and relevant to the needs of Western Australian society. The Commission achieves this by receiving terms of reference and reviewing selected legislation at the request of the Attorney General to identify opportunities for reform.

References may originate from proposals submitted by the Commission, suggestions made by the public or topics of interest to the Attorney General. The Attorney General determines the order of priority in which the Commission deals with references. The Attorney General presents the Commission's reports to State Parliament as soon as practicable after the Commission completes its work on each reference.

The Commission's output measures include progress against target timelines. The extent to which the Commission meets the timeframes set by the Attorney General is therefore considered to be a key performance indicator which measures the extent to which the Commission is contributing to keeping Western Australian law up-to-date.

## THE COMMUNITY SERVED

The people of Western Australia are the Commission's primary clients or customers. This must be the case for a law reform organisation, funded by the taxpayers, in a society governed by law. To be meaningful and effective, law reform must make every effort to be inclusive and fair.

The law reform process should include communication and consultation with the public and the relevant stakeholders concerned with particular projects. Moreover, the Commission's work must be completed in a reasonably timely fashion in order to be efficient and effective.

## STAKEHOLDERS

The Commission's stakeholders include those governed by particular laws and those charged with enforcing and administering them. With

each reference, the Commission makes an effort to identify stakeholders concerned with the specific topic. The stakeholders list changes from project to project. While farmers and country residents may be concerned about stock straying on highways, for instance, parents and doctors may be more interested in medical treatment for minors. Merchants and finance companies may seek changes to the *Sale of Goods Act 1895*, while builders and suppliers may be concerned with financial protection in the building and construction industry. Once an issue is identified, the Commission often invites stakeholders' submissions when developing its recommendations.

## PERFORMANCE HIGHLIGHTS

### Complaints Against Judiciary Report

The Commission completed work on the Complaints Against Judiciary reference this financial year, with the release of the final report in November 2013. The final report set out 18 recommendations in line with earlier proposals within the discussion paper, which was released in September 2012. Central to the recommendations of the Commission was the introduction of a judicial commission for dealing with complaints against judicial officers.

### Enhancing Family and Domestic Violence Laws

The Commission completed the reference in relation to Enhancing Family and Domestic Violence Laws, publishing and releasing both a discussion paper and final report during 2013-14. Consultations occurred with more than 150 individuals from various government and non-government agencies. The Commission received 43 submissions from a wide range of agencies and individuals in response to the discussion paper released in December 2013. The final report set out 73 recommendations for reform in relation to the police and criminal justice system's responses



to domestic and family violence, as well as recommending significant changes to the operation of violence restraining orders.

### **Representative Proceedings**

The Commission has continued work towards completing the final report and recommendations into the Representative Proceedings reference. The Commission has been requested to examine and report upon whether, and if so in what manner, the principles, practices and procedures pertaining to representative proceedings require reform. Representative proceedings are those brought by numerous plaintiffs or against numerous defendants (or both) under a rule that permits a representative plaintiff to begin a legal proceeding on behalf of identified plaintiffs, or a class of plaintiffs, or against numerous defendants. The Commission expects to present the Attorney General with a report for tabling in State Parliament by the end of 2014.

### **Firearms Act 1973**

The Commission received a new reference in March 2014 to examine the *Firearms Act 1973* and make recommendations for reform. This reference is to be completed by September 2015.

### **Provisional Damages and Damages for Gratuitous Services**

The Commission has also received a new reference in relation to compensation regimes for people suffering from asbestos related diseases. The Commission has been asked to give particular regard to the possible modification of the 'once and for all' rule in relation to damages for personal injury and possible availability of damages for the value of services provided by the plaintiff to others. The Attorney General has requested the final report for this reference be completed by June 2015.

## **TECHNOLOGICAL AND ADMINISTRATIVE CHANGES**

To facilitate the citation and reference to the Commission's considerable body of work, all publications from 1 July 2013 are available for download in MS Word.

The Commission's website received more than 528,540 hits throughout 2013-14.

During the past year the Commission's staff managed 3,329 letters, faxes, emails and telephone calls – many from members of the public concerned about issues and problems they had experienced with the justice system or with the operation of particular laws.

As of March 2014, administrative functions of the Commission have been carried out by staff within DotAG.

## **FINANCIAL FORECAST**

The Commission's reference on Representative Proceedings is nearing completion with the final report to be presented to the Attorney General for tabling in State Parliament by the end of 2014. The Commission received two new references from the Attorney General at the end of 2013-14. The final report for the reference relating to Provisional Damages and Damages for Gratuitous Services is due at the end of 2014-15, with the *Firearms Act 1973* reference due for completion in early 2015-16.

As outlined in the 2013-14 State Budget, DotAG will be providing for the administrative and executive support functions of the Commission in 2014-15. This will be accommodated within DotAG's existing budget. The Commission is currently working with DotAG to determine how provision is being made for it to carry out its substantive role.

# OVERVIEW OF THE LAW REFORM COMMISSION

## (continued)

## OPERATIONAL STRUCTURE

### ENABLING LEGISLATION

The Commission was established as a Statutory Authority under the *Law Reform Commission Act 1972*, on 31 October 1972.

### RESPONSIBLE MINISTER

**The Hon Michael Mischin MLC**  
Attorney General.

The Commission reviews areas of the law referred to it by the Attorney General of the day to identify potential opportunities for reform. References may originate from proposals submitted by the Commission, suggestions made by the public or topics of interest to the Attorney General. Section 11 of the *Law Reform Commission Act 1972* sets out the functions of the Commission. The Attorney General determines the order of priority in which the Commission deals with references. The Attorney General presents the Commission's reports to State Parliament as soon as practicable after the Commission completes its work on each reference.

### MISSION

The Commission's mission is to assist in keeping the law up-to-date and relevant to the needs of Western Australian society.

### STRUCTURE AND MEMBERSHIP OF THE COMMISSION

The Commission may consist of up to five members, two full-time and three part-time, appointed by the Governor of Western Australia. Of the part-time members, one is to be a private legal practitioner with not less than eight years' experience, one must be engaged in teaching law at a university in Western Australia with a status not less than that of Senior Lecturer, and the third is to be a legal officer of the State Solicitor's Office

with not less than eight years' experience. Full-time members are to be legal practitioners of at least eight years' standing, or persons suitable for appointment by reason of their legal qualifications and experience, whether in Western Australia or elsewhere.

#### COMMISSIONERS

Legal Practitioner  
University Law Senior Lecturer  
State Solicitor's Office Legal Officer



#### Department of the Attorney General

### Chairman

Under section 5 of the *Law Reform Commission Act 1972*, the Commission elects its Chairman from among the members. The Chairman may hold office for a term not exceeding one year, but shall be eligible for re-election.

At the end of 2013-14, Mr Douglas, (BA (Hons) LLB (Hons)), having begun with the Commission in 2010, completed his four year term of office at the Commission. Mr Douglas is a barrister at Francis Burt Chambers, having obtained a Bachelor of Arts and a Bachelor of Laws from the Australian National University. Before joining the bar in Western Australia, he practiced as a solicitor at Blake Dawson Waldron in Perth and as an attorney with Simpson Thacher & Bartlett in New York. Mr Douglas specialises in civil, commercial and securities litigation and corporate reconstruction and insolvency.

### Members

Mr Alan Sefton (B. Comm, LLB (Hons)) joined the Commission on 26 August 2011. He is an adviser employed in the State Solicitor's Office, where he has worked in various capacities since 1992. Mr Sefton provides advice and acts as

counsel for the State Government and its agencies in relation to a range of matters, principally in areas of administrative law, land compensation, discrimination law, tax law and commercial litigation. He is a graduate of the Australian National University.

Dr Augusto Zimmermann (LLB, LLM, PhD (Monash)) joined the Commission on 12 June 2012. Dr Zimmermann is Senior Lecturer and former Associate Dean (Research) and Postgraduate Studies Director at Murdoch University's School of Law. He is the founder and President of the Western Australian Legal Theory Association (WALTA), a Vice-President of the Australian Society of Legal Philosophy (ASLP), and Editor of the Western Australian Jurist law journal. A prolific writer and the author of numerous articles and academic texts, Dr Zimmermann was awarded the 2012 Vice Chancellor's Award for Excellence in Research, and awarded two School Dean's Research Awards, in 2010 and 2011. Dr Zimmermann has also received the 2013 Law Lecturer of the Year Award from the Murdoch Student Law Society (MSLS), in recognition of the outstanding level of teaching, service and personal contribution provided by him to the students of Murdoch Law School.

