

ACT
LAW
SOCIETY
**ANNUAL
REPORT**
2018-19

The image features a large, stylized logo in a bright yellow color. The logo consists of the letters 'A', 'L', and 'P' in a bold, geometric, sans-serif font. The 'A' is composed of multiple parallel lines, creating a sense of depth and movement. The 'L' and 'P' are also constructed from thick, parallel lines. The background is a dark, muted grey with a faint, semi-transparent image of the Statue of Liberty's head and crown, positioned behind the logo.

act**law**society

ART

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PRESIDENT'S REPORT



Having completed a full year in my role of President, I have found it to be exciting, engrossing and at all times intensely interesting. While it is generally considered to be a part time role, it requires full time attention. Given the breadth of the issues that must be addressed, 'part time' limits the number of issues that can be advocated, discussed and advanced in the necessary depth.

I have given speeches, introductions and welcomes on many occasions, and in circumstances which I have found to be extremely motivating.

The work itself requires interactions with

- / ACT Universities,
- / The Supreme Court Judiciary, Magistrates, and Members of the ACAT,
- / The Bar Association President and members,
- / The ACT Attorney-General, local government and opposition members,
- / Numerous members of the Society on all kinds of general matters,
- / The Law Council of Australia, and
- / Media in print, radio, and TV.

I have to say that I have thoroughly enjoyed working with the competent and engaging members of the Law Society secretariat. Their support and guidance has been invaluable.

When coupled with my other part time role of managing my small legal practice, there has not been much opportunity for all those other things we tend to take for granted.

I have not tried to describe all the events and activities of the last year, but only refer to these few which are likely to be of wider interest.

Compulsory Third Party

This year in the ACT Legislative Assembly, private rights were stripped away from all Canberrans. Innocent road accident victims were abandoned by their representatives as the Barr Government and the ACT Greens agreed to a deal to pass the *Motor Accident Injuries Bill 2019* and strip away their compensation rights.

As we know from the NSW experience, the only winners from this new scheme will be large insurance companies, whose bottom lines will profit thanks to the reduction in compensation payments to injured Canberrans.

Although the Liberal Party attempted to mitigate the unfair and disastrous consequences of the CTP legislation, the Labor/Green coalition defeated the more than 100 amendments they proposed.

The legislation contains a large number of defects and gross unfairness, and drastically cuts the compensation entitlements of innocent injured road users.

The Society fought hard to oppose the changes, but was ultimately, shockingly, unsuccessful in making the legislature see reason.

Land tax

Recently, land tax was imposed on vacant house properties in Canberra, and an interpretation by the Revenue Office makes it worse for some home buyers.

Section 11B of the *Land Tax Act 2004* says that if an “owner” occupies and then moves out, the land is exempt for the first quarter after the date of vacating. So, if an owner moves and settles before the end of March, and the buyer moves in after 1 April, the land is still exempt for the quarter commencing 1 April.

However if a house is rented (and it’s not the owner moving out, but a tenant) then Section 11C says “if a parcel of land stops being rented so it can be occupied as a principal place of residence by a person” then the land is exempt for the first quarter after the date it was vacated. In this circumstance a buyer would assume that he/she would be treated in the same way as in 11B. However, the Revenue Office maintains the bizarre view that the buyer does not qualify as a “person”, and therefore the land does not get the exemption for that quarter.

The Revenue Office continues to maintain this view despite considerable communications with our Property Law Committee, who have asked the Revenue Office to publicly state that their current interpretation is in error, and that the exemption will apply to a “buyer” in the same way as to any other “person”.

Freedom of information

The Legislative Assembly passed amendments to the *Freedom of Information Act 2016*, removing some of the existing rights a person had to obtain “sensitive information” about themselves held by officials under the *Children and Young People Act 2008*. This was done despite representations made by the Society that such a change should be considered as part of two inquiries currently underway into the *Children and Young People Act 2008*.

The amendments, supported by Labor and the Greens, but opposed by the Liberals, has the effect of increasing the cloud of secrecy, when vulnerable children would be better served by a system that is more open and accountable. It is never a good thing to mix power and vulnerability with secrecy.

The fact that this serious variation to a person's rights to information was made by an omnibus bill (the *Justice and Community Safety Legislation Amendment Bill 2019*) is of additional concern — omnibus bills are usually reserved for minor and uncontroversial amendments, which this was clearly not.

Child protection

The Society raised serious concerns about the capacity of the ACT's Child & Youth Protection Services (CYPS) to respond to requests from parents and families about the care of their children.

The Society's Family Violence & Children's Committee made a submission to the Justice and Community Services Directorate (JACS) for the "Review of Child Protection Decisions in the ACT", and discovered a critical failure of the review process.

Discussion point three of the review paper asked "Should existing internal merits review mechanisms be codified by amending the Children and Young People Act 2008?" Our committee asked to be provided a copy of the existing review mechanism, and received the following worrying response: "CYPS advises that, regrettably, the applicable internal review procedures are not currently found in a single document, or a coherent set of documents."

This critical process failure is of wide-reaching concern. It shows that the review's discussion paper was written on the basis of an internal review process that is not identifiable because it does not exist in a coherent form.

It also shows clearly the reason for the many complaints by parents and other parties about the lack of information about their children provided to them, and the lack of response to their enquiries.

After the Children's Court makes a child protection order in favour of the Director-General, there is no avenue for parents or other properly interested parties to obtain any review of parenting decisions made by the Director-General.

Basic information about a child's status is being kept from parents by this failed process. Why is a child moved repeatedly from foster home to foster home? Why can't a close relative care for the child instead? Why are planned contact visits cancelled or varied? The absence of information about their children leaves parents powerless and distressed.

The provisions in the Children and Young People Act about "review" are illusory. Further applications cannot be made to the Children's Court, without exceptional circumstances, and the ACAT ruled in 2015 that it does not have the jurisdiction to review a decision of the Director-General to change the placement of children.

These revelations come on top of the Government's recent action to remove some rights to access information under the Freedom of Information Act.

The ACT Government needs to take very seriously its responsibility to rectify these omissions. There is a significant imbalance between the power of the Directorate and the vulnerability of the children and their families. This imbalance needs to be addressed, and the review process coherently described.

Coats of Arms

Early this year there was some disquiet expressed about the absence of a coat of arms on the walls in our new Supreme Court rooms. The view was that the coat of arms is a necessary sign of the judicial authority of the Court, and that we bow at the commencement and end of proceedings towards it for that reason.

A wider held view is that the coat of arms, while an important reminder of the role of the Court, it is not required at all for the judicial process. When we bow, we are not bowing to the person of the judicial officer, nor are we bowing to the office that person holds. We are bowing to acknowledge the start of the judicial proceeding that the officer is commencing, and the officer is doing the same. We do so again at the end or adjournment of the proceeding. That is the relevance of the bow — to the proceeding, not to the person, office, courtroom, bench, nor coat of arms.

