



facilitating access to justice

Annual Report 2009-10

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1. Members

Corporate Members

Law Firms

am legal
Blake Dawson
Campbell Law
Clayton Utz
Cowell Clarke
DLA Phillips Fox
DMAW Lawyers
Donaldson Walsh
Fisher Jeffries

Gilchrist Connell
Griffin Hilditch
Johnston Withers
Kain C+C
Kelly & Co
Piper Alderman
Sparke Helmore
Wallmans Lawyers

Chambers

Hanson Chambers
Michael Kirby Chambers

Murray Chambers

Law Schools

Adelaide Law School

UniSA Law School

Other Corporate members

Comunet Pty Ltd
The Public Trustee

Southern Community Justice Centre

Individual Members

Hugh Abbott SC
Martin Anders
Melissa Ballantyne
Justice Barry Beazley
Justice D.J. Bleby
Malcolm Blue QC
Christopher Brohier
Peter Cannell
Gabrielle Canny
Kerry Clark
Elizabeth Connolly
David Crocker
Phillip Foreman
Tim Graham
Dianne Gray
Samuel Doyle
Susannah Jacobson
George Karzis
Gregory Holland
Margaret Kelly

Justice Robyn Layton
Nicholas Linke
Kerry Kovacs
Judge R. M.Lunn
Mark Livesey QC
Roxanne McCardle
Arlene Macdonald
Alan Merritt
Philip McNamara QC
Carolyn Mitchell
Michael Mills
Mark Mudri
Justice Geoffrey Muecke
Justice Margaret Nyland
Neville Morcombe QC
Ilya Ozerov
Cecilia Pascale
Harry Patsouris
Alex Reilly
Claire O'Connor

*Mark Pickhaver
Ian Robertson SC
Emily Rutherford
Rick Sarre
Neville Rochow SC
Joanne Staugas
Paula Stirling
Justice John Sulan*

*Michael Roder SC
Noëla Washyn
George Stathopoulos
Gillian Walker
Danielle Pope
Jonathan Wells QC
Louise Young*

2. President's Report

I am pleased to present the President's report to the membership at JusticeNet SA's second Annual General Meeting.

A lot has happened since our last AGM, when JusticeNet had just commenced operations and was looking forward to its first year of work. We could not have squeezed more into the last year if we tried!

JusticeNet has now firmly embedded itself in the legal profession. We have a membership that comprises a majority of Adelaide's large firms and a significant number of medium and small-sized firms, showing that pro bono is not only for those with deep pockets. Our referral system matches client needs with lawyer capacity, ensuring that we can offer a range of opportunities in which solicitors can contribute to pro bono.

JusticeNet has continued to enjoy great support from the bar. The Bar Association's members have overwhelmingly opted to participate in the project, ensuring that JusticeNet always has a ready source of barristers willing to take on briefs pro bono and assist in assessing applications. I also thank the Bar Association for its generous financial support of the organisation.

I have been particularly pleased with JusticeNet's engagement with the Legal Services Commission and the community legal services, with most of our referrals coming from those sources. Working together with our partners in the profession will allow us to continue to identify and meet the greatest areas of need for pro bono legal services.

As we reach the end of our first year's seed funding from the Law Foundation, the coming year presents us with the challenge of achieving funding sustainability. JusticeNet receives no core funding from either the state or federal government. In 2010-2011, JusticeNet will operate on funds obtained from membership fees and a number of successful fundraising initiatives. Throughout the coming year we will sit down with our stakeholders to develop a number of ideas for establishing ongoing funding. We are confident of persuading funders to come to the table - not only to support the clear social benefits of JusticeNet's work through early intervention and targeted legal assistance - but because JusticeNet offers a compelling case for achieving extremely high levels of return on investment. In 2009 - 2010, JusticeNet facilitated almost \$300,000 worth of legal services provision from an initial Law Foundation grant of \$100,000. And that was only our start-up year. Just imagine what we can achieve now that our momentum is running strong.