## Members' Fees

The remuneration of Commissioners is set by the Western Australian Governor in Executive Council. Section 9 of the *Law Reform Commission Act 1972* states that a member 'shall be paid such remuneration and allowances as the Governor may from time to time determine'.

Fees payable to part-time members from private practice are determined on a formula related to 35 per cent of the median between the highest and lowest points of the salary scale for Associate Professors at a University in the State, as adjusted from time to time.

Fees payable to part-time members from academia are determined on a formula related to 25% of the salary paid to a General Division Class I public servant, as adjusted from time to time.

The State Solicitor's Office representative receives no additional fee beyond their ordinary salary.

Former members of the Commission are listed in the Commission's 30<sup>th</sup> Anniversary Reform Implementation Report 1972–2002.

As required by the Public Sector Commission's Annual Reporting framework: 2013-14 reporting year, the following table outlines the remuneration for Committee members:

Law Reform Commission of Western Australia				
Position	Name	Type of remuneration*	Period of membership	Gross/actual remuneration
Chair (part time)	Mr Richard Douglas	Honorarium	4 years	\$45,000 pa
Member (part time)	Mr Alan Sefton	See note below	34 months	Not applicable
Member (part time)	Dr Augusto Zimmermann	Honorarium	2 years	\$38,084 pa
Total:				\$83,084

\* Sessional, per meeting, half day, or annual. (As Mr Sefton is employed at the State Solicitor's Office under the *Public Sector Management Act 1994*, he is not entitled to remuneration for his membership of the Commission).

# OVERVIEW OF THE LAW REFORM COMMISSION

## (continued)

### Senior Officer

Up until March 2014, Ms Heather Kay served as the Executive Officer for the Commission, with responsibility for co-ordinating administrative and legal research activities and managing the various references. In March 2014, responsibility for these activities transferred to DotAG.

### ADMINISTERED LEGISLATION

#### Key Legislation Impacting on the Commission's Activities

In the performance of its functions, the Commission complies with the following relevant Acts:

- Auditor General Act 2006
- Disability Services Act 1993
- Electoral Act 1907
- Equal Opportunity Act 1984
- Evidence Act 1906; Acts Amendment (Evidence) Act 2000
- Financial Administration and Audit Act 1985
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Industrial Relations Act 1979
- Interpretation Act 1984
- Library Board of Western Australia Act 1951
- Limitation Act 1935
- Minimum Conditions of Employment Act 1993
- Occupational Safety and Health Act 1984
- Public Interest Disclosure Act 2003
- Public Sector Management Act 1994
- Salaries and Allowances Act 1975
- State Supply Commission Act 1991
- State Records Act 2000
- State Records (Consequential Provisions) Act 2000
- The Criminal Code Act 1913
- State Supply Commission Act 1991
- Workers Compensation and Injury Management Act 1981

In the financial administration of the Commission, the Commission has complied with the requirements of the *Financial Management Act 2006* and every other relevant written law, and exercised controls which provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of public property and

incurring of liabilities have been in accordance with legislative provisions.

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

### DIVERSIFICATION

The Commission engages consultants for research, writing and editing. This permits individuals who would not otherwise have been able to participate in the process of law reform to bring their unique and special skills to the Commission's law reform activities on less than a full-time basis. The Commission endeavours to use the public tender procedure to select writers, editors and researchers for each project.

### PUBLICATIONS

Appendix I provides current Terms of Reference. Information about available publications can be found on the Commission's website at [www.lrc.justice.wa.gov.au](http://www.lrc.justice.wa.gov.au)

### LEGISLATIVE CHANGE

There were no statutory changes or significant judicial decisions affecting the Commission in 2013–14.

### MEETINGS OF THE COMMISSION

The Commission held seven project meetings, six Commission meetings and two meetings with the Attorney General during the 2013–14 financial year. These meetings were primarily devoted to discussing the progress of the Commission's reference on enhancing laws concerning family and domestic violence.

### OFFICE

The Commission may be reached by telephone on (08) 9264 1340, fax (08) 9264 6114, and e-mail: [lrcwa@justice.wa.gov.au](mailto:lrcwa@justice.wa.gov.au)

The Commission's website is [www.lrc.justice.wa.gov.au](http://www.lrc.justice.wa.gov.au)

The administrative office is located at Level 12 of Westralia Square, 141 St Georges Terrace, Perth.

## PERFORMANCE MANAGEMENT FRAMEWORK

### OUTCOME BASED MANAGEMENT FRAMEWORK

#### **Government goal:**

Outcomes Based Service Delivery - Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

#### **The Law Reform Commission's desired outcome:**

'The law is reviewed as requested by the Attorney General and stakeholders are kept informed' is best aligned with the Government's goal to provide a 'greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.'

To achieve this outcome, the Commission receives its terms of reference from the Attorney General and performs reviews of selected legislation at the request of the Attorney General. The extent to which the Commission meets the timeframes set for it is therefore considered to be a key performance indicator that measures the extent

to which the Commission is contributing to keeping the law up-to-date.

The Commission provides publications on law reform as its service to the Western Australian community. In performing this service the Commission, upon receipt of references from the Attorney General to review particular areas of the law, examines current law and practice, consults widely, issues discussion papers for public comment and prepares reports making recommendations for reform.

### CHANGES TO OUTCOME BASED MANAGEMENT FRAMEWORK

The Commission's Outcome Based Management Framework did not change during 2013-14.

### SHARED RESPONSIBILITIES WITH OTHER AGENCIES

The Commission did not share any responsibilities with other agencies in 2013-14.

# AGENCY PERFORMANCE

## REPORT ON OPERATIONS

### Complaints Against Judiciary

The Commission completed the reference on Complaints Against Judiciary with the final report and recommendations to State Parliament being finalised in August 2013.

### Enhancing Family and Domestic Violence Laws

The Commission completed the reference into Enhancing Family and Domestic Violence Laws in 2013-14. The Commission conducted thorough consultations with more than 150 individuals concerned with family and domestic violence (both outside and within Government, in Perth and regional areas), received 43 written submissions, observed courts in both metropolitan and regional areas and carried out considerable research and

deliberation. Project writer Ms Victoria Williams (BCom, LLB, LLM, (UWA)), completed the discussion paper released in December 2013 and final report, released in June 2014. The Commission also engaged Professor Donna Chung, Head of Social Work at Curtin University, to prepare a report on the complex nature and dynamics of family and domestic violence, which it published as an annexure to the discussion paper. The Final Report outlined 73 recommendations for reform.

### Representative Proceedings

The Commission is in the final stages of completing the final report on Representative Proceedings. The Commission expects to finalise the report before the end of 2014.

## FINANCIAL TARGETS

### ACTUAL RESULTS VERSUS BUDGET TARGETS

	<b>2013-14 Target <sup>(1)</sup></b>	<b>2013-14 Actual</b>	<b>Variation <sup>(2)</sup></b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Total cost of services (expense limit) (sourced from Income Statement)	968	1,032	64 <sup>(a)</sup>
Net cost of services (sourced from Income Statement)	968	1,029	61 <sup>(a)</sup>
Total equity (sourced from Balance Sheet)	1697	1,679	(18) <sup>(a)</sup>
Net increase/ (decrease) in cash held (sourced from Cash Flow Statement)	0	(69)	(69) <sup>(a)</sup>
	<b>No.</b>	<b>No.</b>	<b>No.</b>
Approved full time equivalent (FTE) staff level	2	2	NIL

1) As specified in the budget statements for the year in question.

2) Further explanations are also contained in Note 16 'Explanatory Statement' to the financial statements.

(a) The variation is due in part to work carried over from the previous financial year, broader consultation and subsequently additional analysis of submissions to the family and domestic violence reference, and the inclusion of a one-off severance payment.