The coat of arms currently used in the Territory is defined in the *City of Canberra Arms Act 1932* as the arms and crest of the City of Canberra granted by Royal Warrant to the Federal Capital Commissioners, (and their successors) on 7 November 1928. It carries a black swan and a white swan, a sword, a mace, two crowns, a castle, a wreath, a rose, a tree, and two portcullis.

It is generally accepted that the current coat of arms represents only the City of Canberra, and not the whole Territory. The ACT Legislative Assembly has held an inquiry into a new "Territory Coat of Arms", which is scheduled to report on 31 August 2019.

The Society made a submission to the inquiry saying the new coat of arms should represent the whole of the ACT (rather than only the City of Canberra), and the three arms of government.

Hopefully the inquiry will result in a design of insignia that more clearly symbolises all of the ACT, and that encompasses the wisdom, intelligence, compassion, reason, tolerance, and justice we all strive for.

Courtroom one

Since the opening of the new Supreme Court building, The dust has been rising from within the old building.

While that building is being brightened up by renovation, Courtroom One, which was the place where thousands of new practitioners took their oaths and affirmations for admission to the legal profession, is losing its historic poise. The heritage red cedar timber donated by the state of New South Wales is not being retained *in situ* as specified in the heritage report of 2013, and for those who care, that is sad.

My enquiries indicated strong support within the profession for the retention of the existing fitout, and approaches were made to the department of Justice and Community Safety. The response was that as the whole building was undertaking a renovation, it had to be brought up to current building standards — including the rules about accessibility. Courtroom One's lowered floor (with ramps) needed to be lifted to the level of the outside floor area. This necessitated major changes, but the heritage timber could be set aside and reinstated where possible.

The proposal to retain and re-use as much as possible of the heritage timber within the refurbished court room has not yet been finally responded to.

The present prediction for the completion of the work in the old building is the end of this year.

Welcomes

Louise Taylor, a local solicitor and Law Society member, appointed to the bench of the ACT Magistrates Court as Canberra's eighth full time magistrate.

Shane Drumgold, an accomplished local prosecutor, became the new director of the ACT Director of Public Prosecutions.

The Hon Acting Justice Robert Crowe, who has joined the bench of the ACT Supreme Court to fill in for Associate Justice Verity McWilliam while she is on maternity leave.

Magistrates James Lawton and James Stewart, who were appointed following the retirement of Magistrate Karen Fryer after 26 years service.

Lorraine Walker, Chief Magistrate of the ACT Magistrates Court, who has been appointed an Acting Judge of the ACT Supreme Court, to oversee the ACT's first Drug and Alcohol Court.

Farewells

Former Magistrate Shane Godfrey Madden, who was the Coroner on duty when the failed implosion of the Royal Canberra Hospital killed schoolgirl Katie Bender. He was also the ACT's first Children's Court Magistrate, and the inaugural Circle Sentencing Magistrate.

Ronald Bruce Topfer, who was Secretary of the Law Society from 1970-74, and was joint convenor of the Australian Legal Convention held in Canberra in 1975. He was also a member of the Law Society's Professional Conduct Board from 1991-2000, including a term as Chair.

The Hon Jeffrey Miles AO, former Chief Justice of the ACT Supreme Court. He also held judicial appointments in New South Wales and Papua New Guinea and was President of the ACT Branch of the International Commission of Jurists.

Grant Lalor, former ACT Magistrate and Commonwealth DPP Assistant Director, who spent 20 years as a Commonwealth prosecutor after earlier stints as a solicitor in Papua New Guinea and in the Deputy Crown Solicitor's office in Canberra.

Chris Donohue
PRESIDENT

TREASURER'S REPORT



I am pleased to present the Annual Report on the Society's Accounts for 2018-19.

Overview of accounts

General Account

This account covers the income and expenditure relating to the general operations of the Society.

Statutory Deposits Trust Account

This account comprises deposits of solicitors' trust moneys lodged with the Society to earn interest which is paid into the Statutory Interest Account.

Statutory Interest Account

This account accumulates the interest earned on funds deposited in the Statutory Deposits Trust Account together with interest earned on the balances in solicitors' trust accounts. The Society makes grants from this account to the Legal Aid Commission and other community legal aid centres. The costs of disciplinary proceedings and general legal costs related to legal practitioners are also funded from this account.

Solicitors' Fidelity Fund

The Fidelity Fund exists to meet any claims by clients for compensation in respect of loss arising from a solicitor's failure to account for trust funds or other valuable property. The costs of random inspections, investigations and the appointment of managers are met from this Fund.

General Account

The General Account recorded a surplus of \$324,321 which increased the Society's accumulated funds to \$2,876,064 as at 30 June 2019.

The result was higher than budgeted predominantly due to the Society's increasing membership numbers and higher than budgeted revenue from practising certificate fees, practice management course income and sales of residential contracts. There were a number

of budgeted expenses not finalised in 2018-19 which also contributed to the higher surplus.

The Society is expecting to record a surplus for the 2019-20 financial year.

Statutory Deposits Trust Account

Total deposits at 30 June 2019 amounted to \$60,891,156 which is an increase of 24.8 per cent on deposits held in the previous year. This follows an increase from the year prior of 45.5 per cent, indicating that balances held in solicitor trust accounts continue to grow significantly.

Interest earned on statutory deposit funds invested in term deposits continues to be an important revenue component for the Statutory Interest Account. The Society continues to pursue attractive investment rates where possible.

Statutory Interest Account

The Statutory Interest Account derives its income from interest on solicitors' statutory deposits, interest on the balance in solicitors' trust accounts, and from the investment of the funds held in the Statutory Interest Account itself.

The revenue received of \$3,429,867 was an increase of approximately 22.5 per cent on the previous year. Although interest rates remain low, balances held in solicitor trust accounts from which the Society earns interest continue to remain at higher levels than previous years which resulted in an increase of interest received. Also, the greater amount of deposits held in the Statutory Deposits Account have contributed to an increase in revenue on those investments.

Expenses remained similar to last year, and the changes to disciplinary processes in recent years is keeping costs steady.

For the 2018-19 financial year Council agreed that \$2,106,023 will be disbursed. An amount will be allocated towards special projects and grants to the Legal Aid Commission and other community legal aid organisations. It is also intended that part of the disbursement will be paid to the Fidelity Fund as it has failed to increase in line with the increased balances held in solicitor trust accounts, meaning a greater exposure to risk. After the full disbursement, the remaining surplus of \$9,942 will increase the accumulated funds held by the Statutory Interest Account to \$1,686,344.