I would like to take this opportunity to thank Tim Graham, JusticeNet's Executive Director, for his hard work and good judgment in guiding the organisation through its first year of operations. Thanks also to Louise Young who provides Tim with wonderful administrative support. I thank our volunteers, without whom JusticeNet's capabilities would be extremely diminished. My sincere thanks to my fellow members of the management committee for their commitment to JusticeNet and their wise counsel to me. Enormous thanks to the Law Foundation for believing in the project and allowing it to get off the ground and to the University of Adelaide for the provision of accommodation and other support. Finally, I extend thanks to

JusticeNet's member solicitors and barristers who have provided hundreds of hours of pro bono assistance over the past year. They do our profession proud.

Paula Stirling
President

3. Executive Director's Report

JusticeNet has now entrenched itself in the South Australian legal services landscape. 2009/10 has been a year of remarkable growth and consolidation. As the months fly by we are starting to see concrete results of our collective endeavours. Success stories come in all shapes and sizes. Perhaps JusticeNet directed a client to an agency that was able to help. Or maybe, at the other end of the scale, a client was referred to experienced counsel to prosecute their case. Whatever the assistance, big or small, the outcome is the same: the legal community, in partnership with JusticeNet, is providing much needed assistance to low income and vulnerable members of our community to navigate the civil justice system.

The South Australian legal profession has embraced the idea of a pro bono clearinghouse. Our membership numbers continue to swell and the referrals are steadily made. JusticeNet is part of nation-wide growth in the visibility and recognition of pro bono legal services. (And with the recent announcement of a pro bono clearinghouse in Tasmania, there is now a clearinghouse in every state.)

The legal profession's support for JusticeNet can be encapsulated by two very different events that took place over this last financial year. In August 2009, the Law Society of South Australia's Justice Award was awarded to Jonathon Wells QC, for his commitment to promoting access to justice in South Australia, through in particular, his involvement in the establishment of JusticeNet SA. More recently, in April 2010, JusticeNet held its 3rd annual Walk for Justice, to celebrate National Pro Bono Day. Over 30 law firms and organisations, and over 300 individual walkers participated in the Walk. Both of these events, in their own way, demonstrate the professions optimism and enthusiasm for JusticeNet. With that level of support, I have no doubt that JusticeNet will, over the years to come, continue to deliver on its promise of improved access to justice.

In discharging its unique 'clearinghouse' role, JusticeNet is also, in its own modest fashion, helping the local profession. We are steadily improving our collaborative efforts with other legal services. JusticeNet routinely accepts referrals from Community Legal Centres, the Legal Services Commission, the Courts and other agencies. Particularly pleasing is the maturing relationship with the Welfare Rights Centre Housing Legal Clinics. The synergy created by our two programs offers service levels that, perhaps, neither organisation could offer alone.

There is another less tangible yet nonetheless important way in which JusticeNet contributes to the legal profession in South Australia. As the profile of our service grows, so does the recognition of the generosity and dedication of our members. Over time, the public service of our members and the Bar Panel can only enhance the standing of the broader profession in the eyes of the community.

In my report last year I noted that securing our financial sustainability is the single greatest challenge facing JusticeNet. One year later, that remains the case. Significant progress has been made. With the support of our members, donors and

supporters, we expect to raise at least two thirds of JusticeNet's recurrent operating costs. But more clearly needs to be done to ensure that the referral service can continue to operate, let alone cope with steadily increasing demand.

JusticeNet has developed a fundraising strategy that will guide our efforts over the next few critical years. At the time of writing, the State Government has just delivered its well-publicised budget. It is clear that in the current economic climate, we cannot rely on obtaining recurrent public funding in the near term. Of course, we must pursue all opportunities, including government funding, but we must also redouble our efforts to secure funding from diverse sources. In particular, we are looking to grow our membership base, and develop funding partnerships with the corporate sector and key stakeholders in the profession. Auspiciously, we achieved one of the important planks in our fundraising strategy last year. JusticeNet obtained Deductible Gift Recipient status from the ATO (with thanks to Piper Alderman for their assistance). All donations to JusticeNet of \$2.00 or more are now tax-deductable.

The last 12 months have been exciting times. No doubt the year ahead will bring new challenges. I am confident that with the support of the JusticeNet staff, volunteers and secondees, and the commitment of our members and supporters, we will surpass expectations and continue to deliver a valuable service to our clients.