# AGENCY PERFORMANCE

(continued)

## KEY PERFORMANCE INDICATORS

### ACTUAL RESULTS VERSUS BUDGET TARGETS

Summary of Key Performance Indicators	Target <sup>(1)</sup>	Actual	Variation <sup>(2)</sup>
<b>Outcome:</b> <i>The law is reviewed as requested by the Attorney General and stakeholders are kept informed</i>			
<b>Key Effectiveness Indicator:</b> Progress against target timelines – The extent to which the Commission is meeting the Attorney General's law reform requests in a timely manner			
	100%	100%	NIL
<b>Service:</b> <i>Publications on Law Reform</i>			
<b>Key Efficiency Indicator:</b>			
Average Cost per Publication	\$197,837	\$326,883	+ \$129,046
Total Community Contacts	3,000	3,329	+ 329
Average Cost per Contact	\$13.88	\$15.50	+ \$1.62
Number of Publications on Law Reform	4	3	- 1

1) As specified in the section 40 estimates for the year in question

2) Explanations for the variations between target and actual results are presented at page 54 of this Annual Report.



# SIGNIFICANT ISSUES IMPACTING THE AGENCY

## CURRENT AND EMERGING ISSUES AND TRENDS

The most fundamental issue for the Commission is to assist in keeping Western Australian law up-to-date and relevant to the needs of society.

A further issue which results from this is the need to make law reform as meaningful and effective as possible.

## ECONOMIC AND SOCIAL TRENDS

As set out in Chapter 5 of the 2013-14 Budget Paper Number 3, Economic and Fiscal Outlook, no specific allocation has been made for the Commission's operations in the 2014 State Budget or in the out years beyond that. Responsibility for ensuring the Commission is able to discharge its administrative functions has been assumed by DotAG.

The Commission is currently tasked with reporting to the Attorney General in relation to terms of reference in relation to

- representative proceedings
- provisional damages and damages for gratuitous services provided by plaintiffs
- the *Firearms Act 1973*

In 2014-15 and beyond the level of funding and other resourcing provided by DotAG and the extent to which the Commission may be able to use its own existing funds, to enable it, where appropriate, to engage external resources, such as independent experts and project writers, will influence the extent to which the Commission is capable of discharging its statutory responsibilities and reporting to the Attorney General on a timely basis. The Commission appreciates the advice it has received to date and is continuing to seek clarification as to the operation of the new resourcing arrangements.

## CHANGES IN WRITTEN LAW

There were no changes in any written law that affected the Commission during the financial year.

## LIKELY DEVELOPMENT AND FORECAST RESULTS OF OPERATIONS

The structure of the Commission has allowed it to conduct research on more than one reference at a time. It expects to continue to do so, subject to a satisfactory resolution of the resourcing issues identified above. The Commission is currently completing work on the representative proceedings reference and is beginning work on two new references received in March and May 2014. The Commission has begun scoping work for the two new references and will release discussion papers for public comment and subsequently final reports.

# DISCLOSURES AND LEGAL COMPLIANCE INDEPENDENT AUDITOR'S REPORT



## Auditor General

### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

### LAW REFORM COMMISSION OF WESTERN AUSTRALIA

#### Report on the Financial Statements

I have audited the accounts and financial statements of the Law Reform Commission of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

#### *Commission's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Law Reform Commission of Western Australia at 30 June 2014 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

## **Report on Controls**

I have audited the controls exercised by the Law Reform Commission of Western Australia during the year ended 30 June 2014.

Controls exercised by the Law Reform Commission of Western Australia are those policies and procedures established by the Commission to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

### *Commission's Responsibility for Controls*

The Commission is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Law Reform Commission of Western Australia based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Commission complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

## **Opinion**

In my opinion, the controls exercised by the Law Reform Commission of Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2014.

## **Report on the Key Performance Indicators**

I have audited the key performance indicators of the Law Reform Commission of Western Australia for the year ended 30 June 2014.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

### *Commission's Responsibility for the Key Performance Indicators*

The Commission is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Commission determines necessary to ensure that the key performance indicators fairly represent indicated performance.

### *Auditor's Responsibility*

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

# DISCLOSURES AND LEGAL COMPLIANCE

## INDEPENDENT AUDITOR'S REPORT

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Commission's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

### ***Opinion***

In my opinion, the key performance indicators of the Law Reform Commission of Western Australia are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2014.

### **Independence**

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

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

This auditor's report relates to the financial statements and key performance indicators of the Law Reform Commission of Western Australia for the year ended 30 June 2014 included on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME  
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
11 September 2014

# DISCLOSURES AND LEGAL COMPLIANCE

## FINANCIAL STATEMENTS AND NOTES

### CERTIFICATION OF FINANCIAL STATEMENTS

For the year ended 30 June 2014

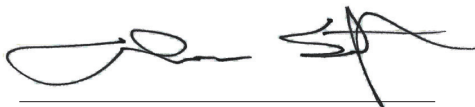
The accompanying financial statements of the Law Reform Commission of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2014 and the financial position as at 30 June 2014.

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



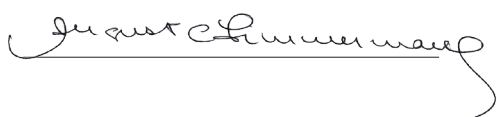
**Dr David Cox**

Chairman of the Law Reform  
Commission WA  
4 September 2014



**Mr Alan Sefton**

Commissioner of the Law Reform  
Commission WA  
4 September 2014



**Dr Augusto Zimmermann**

Commissioner of the Law Reform  
Commission WA  
4 September 2014



**Mr Rodolfo Montilva**

A/Chief Finance Officer  
4 September 2014

# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>COST OF SERVICE</b>			
<b>Expenses</b>			
Employee benefits expense	4	379,625	350,375
Supplies and services	5	489,091	293,546
Accommodation expenses	6	123,074	118,629
Other expenses	7	61,137	35,152
<b>Total cost of services</b>		<b>1,052,927</b>	<b>797,702</b>
<b>Income</b>			
Other revenue		2,494	3,238
<b>Total income other than income from State Government</b>		<b>2,494</b>	<b>3,238</b>
<b>NET COST OF SERVICES</b>		<b>1,050,433</b>	<b>794,464</b>
<b>Income from State Government</b>	8		
Service appropriation		833,000	1,036,000
Resources received free of charge		178,205	185,847
<b>Total income from State Government</b>		<b>1,011,205</b>	<b>1,221,847</b>
<b>(DEFICIT)/SURPLUS FOR THE PERIOD</b>		<b>(39,228)</b>	<b>427,383</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>		<b>(39,228)</b>	<b>427,383</b>

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

# STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	14	1,680,418	1,772,488
Receivables	9	14,695	5,226
Other current assets	10	11,573	-
<b>Total Current Assets</b>		<b>1,706,686</b>	<b>1,777,714</b>
<b>TOTAL ASSETS</b>		<b>1,706,686</b>	<b>1,777,714</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	11	2,568	9,146
Provisions	12	32,385	61,369
<b>Total Current Liabilities</b>		<b>34,953</b>	<b>70,515</b>
<b>Non-Current Liabilities</b>			
Provisions	12	13,721	9,959
<b>Total Non-Current Liabilities</b>		<b>13,721</b>	<b>9,959</b>
<b>TOTAL LIABILITIES</b>		<b>48,674</b>	<b>80,474</b>
<b>NET ASSETS</b>		<b>1,658,012</b>	<b>1,697,240</b>
<b>EQUITY</b>			
Contributed equity	13	17,000	17,000
Accumulated surplus	13	1,641,012	1,680,240
<b>TOTAL EQUITY</b>		<b>1,658,012</b>	<b>1,697,240</b>

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

## STATEMENT OF CHANGES IN EQUITY

### AS AT 30 JUNE 2014

	Note	Contributed equity \$	Accumulated surplus \$	Total equity \$
Balance at 1 July 2012		17,000	1,252,857	1,269,857
Total comprehensive income for the period	13	-	427,383	427,383
<b>Balance at 30 June 2013</b>		<b>17,000</b>	<b>1,680,240</b>	<b>1,697,240</b>
Balance at 1 July 2013		17,000	1,680,240	1,697,240
Total comprehensive income for the period		-	(39,228)	(39,228)
<b>Balance at 30 June 2014</b>		<b>17,000</b>	<b>1,641,012</b>	<b>1,658,012</b>

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



# STATEMENT OF CASH FLOWS

## AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation			
Net cash provided by State Government	8	833,000	1,036,000
		<b>833,000</b>	<b>1,036,000</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(405,158)	(367,424)
Supplies and services		(389,864)	(171,221)
Accommodation	6	(123,074)	(118,629)
GST payments on purchases		(47,560)	(26,457)
<b>Receipts</b>			
Other receipts		428	3,765
GST receipts from taxation authority		40,158	29,081
Net cash used in operating activities	14	<b>(925,070)</b>	<b>(650,885)</b>
Net (decrease) /increase in cash and cash equivalents		(92,070)	385,115
Cash and cash equivalents at the beginning of the reporting period		1,772,488	1,387,373
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	14	<b>1,680,418</b>	<b>1,772,488</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

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## **Note 1: Australian Accounting Standards**

### **General**

The financial statements of the Law Reform Commission of Western Australia (the Commission) for the year ended 30 June 2014 have been prepared in accordance with 'Australian Accounting Standards'.