Solicitors' Fidelity Fund

The accumulated funds of the Fidelity Fund increased by \$43,119 to a total of \$5,484,198 as at 30 June 2019. This result includes the disbursement of \$73,600 paid out of the Statutory Interest Account from the 2017-18 financial year.

Costs for investigations and management appointments were lower than last year. The Society is still waiting to recover some costs from 2017-18. If the recovery is not successful it will impact the 2019-20 result.

Following an actuarial assessment of the Fidelity Fund in 2017 it was determined that the Fidelity Fund balance should increase. With higher balances held in solicitor trust accounts, along with the increase in law firm numbers and employee numbers, there is a need to cover the greater exposure to risk and the current balance is lower than the prudential optimal size. Council continues to monitor the balance on an annual basis.

Sama Kahn
TREASURER

CORPORATE OVERVIEW

Role of the Law Society

The objects of the Society are:

- / To advance the study of jurisprudence.
- / To promote the administration of justice and development and improvement of law throughout the Territory.
- / To support and protect the character, status and interest of the legal profession and legal practitioners generally in the Territory.
- / To promote honourable practice, to suppress malpractice, professional misconduct or unprofessional conduct or practice on the part of legal practitioners.
- / To settle disputed points of practice and to decide all questions of professional usage or courtesy between or among legal practitioners.
- / To uphold the honour of the profession of the law and encourage cordial intercourse among members of the legal profession and to arrange social and sporting functions and gatherings among the legal profession, and also social and sporting functions in which the legal profession and other professions may participate.
- / To consider proposed changes in the law and to aid such amendments and reforms as are likely to benefit the public.
- / To consider all questions affecting the interest of the legal profession in the Territory and in that interest to initiate and watch over and if necessary to petition the Legislative Assembly or promote deputations in relation to general measures affecting the legal profession and to procure changes of law or practice and the promotion of improvements in the principles and administration of the law.
- / To represent the views and wishes of the legal profession in the Territory.
- / To promote information on legal subjects by lectures, discussions, books, correspondence with public bodies and individuals.
- / To seek, receive and disseminate information.
- / To do all such things as are incidental or conducive to the attainment of all or any of the objects set out in this list.
- / To carry out those functions allotted to the Society under the Act.



/ Through the by-laws, to make rulings to regulate the professional practice and conduct of members and of other legal practitioners who hold practising certificates issued pursuant to the provisions of the Act provided that no such ruling shall be made with respect to the practice and conduct of barristers except with the consent of the Australian Capital Territory Bar Association.

Governance

The Council is the governing body of the ACT Law Society. It comprises 15 elected members and the Immediate Past President. In addition, there are five Council-appointed observers. Councillors are elected by the membership of the Society, and Council convenes once a month. The Constitution of the Society vests the Council with the responsibility for the management of the Society's affairs, including income and property.

The Executive consists of five elected members, the Immediate Past President and a member appointed by the Council. The Council has delegated to the Executive Committee the responsibility of overseeing the administration of the Society's activities and the implementation of Council policies. The committee also considers applications for practising certificates and membership.

Executive

President — Chris Donohue

Chris has been a sole practitioner in the ACT since July 1978. He practices primarily in the areas of civil litigation, commercial, conveyancing and probate. He has been involved with numerous community groups, including serving as president of the Commercial and Retail Tenants Association. Chris has served on Council for eight years, both as a councillor and executive member, including for two years as Vice President. He has also served on the Society's Complaints Committee and the Commercial Leases Committee. His election as President was declared at the Society's AGM on Thursday 27 September 2018.

Vice President — Elizabeth Carroll

Elizabeth is Chief Legal Counsel at IP Australia, and was first elected to Council in 2017. In 2016, she received the Government Law Award and remains an active member of the Government Law Committee. She was a member of the Australian Government Legal Network (AGLN) Board for six years and the Chair from 2015 to 2019. She was admitted to practice in 1998 and her work focuses on government and administrative law. Her previous positions include General Counsel at the Australian Pesticides and Veterinary Medicines Authority, Principal Lawyer at the Murray-Darling Basin Authority, and Senior Associate at Ashurst and Corrs Chambers Westgarth.

Vice President — Peter Cain

Following a career as a teacher, Peter was admitted as a legal practitioner in the ACT in 2002 and is a nationally-accredited mediator. He is currently the Director, Objections and Appeals, ACT Revenue Management. He has chaired the Government Law Committee since January 2014, and is a member of the ADR Committee. He is also a member of the University of Canberra Law School Course Advisory Group. He is currently a mentor in the Young Lawyers' Mentor Program and the ACT CMTEDD mentoring program.

Secretary — George Marques

George is a partner of HWL Ebsworth Lawyers and is the joint office leader in Canberra. He has over 30 years' experience providing commercial legal advice to public and private companies, Commonwealth and State governments and not-for-profit organisations. George has served on the Council for the last five years and has been elected to the Executive for the preceding three years. Since 2011, George has been recognised in the 'Best Lawyers®' as one of Australia's leading lawyers in a range of fields including corporate governance, commercial law and real property, and in 2013 and 2018 he was listed in as Canberra's 'Commercial Lawyer of the Year'.

Treasurer — Sama Kahn

Sama is a lawyer at McInnes Wilson practising in insurance litigation. She was admitted to practice in 2016, and graduated with a Bachelor of Laws and a Bachelor of Arts (Middle Eastern Studies, Persian



Studies) from the ANU. She has volunteered with Legal Aid and is on the Inclusion and Diversity Committee. Sama has spoken on the impact of Australia's asylum seeker policy on second generation migrants in Australia and as young Muslim woman, she has a strong interest in promoting diverse perspectives.

Immediate Past President — Sarah Avery

Sarah is a lawyer with ten years' experience in personal injury claims, other civil issues, and criminal matters. She was elected President in 2016 and served in that role until 2018. She also served as Vice-President in 2015, as a member of Council in 2009-12, and has also been a member of the Criminal Law Committee, the Pro-Bono Clearing House Panel, the Legal Aid Review Panel, the Functions and Law Week Committee, and the Legal Profession Act & Ethics Committee. She has also been a mentor in the Young Lawyers Mentor Program and the Out for Australia Mentor Program.

Council-Appointed Member — Mark Tigwell

Mark was admitted in 1984 and has practised in Canberra as a sole practitioner, and a partner, director, and special counsel in local firms. In February 2019 he co-founded Bedfords Legal. He is a past member of the Property Law Committee and the Continuing Legal Education Committee, and has been a member of the Professional Conduct Committee since 2007. He was a member of Council between 2010 and 2014, serving on the Executive from 2011, and as Treasurer from 2013 to 2014, and was re-elected to Council in September 2018.