3.1. Referral Scheme

JusticeNet's pro bono legal referral scheme is designed to close the gaps in legal service delivery by matching private lawyers with clients who have no other recourse for legal assistance. In fact, JusticeNet effectively operates two referral services. Under the first, clients are referred to member law firms (and in rare instances, non-member firms or practitioners). In 2009/10 the number of firms participating in our member referrals service reached 17. The second service makes referrals to the JusticeNet Bar Panel. The South Australian Bar Association and JusticeNet established the JusticeNet Bar Panel in 2009. Impressively, over 95% of the 200+ members of the South Australian Bar Association are members of the JusticeNet Bar Panel and have agreed to accept referrals from JusticeNet.

In 2009/10 there were 389 enquiries to JusticeNet for legal assistance. Over the same period JusticeNet received 144 written applications. Of the 144 applications received, 48 referrals were made for pro bono legal assistance under the member referral service or to the Bar Panel.

The achievements of our referral scheme to date are summarised in Table 1.

	2008/09	2009/10
Enquiries	26	389
Applications Received	2	144
Member Referrals	2	30
Bar Panel Referrals	1	18
Total Referrals	3	48

Table 1

Referrals to JusticeNet come from a wide range of sources: Table 2.

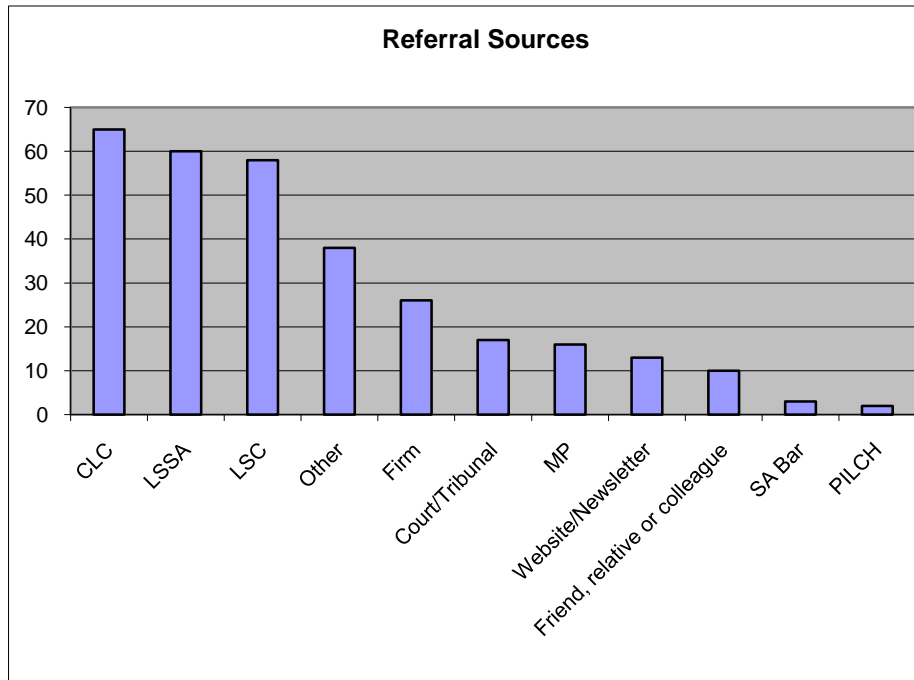


Table 2

Table 3 shows our pro bono referrals over 2009/10 by area of law.