The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

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

### **Early adoption of standards**

The Commission cannot adopt an Australian Accounting Standard earlier than the commencement date unless specifically permitted by Treasurer's Instruction (TI) 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not yet operative) by the Commission for the annual reporting period ended 30 June 2014.

## **Note 2: Summary of significant accounting policies**

### **(a) General statement**

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

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

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

### **(b) Basis of preparation**

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

### **(c) Reporting entity**

The reporting entity comprises the Commission and no other related bodies.

# NOTES TO THE FINANCIAL STATEMENTS

## (d) Contributed equity

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

## Mission

The Commission's mission is to assist in keeping the law up-to-date and relevant to the needs of society.

## Service

The Commission's service is publications on law reform.

As there is only one service provided by the Commission, the Schedule of Income by Service and Schedule of Asset and Liabilities by Service have not been prepared.

## (e) Income

### Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

### *Service appropriations*

Service Appropriations are recognised as revenues at fair value in the period in which the Commission gains control of the appropriated funds. The Commission gains control of appropriated funds at the time those funds are deposited to the bank account.

### *Grants, donations, gifts and other non-reciprocal contributions*

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

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

### Gains

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

## (f) Property, plant and equipment

### Capitalisation/expensing of assets

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

### **Initial recognition and measurement**

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

### **Subsequent measurement**

Subject to initial recognition, items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

### **Depreciation**

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

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

Office equipment	3 to 10 years
------------------	---------------

### **(g) Impairment of assets**

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

### **(h) Leases**

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

### **(i) Financial instruments**

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

- Loans and receivables;
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

- Financial assets
  - Cash and cash equivalents
  - Receivables
- Financial liabilities
  - Payables

## NOTES TO THE FINANCIAL STATEMENTS

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

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

### **(j) Cash and cash equivalents**

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

### **(k) Accrued salaries**

Accrued salaries (see note 11 'Payables') represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Commission considers the carrying amount of accrued salaries to be equivalent to its fair value. The last pay day in 2013-14 was 19 June 2014, therefore an accrual of seven days was provided for this financial year.

### **(l) Receivables**

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Commission will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

### **(m) Payables**

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

### **(n) Provisions**

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

#### **Provisions – employee benefits**

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

##### ***Annual leave***

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

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

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

### **Long service leave**

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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

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

### **Superannuation**

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

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

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

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

## NOTES TO THE FINANCIAL STATEMENTS

### Provisions - Other

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

### (o) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), WSS, the GESBS, or other superannuation fund.

### (p) Resources received free of charge or for nominal cost

Resources (Assets or services) received free of charge or for nominal cost that can be reliably measured are recognised as income at the fair value of the assets and/or the fair value of those services that the commission would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the statement of financial position.

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

### (q) Comparative figures

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

### (r) Key sources of estimation uncertainty

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

### Long service leave

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



### **Note 3: Disclosure of changes in accounting policy and estimates**

#### *Initial application of an Australian Accounting Standard*

The Commission has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2013 that impacted on the Commission.

#### *AASB 119 Employee Benefits*

This Standard supersedes AASB 119 (October 2010) making changes to the recognition, presentation and disclosure requirements.

The Commission assessed employee leave patterns to determine whether annual leave is a short-term or other long-term employee benefit. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.

#### *AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]*

This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is no financial impact.

#### *Future impact of Australian Accounting Standards not yet operative*

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

# NOTES TO THE FINANCIAL STATEMENTS

## Note 3: Disclosure of changes in accounting policy and estimates (continued)

		Operative for reporting periods beginning on/after
AASB 9	<b>Financial Instruments</b>	
	This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i> , introducing a number of changes to accounting treatments.	1 Jan 2017
	AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures amended the mandatory application date of this Standard to 1 January 2017. The Commission has not yet determined the application or the potential impact of the Standard.	
AASB 1055	<b>Budget Reporting</b>	1 Jul 2014
	This Standard specifies the nature of budgetary disclosures, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the GGS. The Commission will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.	
AASB 2010-7	<b>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</b> [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretation 2, 5, 10, 12, 19 & 127]	1 Jan 2015
	This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Commission has not yet determined the application or the potential impact of the Standard.	
	AASB 2012-6 amended the mandatory application date of this standard to 1 January 2015. The commission has not yet determined the application or the potential impact of the Standard.	

	2014 \$	2013 \$
<b>Note 4: Employee benefits expense</b>		
Wages and salaries <sup>(a)</sup>	219,731	300,942
Severance paid	78,446	-
Superannuation - defined contribution plans <sup>(b)</sup>	24,363	28,693
Annual leave and long service leave <sup>(c)</sup>	57,085	20,740
	<b>379,625</b>	<b>350,375</b>
<sup>(a)</sup> Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.		
<sup>(b)</sup> Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).		
<sup>(c)</sup> Includes superannuation contribution component.		
Employment on-costs liability is included at note 12 'Provisions'.		
<b>Note 5: Supplies and services</b>		
Service and contracts	291,573	88,468
Resources received free of charge (note 8)	178,205	185,847
Communications	11,677	12,649
Goods and supplies	7,636	6,582
	<b>489,091</b>	<b>293,546</b>
<b>Note 6: Accommodation expenses</b>		
Lease rentals	123,074	118,629
	<b>123,074</b>	<b>118,629</b>

## NOTES TO THE FINANCIAL STATEMENTS

	2014 \$	2013 \$
<b>Note 7: Other expenses</b>		
Printing	25,592	10,488
Motor vehicle lease	8,556	8,310
Insurance <sup>(a)</sup>	5,554	6,052
Advertising	1,077	1,047
Other expenses <sup>(b)</sup>	20,358	9,255
	<b>61,137</b>	<b>35,152</b>
 <sup>(a)</sup> Insurance includes work compensation insurance and other insurances.		
<sup>(b)</sup> Includes maintenance expenses, computer licenses, bank fees, freight charges, travel and accommodation, staff training, electricity, storage and transportation.		
<b>Note 8: Income from State Government</b>		
Appropriation received during the period:	833,000	1,036,000
Service appropriation <sup>(a)</sup>	833,000	1,036,000
 Resources received free of charge from other state government agencies during the period: <sup>(b)</sup>		
Department of the Attorney General		
- financial, human resources and information technology services	170,396	179,291
Department of Finance		
- Notional management fee related to government accommodation	7,809	6,556
	<b>178,205</b>	<b>185,847</b>
<b>Total Income from State Government</b>	<b>1,011,205</b>	<b>1,221,847</b>

<sup>(a)</sup> Service appropriations fund the net cost of services delivered. Appropriation revenue comprises only cash.

<sup>(b)</sup> Assets or services received free of charge or for nominal cost are recognised as revenue at the fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. The value of resources received free of charge recognised during the period was calculated based on estimates and information provided by agencies.