Councillors

- / C Donohue—President from 27 September 2018
- / S Avery—Immediate Past President from 27 September 2018, President to 27 September 2018
- / G Marques—Secretary from 27 September 2018, General Councillor to 27 September 2018
- / P Cain—Vice President
- / E Carroll—Vice President from 27 September 2018, General Councillor to 27 September 2018
- / S Khan—Treasurer from 27 September 2018, General Councillor to 27 September 2018
- / G Lee
- / S Leslie
- / S Platis
- / C Deans
- / P Edmonds
- / R Bedi—from 27 September 2018
- / F Choudhury—from 27 September 2018
- / A Hill—from 27 September 2018
- / I Moyse—from 27 September 2018
- / M Tigwell—from 27 September 2018
- / M Carmody—to 27 September 2018
- / M Carrick—to 27 September 2018

- / M Hockridge—Immediate Past President to 27 September 2018
- / L E Vardanega PSM—Secretary to 27 September 2018
- / C Painter—Vice President to 27 September 2018
- / V Sundar—Treasurer to 27 September 2018

Council-appointed observers

- / Justice & Community Safety Directorate
- / Women Lawyers Association of the ACT
- / ACT Young Lawyers Committee
- / School of Law, Australian National University
- / School of Law, University of Canberra
- / Association of Corporate Counsel

Committees

Through its committees, the Society is able to look in detail at proposed legislation and its impact, not only on legal practice in the ACT, but the community's access to justice and the fairness and efficiency of the administration of justice. The Society's committees are governed by the *Committee Charter*.

The Law Society operates the following committees:

Access to Justice & Human Rights

Chaired by Anya Aidman

Alternative Dispute Resolution

Chaired by Carlos Turini

Civil Litigation

Chaired by Richard Faulks

Criminal Law

Chaired by Michael Kukulies-Smith

Elder Law & Succession Law

Chaired by Rebecca Tetlow

Family Law

Chaired by Andrea Evans

Family Violence & Children's

Chaired by Lessli Anne Strong

Functions & Law Week

Chaired by David Metcalf

Government Law

Chaired by Peter Cain

Inclusion & Diversity

Chaired by Veena Bedeker

Industrial Relations

Chaired by John Wilson

International Lawyers

Chaired by Tiru Vallal

Legal Profession Act & Ethics

Chaired by Mark Love

Military Law

Chaired by James King

Professional Standards

Chaired by Ross Reid

Property Law

Chaired by Adam Peppinck

Young Lawyers

Chaired by Rebecca Wheeler

Secretariat

The role of the secretariat is to assist the Executive Committee in the daily running of the Society, and to implement the resolutions of Council. The secretariat consists of the following staff:

Chief Executive Officer

Dianne O'Hara

Professional Standards Manager

Rob Reis

Finance & Business Services Manager

Lea McLean

Executive Secretary

Nicole Crossley

Professional Development Officer

Carissa Webster

Research Officer

Natasha Del Piero

Communications Officer

Nicole Karman

Committee Administrator

Tanya Holt

Complaints Committee Secretary

Linda Mackay

Bookkeeper

Kathleen Lui

Receptionist & LAB Administrator

Robyn Guilfoyle

Administrative Support

Elaine Gray

Janette Graham

CPD Support

Shenpaha Ganesan

Petra Harrison

Tien Pham

Fia Sankoorikal

Vivien Wang

Sponsors

CPD Program

legalsuper

Ethos quarterly magazine

Nexia Australia

Hearsay fortnightly e-newsletter

The College of Law

Members Lunches

Nexia Australia

Arthur J Gallagher

Annual Dinner

Arthur J Gallagher

Principal Law Week sponsor

LawCover

Individual event sponsors

Clayton Utz, Hays Legal, HWL Ebsworth, King & Wood Mallesons, Maurice Blackburn, Michael Page, Proximity, TIMG, University of Canberra, and Vincents.



Arthur J. Gallagher



COMMUNITY

Law Week

Law Week is an annual event held in May across Australia. Law Week's goal is to promote public understanding of the law and its role in society. Each year in Canberra we run a range of events, including public lectures, sporting and collegiate events, free will consultations, information sessions about wills and powers of attorney, and tours of the Supreme Court.

Law Week also raises donations every year for a local Canberra Charity. In past years, we've supported such charities as ADACAS, the Australian Indigenous Leadership Centre, the Food Rescue Service, Pegasus Riding for the Disabled, OzHarvest Canberra, The Galilee School, and Arthritis ACT.

Law Week 2019

The theme of ACT Law Week 2019 was "Lawyers: Protecting Your Rights".

Law Week 2019 ran 13-18 May 2019, with a variety of events designed to engage the legal community and the broader community, celebrating and educating the public about the role of lawyers in seeking justice and upholding the rule of law. Collegiality was another focus of the week, with social, educational and sporting events taking pride of place.

Law Week is made possible with the support of our sponsors. LawCover are the principal Law Week sponsor—they have been a longstanding supporter of Law Week, and we thank them for their ongoing sponsorship.

Thank you also to our Law Week event sponsors, Breakfast sponsor King & Wood Mallesons, Dinner sponsor Maurice Blackburn, and Quiz Night sponsor Michael Page Legal.

The Law Week profit in 2019 was \$11,732. This amount is split equally between the President's Charity and the ACT Law Society Foundation.

Launch and Golden Gavel

This year Law Week was launched by ACT Attorney-General Gordon Ramsay MLA with some self-effacing humour and a very worthwhile reminder that we all work to protect the right to equal access to the legal system.

The Hon Justice Chrissa Loukas-Karlsson and Minister for Justice Shane Rattenbury MLA then joined Gordon Ramsay MLA on the judging panel for the ACT Golden Gavel.

Congratulations to all of our excellent Golden Gavel competitors: Alex Bell-Rowe (Department of Industry, Innovation and Science), Daniel Tracey (Ashurst), Crystal Holt (Watts McCray), and of course to the winner of the Golden Gavel, Maclaren Wall (Office of the Director of Public Prosecutions ACT), and winner of the People's Choice Award, Erin-Louise Hagerty (Adero Law).

Lectures and forums

The 34th Annual Sir Richard Blackburn Lecture was delivered by Karen Fryar AM, who retired recently after 26 years as a magistrate, where she excelled in her work dealing with family violence. Karen's discourse

The Hon Terence Higgins AO QC with guests at "Justice in PNG".



Karen Fryar AM delivering the 34th Annual Blackburn Lecture.



focussed on the pro bono delivery of legal services. She made a strong exhortation for each of us to individually take a serious look at how much pro bono service we provide, and to increase our commitment. Karen's experience has put her in the unique position of knowing the intense difficulty unrepresented litigants face, particularly in the family violence area, and the positive effect a generous lawyer can have to alleviate a person's trauma.