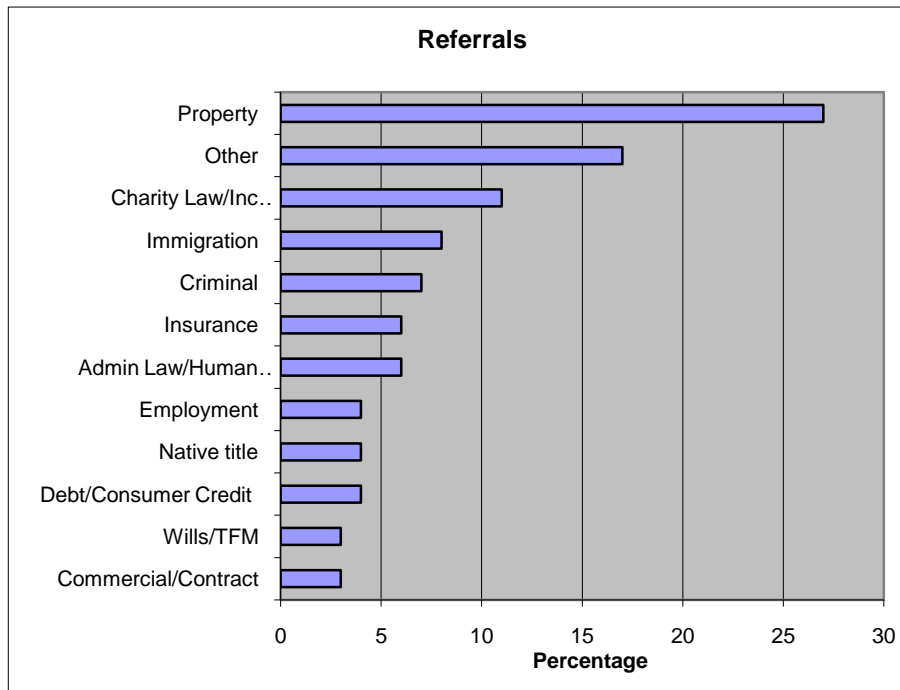


Table 3

Based on projections from finalised matters, JusticeNet facilitated close to \$300,000 worth of pro bono legal assistance in 2009/10. That equates to an average of about \$8,000 worth of pro bono legal assistance per client. It is worth noting that approximately 80% of clients referred for pro bono assistance earn less than \$20,000 per annum. The average value of the pro bono services rendered was at least 40% of the average gross income of most clients, brings home just how necessary our referral service is for helping client's access the legal system.

One final observation. Approximately 15% of enquiries to JusticeNet are eligible for pro bono assistance. An important part of our service therefore involves making referrals to existing agencies. Pro bono referral is an avenue of last resort. Many individuals and organisations that enquire about assistance are ineligible for pro bono assistance because we consider that alternative services may be available. A substantial portion of staff and volunteer time and resources is spent on referring those clients to the appropriate service or agency. JusticeNet regards this as an important part of our service: to help, to the greatest extent possible, our clients get off the referral roundabout.

3.2. Case Studies

*Jane**

Jane is a young woman with a mild intellectual disability and chronic health conditions. She requires full-time care. Jane was charged with a criminal offence under the Summary Offences Act 1953. The Crown sought approximately \$400.00 compensation. Jane denied the charge but was ineligible for legal aid and was unable to obtain assistance elsewhere. Jane's first appearance caused great distress and triggered an epileptic fit. A member firm and counsel agreed to assist Jane on a pro bono basis to defend the charge. Through their intervention, the charges were dismissed. The prosecuting authority tendered no evidence on the first day of trial. Costs orders were also obtained against the prosecuting authority.

*Simon**

The Welfare Rights Centre approached JusticeNet seeking the assistance of counsel to represent Simon in the AAT. Simon was a farmer in a drought affected area and was in receipt of Exceptional Circumstances Relief Payment. Simon's wife, Joanne, was in receipt of income replacement payments. Centrelink reviewed the treatment of payments to Joanne and identified an overpayment. The SSAT made directions in favour of Simon and the Department of Agriculture, Fisheries and Forestry applied to the AAT to review the decision of the SSAT. The review centred on an untested question of law and Senior Counsel accepted a referral from JusticeNet to represent Simon. The AAT held that Joanne's income maintenance payments should be disregarded in determining Simon's rate of ECRP because income maintenance payments are "off-farm salary and wages". The AAT concluded that the amount of overpayment of ECRP claimed by Centrelink should be wholly extinguished.

*Names have been changed to protect the privacy of clients.

3.3. Events

OzAsia Lantern Festival (September 2009)

Carolyn Mitchell of Cowell Clark and Joanne Staugas of Johnson Winter Slattery sponsored a JusticeNet lantern in the 2009 Oz Asia Festival Lantern Parade. The

giant lantern representing “access to justice” entertained and informed festival goers at Elder Park in August 2009.

Comedy Debate (February 2010)

Organised by the Young Lawyers Committee of the Law Society and JusticeNet, the Comedy Debate provided a thoroughly entertaining evening of ‘debate’ that raised over \$2,000 for JusticeNet’s pro bono referral service.