	2014 \$	2013 \$
<b>Note 9: Receivables</b>		
Current		
GST receivable	12,629	5,226
Receivable	2,066	-
<b>Total Current</b>	<b>14,695</b>	<b>5,226</b>
<b>Note 10: Other current assets</b>		
Current		
Prepayments	11,573	-
<b>Total Current</b>	<b>11,573</b>	<b>-</b>
<b>Note 11: Payables</b>		
Current		
Trades and other creditors	24	1,916
Accrued salaries	2,544	7,230
<b>Total current</b>	<b>2,568</b>	<b>9,146</b>

## NOTES TO THE FINANCIAL STATEMENTS

	2014 \$	2013 \$
<b>Note 12: Provisions</b>		
<b>Current</b>		
<i>Employee benefits provision</i>		
Annual leave <sup>(a)</sup>	10,199	8,274
Long service leave <sup>(b)</sup>	19,929	47,925
Superannuation on-costs <sup>(c)</sup>	2,257	3,464
	<b>32,385</b>	<b>59,663</b>
<i>Other provision</i>		
Employment on-costs		
Carrying amount at start of period	1,706	2,240
Additional provisions recognised	<b>(1,706)</b>	<b>(534)</b>
Carrying amount at end of period	-	1,706
<b>Total current provisions</b>	<b>32,385</b>	<b>61,369</b>
<b>Non-Current</b>		
<i>Employee benefits provision</i>		
Long service leave <sup>(d)</sup>	12,741	9,129
Superannuation on-costs <sup>(c)</sup>	980	552
	<b>13,721</b>	<b>9,681</b>
<i>Other provisions</i>		
Employment on-costs		
Carrying amount at start of period	278	335
Additional provisions recognised	(278)	(57)
Carrying amount at end of period	-	<b>278</b>
<b>Total non-current provisions</b>	<b>13,721</b>	<b>9,959</b>

<sup>(a)</sup> Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

<sup>(b)</sup> Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

<sup>(c)</sup> The settlement of annual and long service leave liabilities gives rise to the payment of superannuation on-costs. The provision is the present value of expected future payments.

<sup>(d)</sup> Pro-rata long services leave liabilities have been classified as non-current as the Commissioner has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of the service.

	2014 \$	2013 \$
<b>Note 12: Provisions (continued)</b>		
Assessments indicated that actual settlement of the annual leave liabilities is expected to occur as follows:		
Within 12 months of the end of the reporting period	10,199	8,274
	<b>10,199</b>	<b>8,274</b>
Assessments indicate that actual settlement of the long services leave liabilities is expected to occur as follows:		
Within 12 months of the end of the reporting period	19,929	31,950
More than 12 months after the end of the reporting period	12,741	25,104
	<b>32,670</b>	<b>57,054</b>
<b>Note 13: Equity</b>		
The Government holds the equity interest in the Commission on behalf of the community. Equity represents the residual interest in the net assets of the Commission.		
<b>Contributed equity</b>		
Balance at start of period	17,000	17,000
<b>Balance at end of period</b>	<b>17,000</b>	<b>17,000</b>
<b>Accumulated surplus</b>		
Balance at start of period	1,680,240	1,252,857
Result for the period	(39,228)	427,383
<b>Balance at end of period</b>	<b>1,641,012</b>	<b>1,680,240</b>
<b>Total Equity at end of period</b>	<b>1,658,012</b>	<b>1,697,240</b>

## NOTES TO THE FINANCIAL STATEMENTS

	2014 \$	2013 \$
<b>Note 14: Notes to the Statement of Cash Flows</b>		
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents	1,680,418	1,772,488
	<b>1,680,418</b>	<b>1,772,488</b>
<b>Reconciliation of net cost of services to net cash flows used in operating activities</b>		
	2014 \$	2013 \$
Net cost of services	(1,050,433)	(794,464)
<b>Non-cash items</b>		
Resources received free of charge	178,205	185,847
<b>(Increase)/decrease in assets</b>		
Current receivables	(2,066)	526
Other current assets	(11,573)	-
GST receivable	(7,403)	2,626
<b>Increase/(decrease) in liabilities</b>		
Current payables	(1,893)	(21,899)
Current provisions	(28,984)	(21,568)
Accrued salaries	(4,686)	472
Non- current provisions	3,763	(2,425)
<b>Net cash used in operating activities</b>	<b>(925,070)</b>	<b>(650,885)</b>
<b>Note 15: Commitments</b>		
<b>Non-cancellable operating lease commitments</b>		
Commitments for minimum lease payments are payable as follows:	93,750	94,353
Within 1 year	257,878	346,284
Later than 1 year and not later than 5 years	<b>351,628</b>	<b>440,637</b>



	2014 Estimate \$	2014 Actual \$	Variance \$
<b>Note 16: Explanatory statement</b>			
Significant variations between the estimates and actual results for income and expenses are shown below. Significant variations are considered to be those greater than 5% or \$7,000.			
Significant variances between estimated and actual results for 2014			
<b>Expense</b>			
Employee benefits expenses	202,000	379,625	177,625
Supplies and services	397,000	489,091	92,091
Accommodation	85,000	123,074	38,074
Other expenses	284,000	61,137	(222,863)

#### Employee benefits expense

The increase in payments for employee benefits relates to a severance payment to a staff member.

#### Supplies and services

An increase in supplies and services costs is as a result of extensive consultation, research and report writing costs for a referral (Domestic Violence Laws).

#### Accommodation

The increase in accommodation expenses is mainly due to the increase in variable costs and general rental market associated with the accommodation lease.

#### Other expenses

A reduction in costs is due to reduced referral costs and cessation of staff and Commission work prior to transfer of the administrative function to the Department of the Attorney General.

## NOTES TO THE FINANCIAL STATEMENTS

	2014 Estimate \$	2013 Actual \$	Variance \$
<b>Note 16: Explanatory statement (continued)</b>			
Significant variances between estimated and actual results for 2014			
<b>Expense</b>			
Employee benefits expense	379,625	350,375	29,250
Supplies and services	489,091	293,546	195,545
Accommodation	123,074	118,629	4,445
Other expenses	61,137	35,152	25,985

### Employee benefits expense

The increase is attributed to an adjustment in Chairman of the Commission's remuneration and allowances and a staff severance payment.

### Supplies and services

An increase in supplies and services costs is as a result of extensive consultation, research and report writing costs for a referral (Enhancing Family and Domestic Violence Laws).

### Accommodation

The increase in accommodation expenses is mainly due to the increase in variable costs and general rental market associated with the accommodation lease.

### Other expenses

The increase in other expenses is due to costs associated with printing, postage, staff training, storage and transportation.

## **Note 17: Financial instruments**

### **(a) Financial risk management objectives and policies**

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

#### **Credit risk**

Credit risk arises when there is the possibility of the Commission's receivables defaulting on their contractual obligations resulting in financial loss to the Commission. Credit risk also arises from cash and cash equivalents held at banks and financial institutions.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 17(c) 'Financial instrument disclosures' and Note 9 'Receivables'.

The Commission does not have any significant credit risk as services are provided only to government agencies. In addition, receivable balances are monitored on an ongoing basis with the result that the Commission's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk, other than in respect of cash and cash equivalents.

#### **Liquidity risk**

Liquidity risk arises when the Commission is unable to meet its financial obligations as they fall due. The Commission is exposed to liquidity risk through its trading in the normal course of business.

The Commission has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

#### **Market risk**

Market risk is the risk the changes in market prices such as foreign exchange rates and interest rates will affect the Commission's income or the value of its holdings of financial instruments. The Commission does not trade in foreign currency and is not materially exposed to other price risk. The Commission is not exposed to interest rate risk because cash and cash equivalents are non-interest bearing and it has no borrowings, therefore, neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rate.

## NOTES TO THE FINANCIAL STATEMENTS

	2014 \$	2013 \$
<b>Note 17: Financial instruments (continued)</b>		
<b>(b) Categories of financial instruments</b>		
The carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are:		
<b>Financial Assets</b>		
Cash and cash equivalents	1,680,418	1,772,448
Receivables <sup>(a)</sup>	2,066	-
	<b>1,682,484</b>	<b>1,772,448</b>
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost <sup>(a)</sup>	2,568	9,146
<b>Total</b>	<b>2,568</b>	<b>9,146</b>

<sup>(a)</sup> The amount of loans and receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

### (c) Financial instruments disclosures

#### Credit Risk

The following table details the Commission's maximum exposure to credit risk and the ageing analysis of financial assets. The Commission's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets.

The Commission does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

## Note 17: Financial instruments (continued)

### (c) Financial instruments disclosures

#### Credit Risk

The following table details the Commission's maximum exposure to credit risk and the ageing analysis of financial assets. The Commission's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets.