The Society hosted an evening with The Hon Terence Higgins AO QC, who after his retirement as Chief Justice of the ACT Supreme Court, became a judge of the National and Supreme Courts of PNG. In the Manus Island case, he was among the five judges who unanimously ruled that the Manus Regional Processing Centre breached the PNG constitution's right to personal liberty, and was thus illegal. He gave some valuable insights into the workings of the PNG justice system and the constitutional basis for the Courts' ability to rectify wrongs which would otherwise strike at the heart of a free and fair society.

The ACT Bar Association and sponsor King & Wood Mallesons hosted the annual Law Week Breakfast. Barristers Steven Whybrow and Wayne Sharwood presented on 'Legal Professional Privilege: To be or not to be?.'

In "Here, There and Everywhere: Human rights developments locally and nationally", the ACT Human Rights Commission presented a panel of local experts to discuss the practical experiences of applying human rights in ACT proceedings. Panellists were Dr Helen Watchirs OAM, President of the ACT Human Rights

Commission; Parastou Hatami and Naomi Gould of Canberra Community Law; and Heidi Yates, the Victims of Crime Commissioner.

The Women Lawyers Association of the ACT hosted the Annual Law Week Dinner, which was generously sponsored by Maurice Blackburn Women's Network. The special guest for the evening was Azmeena Hussain, a passionate social justice advocate.

And in "Deserving of rights: Legal personhood and animal law" the Animal Defenders Office ACT explored how lawyers protect the interests of animals, and considered legal developments here in the ACT.

Quiz Night

The quiz night was again a great success, and is the major fundraiser of Law Week with donations on the night totalling almost \$2,000. Our ACT Young Lawyers Committee work very hard to run a fun night. Thank you to Michael Page Legal for being the event sponsor.

Law Week Soccer

The Law Week Soccer was once again postponed due to bad weather (sleet, to be precise) and did not, in fact, run during Law Week, but thankfully the weather was glorious on 24 May. 18 teams joined in for an afternoon of friendly fun and exercise, from the ACT Government Solicitor, Ashurst Australia, Blumers Personal Injury Lawyers, Bradley Allen Love, Chamberlains, Clayton Utz, Colquhoun Murphy, Dept of Jobs and Small Business, Dept of the Environment and Energy, Elringtons, EY, Howes Kaye Halpin, HWL Ebsworth, the Justice and Community Safety Directorate, King & Wood Mallesons, Proximity, Sparke Helmore, and Velocity Conveyancing.

Law Week Soccer Division 1 winners, Clayton Utz.



Law Week Soccer Division 2 winners, the Department of the Environment & Energy.



This year, we organised two divisions so teams could be more evenly matched. Division 1 was the “serious about the sport” league, and Division 2 was the “kick and giggle” league.

In Division 1, Clayton Utz beat Elringtons’ “Elringo Stars” to the trophy. In Division 2, the showdown between Chamberlains Law Firm and the Environmentals went into overtime, and with the light fading and the cold closing in, the Environmentals (the Department of the Environment & Energy) finally carried home the win.

Other events

The Law Society hosted our annual Wills Day, where members of the public could make a free appointment with one of our volunteer solicitors for advice on how to set up a Will.

The ACT Supreme Court ran tours of their new building for members of the profession.

Legal Advice Bureau

The Law Society’s Legal Advice Bureau, or LAB, has been in operation since 1972. The LAB offers 15 minutes of free advice to members of the public. It is staffed by volunteers — more than 100 Law Society members who give up their lunch break once a month. People come to LAB because they aren’t sure about how to move forward with a legal issue, or even if they have a legal issue.

LAB volunteers see more than a thousand clients every year, and give advice on issues such as family law, criminal law, debt, personal injury, tenancy issues, motor vehicle accidents, employment law, workers compensation, migration law, and contract law. The volunteer work at the LAB represents around 250 hours a year.

Legal matters covered by LAB

In the 2018-19 financial year, LAB saw 816 clients.

During this period, the areas of law that clients have most often asked for assistance with are property and tenancy issues, followed by family law. Employment issues, estate matters (wills and powers of attorney), and contract issues are also high on the list.

The graphic below shows a breakdown of the legal areas that clients most commonly asked for advice on.

Legal matters covered by LAB

AREA OF LAW	NO. OF APPOINTMENTS
ACAT	26
Builder	34
Business	26
Contract	63
Criminal	31
Debt / Finance	60
Employment	77
Family	99
Medical	20
Migration	11
Motor vehicle accident	26
Personal injury	10
Property and tenancy	157
Wills / Power of Attorney	66
Workers compensation	24
Other	86
Total	816

Pro Bono Clearing House

The Law Society provides legal assistance through the ACT Pro Bono Clearing House to disadvantaged people who are otherwise unable to secure a lawyer.

Members of the public can apply directly to the Clearing House for assistance. Community Legal Centres, members of the legal profession, politicians, and public agencies can also refer people who need pro bono legal assistance to the Clearing House.

The Clearing House is a ‘last resort’ for legal help after all other avenues for assistance have been exhausted.

The Clearing House accepts applications in two types of matters: ‘public interest’ law matters that affect a significant number of people or that raise a matter of broad public concern; and ‘private interest’ law matters that have a reasonable prospect of success.

A panel of volunteers examines applications for pro bono legal assistance, and refers those applications that meet the eligibility criteria on to a network of about 20 law firms who have agreed to accept referrals on a low cost or pro bono basis.

PBCH Management Committee report

The PBCH Assessment Panel, a changing panel of ACT legal practitioners, meets weekly to consider applications received from organisations and individuals.

For the period 1 July 2018 to 30 June 2019, 93 applications were received. 88 were from individuals and five from organisations.

Of the 93 applications, 52 were successfully referred out to firms, 36 were unsuccessful, three required further information before further consideration, and two were resolved before the panel considered the application.

The secondee system

The Clearing House is assisted by a rotating 'operational secondee', a lawyer from a Canberra law firm or government agency who spends approximately three months working with the Clearing House. Their primary role is to meet with potential applicants, assist them with preparing their Clearing House application, provide a summary report to the panel and attend panel meetings. Over the 2018-19 period, Operational Secondees have been provided by Minter Ellison, Meyer Vandenberg, Sparke Helmore, and Proximity.

The Clearing House also benefits from a 'Policy Secondee' whose role is to focus on developing the strategic and policy side of the Clearing House. King & Wood Malleons has provided the Policy secondee on a long term secondment (6-12 months).

2018-19 snapshot

During the course of the year, the Clearing House has been averaging four applications per week.

This year the Operational Secondee and the Clearing House was assisted by Justin Reilly and Naini Rautela, students undertaking the clinical legal course — Public Interest Law at the College of Law, ANU. The ANU course is designed to provide students who have a commitment to working in social justice, opportunities to discover the range of settings in which public interest work is carried out. Justin and Nairi were with the Clearing House for 12 weeks. Following these successful placements, the Clearing House will be taking on another student for 12 weeks.