Walk for Justice (April 2010)

On 17 May 2010 over 30 law firms and 300 walkers celebrated National Pro Bono Day by participating in the 3rd Walk for Justice. On a perfect autumn morning, walkers enjoyed a five-kilometre walk commencing at Victoria Square and followed with refreshments at the Hilton Adelaide. The Walk for Justice was lead by Chief Justice John Doyle AC, Justice John Mansfield AM, Australian Human Rights Commission President, Catherine Branson QC and Law Society President, Mr Richard Mellows. The Walk raised nearly \$7,000 for JusticeNet’s pro bono legal assistance referral scheme.

3.4. Publications/Advocacy/Projects

Submission on the Strategic Framework for Access to Justice in the Federal Civil Justice System (November, 2009);

Pro Bono News: the newsletter of JusticeNet (December 2009, April 2010);

JusticeNet Update: JusticeNet’s regular column in the Law Society of South Australia Bulletin (October & December 2009, March & June 2010);

JusticeNet brochure (printed May 2010);

Retired and Career Break Lawyers Project: JusticeNet received a grant from Community Benefit SA to recruit retired and career break lawyers into our service and develop associated resources.

Seminar Series for Not-for-Profit Organisations: JusticeNet developed a pilot program of 3 seminars on legal issues that affect charities and the not-for-profit sector. The seminars are supported by our members and supporters and commenced in July 2009.

3.5. The JusticeNet Team

Management Committee (as at 30 June 2010)

*Melissa Ballantyne
Kerry Clark, Deputy President
Gabrielle Canny, Secretary
Nick Linke, Treasurer*

*Alan Merritt
Carolyn Mitchell
Paula Stirling, President
Jonathan Wells QC*

Staff

*Tim Graham, Executive Director
Louise Young, Administration Assistant*

JusticeNet Volunteers (2009/10)

*Sarah Broome
Bob Buckley
Peter Cannell
Jenny Chen
Laura Daminato
Jessica De Silva
Lisa Kamleh*

*Max Koh
Ilya Ozerov
Sally-Ann Rowland
Susannah Sage-Jacobsen
Ben Stewart
Louise Young
Dayna Ziukelis*

JusticeNet Secondees (2009/10)

*Julia Dreosti, Clayton Utz
Kate Sullivan, Australian Government Solicitors
Vesna Vuksan, Australian Government Solicitors*

4. Acknowledgements

JusticeNet extends a special thank you to the following organisations and individuals whose generosity and support has contributed to the success of JusticeNet in its first year of operations:

- The Law Foundation of South Australia;
- Justice Mansfield, for launching our service way back on 2 July 2009;
- The individual and corporate members of JusticeNet;
- The Australian Government Solicitor and Clayton Utz lawyers for providing legal secondments to JusticeNet;
- Community Benefit SA;
- The Premiers Community Initiative Fund;
- The SA Bar Association for establishing the JusticeNet Bar Panel;
- IMF Australia Ltd;
- The Law Society of South Australia;
- The University of Adelaide;
- Steve Balmer;
- Amy Milhinch of Dilfinch and Dilfinch design;
- Bill Manallack, Coordinator, Welfare Rights Centre Housing Legal Clinics;
- John Corker, Director, National Pro Bono Resource Centre;
- PILCH, QPILCH and PILCH NSW;
- All of the participants in the 2010 Walk for Justice, and in particular, lead walkers Chief Justice John Doyle AC, Justice John Mansfield AM, Australian Human Rights Commission President, Catherine Branson QC and Law Society President, Mr Richard Mellows;
- Our sponsors and prize donors for the 2010 Walk for Justice: Ferrier Hodgson, the Law Society, Hilton Adelaide, the Spice Kitchen, Palace Nova Eastend Cinemas, Edinburgh Hotel & Cellars, Capri Theatre and Dymocks;
- The dedicated volunteers who made a substantial contribution to our service; and
- Edwards Marshall for auditing (pro bono) our financial statements for 2009/10.