The Commission does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

Ageing analysis of financial assets							
Carrying Amount \$	Not past due and not impaired \$	Past due but not impaired					Impaired financial assets \$
		Up to 1 month \$	1-3 months \$	3 months to 1 year \$	More than 5 years \$		

#### 2014

Cash and cash equivalents	1,680,418	1,680,418	-	-	-	-	-
Receivables <sup>(a)</sup>	2,066	2,066	-	-	-	-	-
	<b>1,682,484</b>	<b>1,682,484</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 2013

Cash and cash equivalents	1,772,488	1,772,488	-	-	-	-	-
Receivables <sup>(a)</sup>	-	-	-	-	-	-	-
	<b>1,772,488</b>	<b>1,772,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>(a)</sup> The amount of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable)

# NOTES TO THE FINANCIAL STATEMENTS

## Note 17: Financial instruments (continued)

### Liquidity risk

The following table details the contractual maturity analysis of financial assets and financial liabilities.

Ageing analysis of financial assets						
Carrying Amount \$	Nominal Amount \$	Past due but not impaired				More than 5 years \$
		Up to 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	

### 2014

#### Financial Assets

Cash and cash equivalents	1,680,418	1,680,418	1,680,418	-	-	-	-
Receivables <sup>(a)</sup>	2,066	2,066	2,066	-	-	-	-
	<b>1,682,484</b>	<b>1,682,484</b>	<b>1,682,484</b>	-	-	-	-

#### Financial Liabilities

Payables	2,568	2,568	2,568	-	-	-	-
	<b>2,568</b>	<b>2,568</b>	<b>2,568</b>	-	-	-	-

### 2013

#### Financial Assets

Cash and cash equivalents	1,772,448	1,772,488	1,772,488	-	-	-	-
Receivables <sup>(a)</sup>	-	-	-	-	-	-	-
	<b>1,772,448</b>	<b>1,772,488</b>	<b>1,772,488</b>	-	-	-	-

#### Financial Liabilities

Payables	9,146	9,146	9,146	-	-	-	-
	<b>9,146</b>	<b>9,146</b>	<b>9,146</b>	-	-	-	-

<sup>(a)</sup> The amount of receivables excludes the GST recoverable from the Australian Taxation Office (statutory receivable)

### Fair values

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

	2014 \$	2013 \$
<b>Note 18: Remuneration of members of the accountable authority and senior officers</b>		
The number of members of the Commission, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:		
Within 12 months of the end of the reporting period		
0 <sup>(a)</sup>	1	1
40,001 - 50,000	2	1
50,001 - 60,000	-	1
	\$	\$
Base remuneration and superannuation	89,091	95,761
Total remuneration of members of the accountable authority <sup>(b)</sup>	<b>89,091</b>	<b>95,761</b>
<sup>(a)</sup> Member is employed by the State Solicitor's Office and under the <i>Public Service Management Act 1994</i> . He is not entitled to remuneration of his membership.		
<sup>(b)</sup> The total remuneration includes the superannuation expense incurred by the Commission in respect of members of the Commission.		
The number of senior officers other than senior officers reported as members of the Commission, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands, are:		
\$		
150,001 - 160,000 <sup>(c)</sup>	1	-
160,001 - 170,000	-	1
	\$	\$
Base remuneration and superannuation	104,216	140,606
Annual leave and long service leave accruals	23,246	(6,345)
Other benefits	24,747	27,893
Total remuneration of Senior Officers <sup>(d)</sup>	<b>152,209</b>	<b>162,154</b>

## NOTES TO THE FINANCIAL STATEMENTS

	2014 \$	2013 \$
<b>Note 18: Remuneration of members of the accountable authority and senior officers (continued)</b>		
(c) This records the senior officer's remuneration up to 21 March 2014 at which point the officer took up a secondment placement with another agency.		
(d) The total remuneration includes the superannuation expense, accrued salaries, leave liabilities, fringe benefits tax payable and taxable value incurred by the Commission in respect of members and senior officers other than senior officers reported as members of the Commission. There were no senior officers remaining as at 30 June 2014 and the Commission's administrative function will be transferred to the Department of the Attorney General, effective from 1 July 2014.		
<b>Note 19: Remuneration of auditor</b>		
Remuneration paid or payable to the Auditor General in respect of the audit for current financial year is as follows:		
Auditing the accounts, financial statements and key performance indicators	11,800	11,600

### Note 20: Supplementary financial information

There were no losses of public moneys or other public property through theft or default during the financial year (2013: nil).

There were no write offs of public money or other public property during the financial year (2013: nil).

There were no gifts of public property during the financial year (2013: nil).

There were no contingent liabilities as at 30 June 2014 (2013: nil).

The Commission had no related bodies during the financial year (2013: nil).

The Commission had no affiliated bodies during the financial year (2013: nil).

### Note 21: Subsequent Events

From 1 July 2014, the administrative function is being transferred to the Department of the Attorney General.



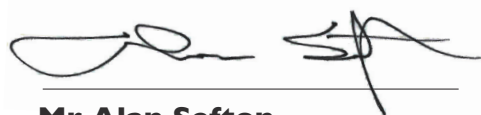
## KEY PERFORMANCE INDICATORS

### CERTIFICATION OF KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2014

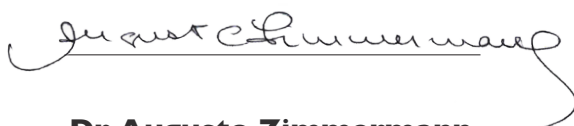
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Law Reform Commission of Western Australia's performance, and fairly represent the performance of the Law Reform Commission of Western Australia for the financial year ended 30 June 2014



**Dr David Cox**  
Chairman Law Reform  
Commission of Western Australia  
4 September 2014



**Mr Alan Sefton**  
Commissioner Law Reform  
Commission of Western Australia  
4 September 2014



**Dr Augusto Zimmermann**  
Commissioner Law Reform  
Commission of Western Australia  
4 September 2014

## Detailed Information in Support of Key Performance Indicators

### GOVERNMENT GOAL: OUTCOME BASED SERVICE DELIVERY

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

### THE COMMISSION'S STRATEGIC OBJECTIVE

**MISSION:** To assist in keeping the law up-to-date and relevant to the needs of Western Australian society

**DESIRED OUTCOME:** The law is reviewed as requested by the Attorney General and stakeholders are kept informed.

The Commission receives its terms of reference from the Attorney General and performs reviews of selected legislation at the request of the Attorney General. The extent to which the Commission meets the timeframes set is therefore considered to be a key performance indicator which measures the extent to which the Commission is contributing to keeping the law up-to-date.

#### **EFFECTIVENESS INDICATOR: PROGRESS AGAINST TARGET TIMELINES.**

The extent to which the Commission is meeting the Attorney General's law reform requests in a timely manner.

The Commission carried out work on three references in the year 2013–14. The effectiveness of each of the reference is measured separately as shown below.

## Complaints Against Judiciary

Table A shows the progress to date, phases completed and target completion dates for the Complaints Against Judiciary project in 2013–14.

**Table A – Progress towards Complaints Against Judiciary**

May 2011	June 2011	September 2011	December 2011 <sup>(a)</sup>	July 2012 <sup>(b)</sup>	September 2012 <sup>(c)</sup>	August 2013 <sup>(d)</sup>
Complaints Against Judiciary terms of reference signed on 30 May 2011	Foundation research began	Project writer engaged	Discussion paper due to be completed	Draft discussion paper completed	Discussion paper published and distributed.	Final report released

### Key:

- (a) The delay in engaging a project writer resulted in a delay in completing the draft discussion paper by the expected December 2011 deadline.
- (b) The draft discussion paper was completed in July 2012.
- (c) The discussion paper was published and distributed in September 2012.
- (d) The final report was released in November 2013.

Table B shows the percentage of the time taken to complete the project, and should be read in conjunction with Table A above.

**Table B– Percentage of Complaints Against Judiciary (elapsed time)**

At 30/6/2014	
Target	100%
Actual	100%
Variance	NIL

## Representative Proceedings

Table C shows the progress to date, phases completed and target completion dates for the Representative Proceedings project in 2013–14.

**Table C – Progress towards Representative Proceedings**

July 2011	August 2011	October 2011	June 2012 <sup>(a)</sup>	February 2013 <sup>(b)</sup>	June 2014	July 2014 <sup>(c)</sup>
Representative Proceedings terms of reference signed on 6 July 2011	Foundation research began	Project writer engaged	Discussion paper due to be completed	Discussion paper completed and published.	Final report to be completed	Final report not yet completed

### Key:

- <sup>(a)</sup> The delay in engaging a project writer resulted in a delay in completing the draft discussion paper by the expected June 2012 deadline.
- <sup>(b)</sup> The discussion paper was completed and published in February 2013.
- <sup>(c)</sup> The Final report which was anticipated in February 2013 has not yet been completed and is now expected in the 2014-2015 financial year.