I would like to thank the following firms for accepting referrals from the Clearing House: Blackburn Chambers, Bradley Allen Love, Canberra Community Law, Chamberlains, Clayton Utz, Colquhoun Murphy, Darryl Perkins Solicitor, Elringtons, Frank Wilson Solicitor, Gabbedy Milson Lee, John O'Keefe, JR Baker (Law), Ken Cush & Associates, Key Chambers, King Wood & Malleons, KJB Law, Legal Aid ACT, Lexicon Lawyers, Maddocks, McInnes Wilson, McKenna Taylor, Mills Oakley, Moray & Agnew, OPALS, Snedden Hall & Gallop, and Street Law.

I would like to thank all the Operational Secondees for the 2018-19 year:

- / Veer Dhaliwal (Sparke Helmore),
- / Tristan Dimmock (Minter Ellison),
- / Wendy Meredith (Sparke Helmore),
- / Madeline Ness (Meyer Vandenberg),
- / Declan Norrie (Proximity),
- / Nicholas Scotton (Meyer Vandenberg), and
- / Jeanine Wong (Sparke Helmore).

Also, a big thank you to all the Assessment Panel Members for volunteering their time to the Clearing House. Without the support of the firms and individuals the Pro Bono Clearing House would not be able to operate.

—Martin Hockridge, Chair

Committee members

- / Martin Hockridge (Chair)
- / John Boersig
- / Emma Boland
- / Katy Grimes
- / Rebekha Pattison
- / Susan Platis
- / Nicole Crossley (Executive Secretary)

Reconciliation

The Society is committed to the national reconciliation movement. We have long been committed to promoting 'good' law, pushing to ensure that any new law reform proposal takes into account the effect on vulnerable groups such as the Aboriginal and Torres Strait Islander members of our community.

The Society is committed to promoting equality for all Australians and supporting reconciliation. We believe that lawyers can play a meaningful role in the reconciliation process as they are well placed to be catalysts for change.

Indigenous Constitutional recognition

"I acknowledge the Ngunnawal people, on whose land we meet, and I pay my respects to their Elders past, present and emerging, and also to all Aboriginal and Torres Strait Islander Peoples here today." This is the Acknowledgement of Country included at the beginning of all speeches given by our president.

Chris Donohue, current president of the Society, often also includes the following: "I would like to see the Australian Parliament, and through it, all the people of Australia, acknowledge and give respect to all of Australia's First Peoples and all of its First Nations."

In NAIDOC week this year, it was good to hear the newly appointed Minister for Indigenous Australians, Ken Wyatt, appear to accept the recommendation as a means of ensuring indigenous peoples' unique needs, wishes and aspirations are not swept aside by parliamentary indifference, and instead have the Federal Government take seriously the plea by Indigenous Australians to be recognised and heard as set out in the *Uluru Statement from the Heart*.

National Indigenous Students' Conference

The Law Society is a gold sponsor of the National Indigenous Students' Conference, which will be held in September in Canberra. Our sponsorship will allow an Aboriginal student to attend the conference at no cost. The sponsored student will be Amanda Martin, who is a Gadigal woman studying a Bachelor of Laws/Bachelor of Commerce focused in Law/Economics at Griffith University in Brisbane.

Reconciliation Action Plan

The Law Society's Inclusion and Diversity Committee produced the Society's first 'Reflect' Reconciliation Action Plan (RAP), which was launched in June 2018.

The Law Society's RAP is now published on the Reconciliation Australia web site.

LGBTI+

As part of our ongoing support of the LGBTI community, the Law Society partnered with CPA Australia, Deloitte, and the Pinnacle Foundation to present "Accounting for Pride". Then-President Sarah Avery joined a panel of speakers for this cross-profession event, asking how we can ensure our professions are inclusive, and reflect the diversity of our modern society.

Charitable donations

President's charity

Each year, the President of the Law Society nominates a local Canberra charity to receive funds from any charitable events run by the Society (the primary event being Law Week).

The Society's annual charity for 2019 is the Domestic Violence Crisis Service (DVCS). DVCS are passionate about breaking the domestic violence cycle in the Canberra community. For over thirty years, they have been providing emergency and longterm support, advice, domestic violence resources, and services.

In 2019, the President's Charity, the DVCS, received \$9,420, representing the Foundation disbursement plus 50 per cent of the Law Week profit.

Law Society President Sarah Avery sharing her story at Accounting for Pride.



Law Society Foundation

The ACT Law Society Foundation was established in 2012 as a Centenary of Canberra project as a visible and enduring expression of the ACT legal profession's connection with, and concern and support for, Canberra and its charities and worthy causes.

The Foundation was seeded with three years' worth of Law Week profit (2013, 2014 and 2015), matched by Law Society funds. The total amount in the Foundation as at 30 June 2019 is now \$98,198, and the disbursement for 2019 was \$3,554.

In order to continue growing the corpus of the Foundation, Law Week profit is split equally between the President's Charity and the Foundation. This means the charity still receives a significant sum, and the Foundation will continue to grow, allowing greater disbursements in future.

Other donations

The Society has also made donations to:

- / The St Vincent de Paul Society's CEO Sleepout — \$2,500 (split over the eight ACT Law Society members who participated).
- / The Black Dog Institute — \$200.
- / National Indigenous Students' Conference — \$750.

Awards to university students

The ACT Law Society funds prizes for academic excellence at the University of Canberra and the Australian National University.

Australian National University

- / BC Meagher Prize for Commonwealth Constitutional Law — Olivia Pursey
- / Law Society of the ACT Prize for Contracts — Yasmine Sahihi
- / Liz and Bill Allen Prize for Practical Legal Training — Michelle Hankey

University of Canberra

- / ACT Law Society Prize for the Highest Achieving Student in Contract Law — Harriet Slee
- / ACT Law Society Prize for the Highest Achieving Student in Equity Law — Alec Randles
- / ACT Law Society *Canberra Law Review* Prize — No award was made for this prize as it was not on offer in 2018

Law Society Vice-President Elizabeth Carroll with the winner of the Contract Law Prize, Harriet Slee.