5. Audited Financial Report

JusticeNet SA Incorporated ABN: 31 135 823 513
Financial Report for the period 2 March 2009 to 30 June 2010

JusticeNet Incorporated ABN: 31 135 823 513

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD 2 MARCH 2009 TO 30 JUNE 2010

	Period 2 March 2009 to 30 June 2010 \$
REVENUE	
Revenue from fundraising	15,956
Membership fees	20,950
Donations	10,950
Grants	116,500
Other income	244
Total revenue	<u>164,600</u>
EXPENSES	
Employee benefit expense	90,448
Insurance	439
Marketing	1,547
Other expenses from ordinary activities	6,597
Total expenses	<u>99,031</u>
Net Surplus	<u>\$65,569</u>
Other comprehensive income	<u>-</u>
Total comprehensive income	<u>\$65,569</u>

The accompanying notes form part of these financial statements.

JusticeNet Incorporated ABN: 31 135 823 513

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Note	2010
ASSETS		\$
CURRENT ASSETS		
Cash and cash equivalents	2	74,562
Trade and other receivables		305
Prepayments		470
TOTAL CURRENT ASSETS		<u>75,337</u>
NON-CURRENT ASSETS		
Land and buildings		-
Plant and equipment		-
TOTAL NON-CURRENT ASSETS		<u>-</u>
TOTAL ASSETS		<u>75,337</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables		-
Other accruals	3	9,768
TOTAL CURRENT LIABILITIES		<u>9,768</u>
NON-CURRENT LIABILITIES		
Trade and other payables		-
Other accruals		-
TOTAL NON-CURRENT LIABILITIES		<u>-</u>
TOTAL LIABILITIES		<u>9,768</u>
NET ASSETS		<u>\$65,569</u>
EQUITY		
Retained earnings	4	65,569
TOTAL EQUITY		<u>\$65,569</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 16 MONTH PERIOD ENDED 30 JUNE 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors' have prepared the financial statements on the basis that the association is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared for the period 1 March 2009 to 30 June 2010 in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. As this is the associations first period of operations, no comparative figures are available.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

- a. **Income Tax**
The association has received endorsement from the Australian Taxation Office as an income tax exempt charitable entity under subdivision 50-B of the Income Tax Assessment Act 1997.
- b. **Employee Benefits**
Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.
- c. **Provisions**
Provisions are recognised when the association's has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.
Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.
- d. **Cash and Cash Equivalents**
Cash and cash equivalents include cash at bank, petty cash and undeposited funds.
- e. **Revenue and Other Income**
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Government grants are brought to account as income during the year they are received. Donation income is recognised when received.
- f. **Goods and Services Tax (GST)**
JusticeNet is not registered nor is required to be registered for GST purposes. As such, revenues, expenses and assets are recognised inclusive of GST. Receivables and payables in the balance sheet are shown inclusive of GST.
- g. **Reporting period**
The association was incorporated on 2 March 2009. These financial statements cover the 16 month period from the date of incorporation until 30 June 2010. These being the first financial statements produced there are no comparative accounts or balances.
- h. **Events after reporting period**
No event has occurred since 30 June 2010 that will affect the information disclosed in these financial statements.

JusticeNet Incorporated ABN: 31 135 823 513

NOTES TO THE FINANCIAL STATEMENTS FOR THE 16 MONTH PERIOD ENDED 30 JUNE 2010

NOTE 2: CASH AND CASH EQUIVALENTS

	2010
	\$
Cash at Bank	73,006
Petty cash	228
Undeposited funds	1,328
	<u>74,562</u>

NOTE 3: TRADE AND OTHER PAYABLES

	2010
	\$
Payroll Liabilities	8,785
Employee entitlements – Annual Leave	983
	<u>9,768</u>

NOTE 4: RETAINED EARNINGS

	2010
	\$
Retained earnings at 2 March 2009	-
Net profit attributable to members of the association	66,552
Retained earnings at 30 June 2010	<u>66,552</u>

JusticeNet Incorporated ABN: 31 135 823 513

DECLARATION OF THE MEMBERS OF THE MANAGEMENT COMMITTEE

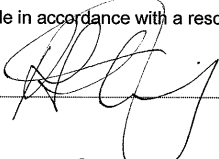
The members of the Management Committee have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The members of the Management Committee of the association declare that:

1. the financial statements and notes, as set out on pages 2 to 6 present fairly the association's financial position as at 30 June 2010 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. in the members' opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Management Committee:

President



Paula Stirling

Dated this 30th day of September 2010