Table D shows the percentage of the time taken to complete the project, and should be read in conjunction with Table C above.

**Table D– Percentage of Representative Proceedings (elapsed time)**

	At 30/6/2014
Target	100%
Actual	100% <sup>(d)</sup>
Variance	NIL

- <sup>(d)</sup> At 30 June 2014, the project is still in progress. The time taken to complete is expected to exceed the target due to delays in finalisation.

## Enhancing Family and Domestic Violence Laws

Table E shows the progress to date, phases completed and target completion dates for the Enhancing Family and Domestic Violence Laws project in 2013–14.

**Table E – Progress towards Family and Domestic Violence Laws Report**

July 2013	August 2011	December 2013	January 2014	March 2014	June 2014 <sup>(a)</sup>
Enhanced Family and Domestic Violence terms of reference signed	Foundation research began and project writer engaged	Discussion paper completed and published.	Public consultations	Final report due	Final report completed

### Key:

- <sup>(a)</sup> The level of input from stakeholders and the issues these raised resulted in a delay in completing the final report by the expected March 2014 deadline.

Table F shows the percentage of the time taken to complete the project and should be read in conjunction with Table E above.

**Table F – Percentage of Family and Domestic Violence Laws (elapsed time)**

At 30/6/2014	
Target	100%
Actual	100%
Variance	NIL

## SERVICE: PUBLICATIONS ON LAW REFORM

Efficiency Indicator: Publications on Law Reform

The extent to which the efforts of the Commission resulted in recommendations and public awareness.

### Service: **Publications on Law Reform**

The delivery of the Commission's service 'Publications on Law Reform' is achieved through the production of various papers and reports (including printed reports, web notes, journal articles and leaflets) compiled in relation to references, and by the extent to which the Commission was able reach stakeholders and inform them on matters of law reform.

	Target 2013-2014	Actual 2013-2014	2012- 2013	2011- 2012
Service:				
Total Publications	4	3	4	5
Average Cost Per Publication	\$197,837*	\$326,883(a)	\$189,525	\$154,666
Total Community Contacts <sup>2</sup>	3,000*	3,329 (b)	4,304	6,642
Average Cost Per Contact	\$13.88*	\$15.50 (c)	\$9.27	\$6.13

\*Taken from 2013-2014 Budget Statements

(a) Increased costs reflect more undertaken on representative proceedings but publication has been deferred to 2014-15. Costs also include a severance payment to a staff member.

(b) The increase reflects the public attention given to the Commission's work on family and domestic violence.

(c) Cost per publication reflects the impact of the severance payment.

## MINISTERIAL DIRECTIVES

There have been no ministerial directives in this reporting period.

## OTHER FINANCIAL DISCLOSURES

### CAPITAL WORKS

The Commission has no capital works projects.

### EMPLOYMENT AND INDUSTRIAL RELATIONS

#### Staff Profile

	2013-14	2012-13
Full-time permanent	Nil	2
Full-time contract	Nil	Nil
Part-time measured on an FTE basis	Nil	Nil
On secondment	1	Nil

#### Staff Development

The Commission is committed to the development and training of its employees to ensure a highly skilled, professional workforce with the ability to adapt both to changing business technology and changing social and economic conditions in Western Australia.

#### Workers Compensation

No workers compensation claims were recorded during the financial year.

## GOVERNANCE DISCLOSURES

No member of the Commission or its staff had any interest in or benefit from any contract entered into by the Commission.

## OTHER LEGAL REQUIREMENTS

### ADVERTISING AND SPONSORSHIP

In accordance with section 175ZE of the *Electoral Act 1907* (WA), the Commission incurred the following expenditure in relation to advertising and sponsorship during the 2013-14 financial year:

Advertising agencies	Nil
Market research organisations	Nil
Polling organisations	Nil
Direct mail organisations	Nil
Media advertising organisations	Nil
Total	Nil

### DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

The Commission is committed to ensuring professional and appropriate services are provided to meet the needs of community members with physical, intellectual, sensory or cognitive disabilities, their carers and families. Our staff deliver the same level and quality of service and advice, with a full awareness and understanding of the needs of people with disabilities.

The Commission's office, located on Level 12 of Westralia Square at 141 St Georges Terrace, Perth has wheelchair access, with lift access to the upper floors and convenient public parking nearby.

This Annual Report has been designed to be print-accessible to people with disabilities and can be supplied in alternative formats on request. In accordance with the Commission's community outreach program, all public meeting venues are

selected with disabled access in mind, including special facilities for the hearing-impaired and the projection of discussion notes on large screens so that people attending the meeting can see what is being recorded.

Electronic publishing allows documents to be enlarged at will or projected.

### COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

The Commission has complied with section 31(1) of the *Public Sector Management Act 1994* in the administration of the Commission's human resource management practices relating to Public Sector Standards, the Western Australian Public Sector Code of Ethics and the Commission's Code of Conduct. The Commission utilises DotAG's human resource services and is confident that Departmental human resource management principles have adequate checks in place to ensure compliance requirements are met.

The Commission has adopted the Public Sector Commission's Code of Conduct template for government boards. Various measures are in place to ensure Commission staff are familiar with the WA Public Sector Commission's Code of Ethics and the Commission's own Code of Conduct. The Commission's Code of Conduct is made available upon induction to all employees and related responsibilities are included in job descriptions.

In 2013-14 no breach claims were lodged in relation to either the Public Sector Standards or the WA Public Sector Commission's Code of Ethics.



## GOVERNMENT POLICY REQUIREMENTS

### RECORDKEEPING PLAN

In accordance with section 29 of the *State Records Act 2000*, the Commission must review its Recordkeeping Plan every five years or when there is any significant change to the organisation's functions. As such, the Commission reviewed its RKP in January 2014 and provided a report and appropriate documentation to the State Records Commission as evidence of the evaluation of its recordkeeping practices. The RKP review report was tabled at the State Records Commission meeting on 21 March 2014 and the RKP's approval renewed for a further five years. A report of the next review must be submitted by the Commission to the State Records Office again in 2019.

The Commission's RKP provides an accurate reflection of its recordkeeping program and is complied with by all staff. As a small organisation with only two employees, a specific training program was not considered necessary at this time. However, an induction manual for new employees was created, which sets out the Commission's recordkeeping system and identifies employees' roles and responsibilities. Staff at DotAG have been trained in record-keeping practices.

### SUBSTANTIVE EQUALITY

Although the Commission is not required to negotiate annually the scope of implementation for the Policy Framework for Substantive Equality with the Commissioner for Equal Opportunity, the Commission is aware of the intent and substance of the Policy Framework.

The Commission supports the objective of the Policy Framework to achieve substantive equality in the Western Australian public sector by

- eliminating systematic racial discrimination in the provision of public sector services
- promoting sensitivity to the different needs of client groups

### OCCUPATIONAL HEALTH AND SAFETY

The Commission is committed to meeting its obligations and responsibilities under the *Workers' Compensation and Injury Management Act 1981*, the *Occupational Safety and Health Act 1984* and the *Occupational Safety and Health Regulations 1996* in such a manner as it ensures the provision and maintenance of a safe and healthy work environment for its employees and the general public.

As the Commission's core staff are small in number (2 FTEs in total), training opportunities have been limited. Although an external audit of the Commission's occupational safety and health management systems has not occurred, the Commission continues to provide a safe and secure working environment for employees. Staff are expected to comply with the Code of Practice - Occupational Safety and Health in the WA Public Sector and to conduct themselves in a safe manner, not placing themselves and others at risk. During the 2013-14 reporting period, no worker's compensation claims were lodged, nor was any time lost from work as a result of work-related illness or injury.

In the event of a work-related injury, the Commission would provide effective claims management and rehabilitation assistance aimed at supporting the injured employee through the illness or injury to ensure a safe return to work, where possible.

The Commission is committed to consulting with staff in a meaningful and effective manner on occupational safety and health issues, enabling each member of staff to contribute to decisions that may affect their health, safety and welfare at work.