MEMBERS

Our members

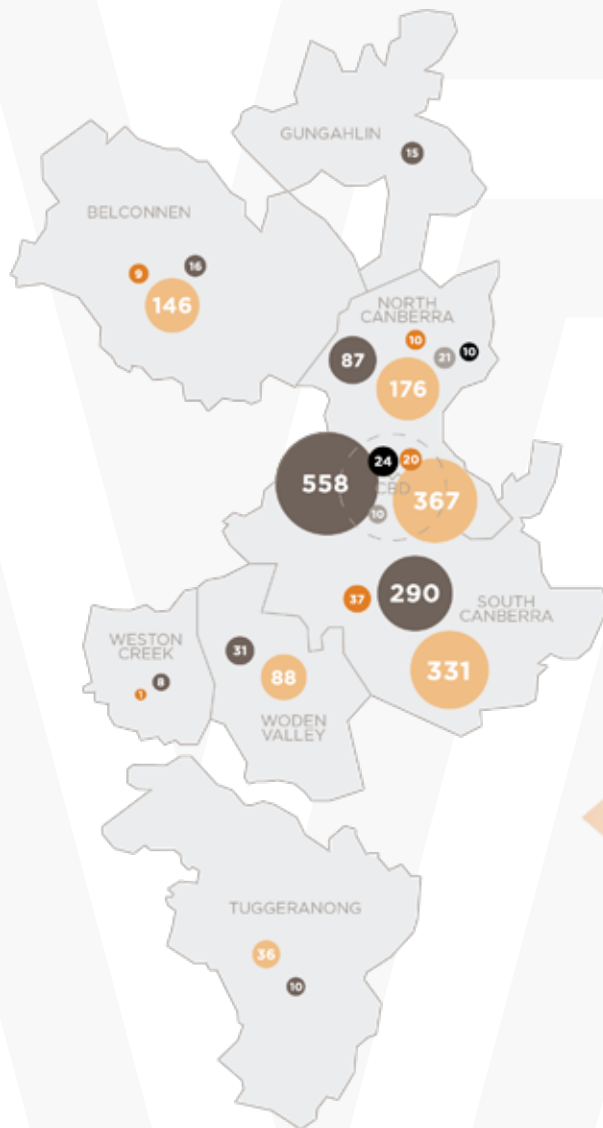
The Law Society represents over 2,700 lawyers in the ACT region. Our members are sole practitioners, lawyers in private firms and government departments, in-house counsels, community legal centre solicitors, legal academics, and lawyer volunteers. We also have a number of associate members — students, expatriates, and retirees for example, who want to maintain contact with the Canberra legal community.

As at 30 June 2019, the Society had 2,721 members. This represents an increase of 3.6 per cent from the previous financial year.

94 percent of our members hold a practising certificate. 58 per cent are female. 42 percent are in private practice, and 44 per cent work for local or federal government. The remaining members are in-house or corporate lawyers (3.5 per cent), members overseas (2.7 per cent), volunteers or community legal centre lawyers (2.4 per cent), and members without practicing certificates (six per cent).



MEMBERSHIP AS AT 30 JUNE 2019



97 IN HOUSE/CORPORATE

1136 PRIVATE

1187 GOVERNMENT

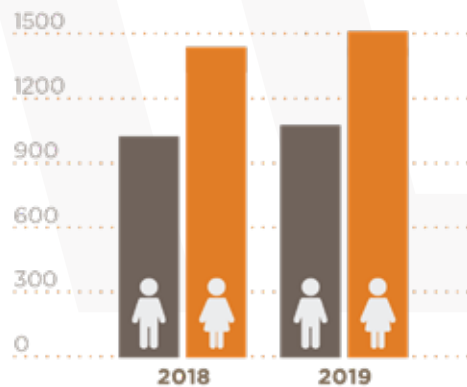
31 CLC

35 VOLUNTEER

74 OVERSEAS

TOTAL
2721
AN INCREASE OF
97 FROM 2017

PRACTISING MEMBERS



97 IN HOUSE/
CORPORATE

1136 PRIVATE

1187 GOVERNMENT

31 CLC

35 VOLUNTEER

74 OVERSEAS



6 ACADEMIC

24 GOVERNMENT

10 BARRISTER

15 RETIRED

73 OTHER

Recognising member achievements

President's Medal

The President's Medal is an annual award that recognises significant personal and professional contributions to the betterment of law and justice in the community by an ACT solicitor and member of the ACT Law Society. The winner in 2018 was Julie Dobinson of DDCS Lawyers.

Julie Dobinson came to the law as a mature age student, but her impact on the ACT legal landscape in the field of family law has been extensive. She is well-known in the Canberra legal and business community, and has dedicated her time to serve on various boards and Committees. She initiated the establishment of the Canberra Region Family Law Professionals Association (CRFLPA) and served as the CRFLPA's first President. She also served on the Executive of the Family Law Pathways Network for a number of years. Julie has served as Chair of Law Australasia, which is a national association of approximately 25 independent law firms committed to best practice management and client service delivery. She has also been involved with various Law Society committees during the course of her career, including the Complaints Committee, and has been a regular presenter at Law Society CPD seminars. Until recently Julie chaired the Board of the Women's Legal Centre (ACT). Julie also served on the committee of the Women Lawyers Association of the ACT. In addition to these roles, Julie has dedicated time to providing pro-bono advice for the Women's Legal Centre and has a lengthy involvement in providing advice through the ACT Law Society's Legal Advice Bureau.

Julie Dobinson, winner of the 2018 President's Medal, with President of the ACT Law Society Sarah Avery.



ACT Young Lawyer of the Year

The Young Lawyer Award was established to promote professional and community involvement of the Territory's young lawyers and to recognise the efforts of the young lawyers in the legal profession and in activities beyond core employment duties.

In a first since the Award's inauguration in 2007, two Young Lawyer of the Year Awards were given out in 2018, to Kellin Kristofferson of Artisan Law, and Georgina McKay of the Department of Foreign Affairs & Trade. They were presented with their Awards by the chair of the judging panel, the Hon Justice Chrissa Loukas-Karlsson of the ACT Supreme Court, who is also the Patron of the ACT Young Lawyers Committee.

Kellin Kristofferson is a lawyer with a strong community focus. He started his practice, Artisan Law, at the age of 28. Artisan Law is part small law firm, part social initiative — offering Wills, Enduring Powers of Attorney, estate administration and elder law advice at heavily discounted rates for pensioners and low-income earners, and also provides a mobile service for clients who cannot otherwise access legal advice. Kellin also accepts pro bono referrals every week from ACT Legal Aid, the Council for the Ageing (COTA), the Salvation Army and the Red Cross. Kellin is also active in community education on Wills and related topics, hosting workshops and information sessions with local not-for-profits, including DUO, A Gender Agenda, Sharing Places, and ACT Legal Aid.

Georgina McKay is a Legal Officer in the Transnational Crime Section of DFAT's Legal Division, where she has worked on several high-profile and topical legal challenges facing the Department and the government

ACT Young Lawyer of the Year co-winners Georgina McKay and Kellin Kristofferson with chair of the judging panel, the Hon Chrissa Loukas-Karlsson.



broadly. In a first for DFAT, she promoted a culture of pro bono work and legal volunteering with the in-house counsel team. She has a passion for promoting gender equality within the legal profession, participating in both the ANU Women In Law Organisation mentoring program and University of Canberra Women Lawyers Mentoring Program since their inception, and is an active member of the Women Lawyers Association of the ACT. She is also a regular volunteer at the Women's Legal Centre, providing free legal advice to vulnerable women.