## ANNUAL PERFORMANCE FOR 2012-13

Measure	Actual Results		Results against Target	
	2011 -12 <sup>(1)</sup>	2013 -14 <sup>(1)</sup>	Target	Comment on result
Number of fatalities	0	0	0	
Lost time injury and/or disease incidence rate	0	0	0	
Lost time injury and/or disease severity rate	0	0	0 <sup>(2)</sup>	
Percentage of injured workers returned to work:				
(i) within 13 weeks	N/A <sup>(3)</sup>	N/A <sup>(3)</sup>	100%	
(ii) within 26 weeks	N/A <sup>(3)</sup>	N/A <sup>(3)</sup>	Greater than or equal to 80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	100%	100%	Greater than or equal to 80%	

Note <sup>(1)</sup> This is a three-year trend. Thus, the year is to be three years prior to current reporting year (i.e. current year is 2013-14; previous year is 2011-12).

Note <sup>(2)</sup> The reduction may be calculated over a three year period.

Note <sup>(3)</sup> There were no injured workers during this reporting year.

## **APPENDIX I: CURRENT REFERENCES**

The Commission makes recommendations for the reform of areas of the law referred to it by the Attorney General. Once the terms of reference are received, the Commission engages specialists with experience and expertise to increase the overall efficiency of the reviews. The Commission uses a project-based model which allows for the management of multiple references at the same time.

# APPENDIX I: CURRENT REFERENCES

## REPRESENTATIVE PROCEEDINGS

I, Christian Porter, Attorney General for the State of Western Australia, HAVING REGARD TO the fact that O 18 r 12 of the Supreme Court Rules (WA) makes some provision in respect of representative proceedings hereby refer the following matter to the Law Reform Commission of Western Australia.

The Law Reform Commission of Western Australia is to examine and report upon whether, and if so in what manner, the principles, practices and procedures pertaining to representative proceedings require reform, and in particular giving close consideration to:

- (i) the need for a detailed guiding framework for the manner in which representative proceedings are to be conducted or concluded;
- (ii) the need to reduce the uncertainty and lack of clarity in the area; (iii) the adoption of an appropriate and effective model, either through amendment to the Supreme Court Rules or statutory reform, taking into account recent developments regarding representative proceedings in other jurisdictions both nationally and internationally;
- (iv) the need to ensure that representative proceedings are conducted in a fair manner which gives those who will be bound by orders made in the proceedings a reasonable opportunity to decide whether or not to participate in the proceedings and to be heard in relation to issues affecting their rights;
- (v) any related matter;

AND TO REPORT on the adequacy thereof and on any desirable changes to the existing law, practices and administration in relation thereto.

**CHRISTIAN PORTER MLA**

6 July 2011

The Commission has continued work on the final report and recommendations on Representative Proceedings, following the discussion paper which published in February 2013. The Commission expects to provide the final report by the end of 2014.

# APPENDIX I: CURRENT REFERENCES

## **FIREARMS ACT 1973**

Pursuant to section 11(2) (b) of the *Law Reform Commission Act 1972* (WA)  
I request that the Commission examine the law and make recommendations  
for reform in the following area.

### REVIEW OF WESTERN AUSTRALIA'S FIREARMS ACT 1973

#### Reference

That the Law Reform Commission of Western Australia:

1. Provide advice on and recommend appropriate legislative and/or procedural changes with regard to the licensing and storage of firearms, definitions and categorisation of firearms, and effects of changes in firearm technology incorporating national initiatives where appropriate.
2. Provide advice on and recommend appropriate legislative changes regarding penalties for firearm offences and in so doing consider consistency with penalties in other Australian States and Territories.
3. Review of any relevant issues arising from recent 'Operation Unification', the Auditor General's reports on the firearms licensing, Joint Standing Committee on Delegated Legislation Report 68, Explanatory Report in relation to the *Firearms Amendment Regulations 2013* and any other relevant Parliamentary Inquiry.
4. Provide advice on any other relevant matters.

I would be grateful if the Commission could conclude its investigation on this matter and provide a report to me by 1 September 2015.

**MICHAEL MISCHIN MLC**

24 February 2014

The Commission received a reference to examine the *Firearms Act 1973* and make recommendations for reform in March 2014. The Commission has been asked to conclude the investigation and provide a report by 1 September 2015. Scoping work has begun on the reference and it is anticipated that a discussion paper will be released part-way through the process which will seek public comment.

# APPENDIX I: CURRENT REFERENCES

## PROVISIONAL DAMAGES AND DAMAGES FOR GRATUITOUS SERVICES

Recognising the impact that asbestos has had on the health of Western Australians, the compensation claims that have come before the courts, and the private member's Asbestos Disease Compensation Bill 2013 recently introduced in the Legislative Council; pursuant to section 11(2) (b) of the *Law Reform Commission Act 1972* (WA), I request that the Commission examine the law and make recommendations for reform in the following area.

### PROVISIONAL DAMAGES AND DAMAGES FOR GRATUITOUS SERVICES

The Law Reform Commission is to enquire into compensation regimes for persons suffering from asbestos related diseases with particular regard to the following areas:

#### I. Modifying the 'once and for all' rule - 'provisional' damages

1. Whether the 'once and for all' rule applicable to judgments in personal injury actions should be reformed so that, where the victim of a tort develops, subsequent to judgment, an injury or disease which is of a different or more serious character than the injury or disease from which the person suffered at the time of judgment, a Court will be authorised in certain circumstances to award further damages to that victim.
2. If such reform is recommended, the form of the proposed regime for award further damages, including but not limited to identifying:
  - (a) the circumstances in which a Court is to be authorised to award further damages, including whether such a power –
    - i. should be available in all personal injury claims or should be confined to claims of a particular class, such as claims relating to the contraction of an asbestos related disease;
    - ii. should be available whenever a different or more serious injury or disease develops or only where the potential for the development of a different or more serious injury or disease was expressly identified at the time of the initial judgment;
  - (b) the manner in which an award of further damages is to be approached by a Court, including
    - i. whether the entirety of the damages the subject of the initial judgment should be assessed afresh or only a head or heads of the damages further assessed;
    - ii. how the damages the subject of the initial judgment are to be taken into account;
    - iii. in circumstances where the initial judgment was entered by consent or where heads of the damages awarded had been agreed between the parties;

## APPENDIX I: CURRENT REFERENCES

(c) whether there should be any time limit for bringing an application for further damages;

(d) whether, generally or (in view of section 4(2a) of the Law Reform (Miscellaneous Provisions) Act 1941) in the case of actions for latent injury attributable to the inhalation of asbestos, it should be open to the estate of a deceased victim to seek from a Court an award of further damages which could have been sought from the victim during his or her lifetime.

### **2. Damages for the value of services provided by the plaintiff to others**

1. Whether, where a personal injury prevents a plaintiff from providing gratuitous services, domestic or otherwise, to another person, the damages recoverable by the plaintiff should include a specific head of damages calculated by reference to the value of those services.
2. If the inclusion in an award of such a head of damages is recommended:
  - (a) whether such a head of damages should be awarded in all personal injury claims or should be confined to claims of a particular class, such as claims relating to the contraction of an asbestos related disease;
  - (b) the criteria that ought to be applied in the assessment of such a head of damages including, but not limited to:
    - i. the character of the services which should attract compensation;
    - ii. the character of the relationship between the plaintiff and the recipients of the services which the plaintiff is prevented from providing;
    - iii. whether regard should be had to the likelihood that the services would have been provided by the plaintiff;
    - iv. whether damages should be awarded only where expenditure has been incurred in consequence of the plaintiff being prevented from providing a particular service;
  - (c) whether such damages should be awarded only in respect of services which the plaintiff was prevented from providing during his or her lifetime or whether, in the case of injury or disease resulting in death, damages should be awarded for the "lost years", ie for the years in which the services might have been provided after the plaintiff's actual death until the date to which he or she was expected to have lived had the injury or disease not occurred.

I would be grateful if the Commission could conclude its investigation on this matter and provide a report to me by 30 June 2015.

**MICHAEL MISCHIN MLC**

9 May 2014

## APPENDIX I: CURRENT REFERENCES

The Commission received a reference to enquire into compensation regimes for persons suffering from asbestos related diseases with particular regard to the areas of modifying the 'once and for all' rule, (provisional' damages) and damages for the value of services provided by the plaintiff to others. The Commission has been asked to conclude the investigation and provide a report by 30 June 2015. Scoping work has begun on the reference and it is anticipated a discussion paper will be released part-way through the process which will seek public comment.