Pro Bono Service Law Award

The Pro Bono Service Award recognises a legal practitioner or a law firm that has provided outstanding pro bono legal services to the Canberra community.

The ACT Attorney-General, Gordon Ramsay MLA, awarded the inaugural Pro Bono Service Award to Clayton Utz pro bono partner Jennifer Wyborn.

Jennifer Wyborn has been the Partner leading the Clayton Utz Pro Bono practice in Canberra since 2016. The team have made an exceptional contribution to the ACT community through their pro bono work for the Women's Legal Centre and Canberra Community Law. This work has significantly increased the services these community legal centres are able to provide for socially or economically disadvantaged people in the ACT and advanced access to justice for women in Canberra. Jennifer has overseen a number of significant pro bono matters and is particularly passionate about matters that involve questions about the management of domestic violence in the workplace. She has introduced a reverse secondment arrangement with the

WLC, where one of their staff is embedded one day a fortnight with the Clayton Utz team, gaining access to expert guidance and strategic advice on WLC cases. This professional development has been invaluable to increasing the skill and capacity at WLC. Jennifer and her staff also deliver free training for community legal sector workers in areas such as discrimination and employment law, providing access to professional development opportunities otherwise outside the budgetary limitations of the sector. In addition, Jennifer sits on the Board of the Clayton Utz Foundation, which supports pro bono clients through a grants process.

The Award Panel also recognised the Animal Defenders Office with a 'Highly Commended' certificate, for their specialist animal law work. Their volunteer lawyers offer information and representation for individuals and groups wishing to protect animals and those who care for them, and attempts to raise community awareness about animal ownership and animal protection issues.

Government Law Award

The Government Law Award was established in 2015 by the Society to provide recognition of the outstanding achievements of practitioners working in or for government, and to encourage government law practitioners to remain active participants in the legal profession in activities beyond core employment duties.

The Award was not presented in 2018, as no nominations were received.

ACT Pro Bono Service Award winner Jennifer Wyborn with her Clayton Utz pro bono team.



Tara Ward, Executive Director of the Animal Defenders Office with chair of the Pro Bono Service Award judging panel, Gordon Ramsay MLA.



Honorary membership

From time to time, the Council of the Law Society confers honorary membership on a person who has rendered outstanding service to the Society or to the legal profession. Our honorary members are a small and illustrious group, including former CEO Larry King, Louise Vardanega, The Hon Terence Higgins AO, Christopher Chenoweth OAM, the Hon David Harper OAM, David Crossin OBE, Kevin O'Leary QC, and Sir Clarrie Harders OBE.

At the Annual Dinner in 2018, then-President of the Law Society Sarah Avery conferred Honorary Membership on Martin Hockridge, in recognition of his many years of service to the ACT Law Society.

Martin Hockridge was President of the Law Society for three years, and has served on the Council for 13 years, including serving as Vice President for four years and Immediate Past President for two years. He has also served on the Criminal Law Committee (including for several years as Chair), the Access to Justice Committee, the Complaints Committee, the Mental Health Committee, and various other ad hoc committees. He has also been a member of the Law Council of Australia's Criminal Law Liaison Committee, the ACT Criminal Law Consultative Committee, and was invited to participate in the SCAG Criminal Trial Reform process. He is a member of the ACT Legal Practitioners Admission Board and the ACT Law Reform Advisory Council. He is Chair of the Society's Pro Bono Clearinghouse Management Committee. And he is on the ANU Legal Workshop Management Committee. Prior to becoming President of the Law Society, he was employed in various capacities at the Legal Aid Commission of the ACT, including as the solicitor in charge of the Criminal Law Practice, and later as Deputy CEO.

New honorary member Martin Hockridge with President of the ACT Law Society Sarah Avery.



40 years' service

The Law Society recognises the contribution of Canberra members who have practised for forty-plus years. In 2014, the Society produced a commemorative lapel pin to congratulate members who had completed forty years' service to the legal profession. Pins are given out at the Society's Annual Dinner in late August each year. Recipients in 2018 were:

- / Mr Brian Tetlow
- / Mr Jim Dunn
- / Mr Keith Bradley AM
- / Mr John Harris
- / Ms Margaret Reid
- / Mr Ron Travers
- / Mr Richard Davies
- / Mr Chris Donohue
- / Mrs Jeanine Lloyd

The ACT Golden Gavel

Each year, young lawyers test their public speaking skills and comedic genius at Golden Gavel competitions across the country. The winners of each local competition then face off at the National Golden Gavel. The Gavel is an opportunity for young lawyers to showcase their advocacy and comedy skills, with each given five minutes to argue their case on a topic revealed only 24 hours beforehand.

The Gavel is judged by a panel consisting of Young Lawyers Committee patron the Hon Justice Chrissa Loukas-Karlsson, ACT Attorney-General Gordon Ramsay MLA, and Minister for Justice Shane Rattenbury MLA.

Keith Bradley AM receives his 40 Years' Service pin from President of the ACT Law Society Sarah Avery.



The winner in 2019 was Maclaren Wall from the ACT Director of Public Prosecutions with “Who said being a lawyer was stressful? They said ‘Burnout Profession’ and I bought a Pontiac”.

The winner of the People’s Choice Award was Erin-Louise Hagerty from Adero Law, with “The Canberra Conundrum: Rights (and Lefts) in the city of roundabouts”.

Social events

Functions & Law Week Committee report

I would like to thank the committee members for their work, organising the several ceremonial and social functions held during the year, including the many events run during Law Week. The committee represents a broad cross-section of the Society’s membership (including representatives of the Young Lawyers Committee and the Women Lawyers Association of the ACT).

The committee continues to work to organise functions that meet the needs of all members of the Society.

In 2018-19, members’ quarterly lunches have alternated between venues on the north and south sides of the lake, to make it easier for our southside members to attend. The introduction of a discount for young lawyer members has been a great success in encouraging our younger members to participate in quarterly lunches which provide a significant networking opportunity for all members. Other functions during the year included a dinner to mark the retirement of Magistrate Fryar,

regular sporting competitions, several functions during Law Week and Mental Health Week, and the Annual Dinner.

In November, the committee held a planning session to review the functions and Law Week program, to ensure that the events remain relevant to the members. The committee reviewed all functions held over 2018 and decided on a calendar of events for 2019.

I particularly want to thank Sarah Avery, Adam Bak and Jennifer Newman, who left the committee during the year, for their many years of service to the committee, and Nicole Karman (Communications Officer) for her participation in the committee, and for doing so much of the legwork in ensuring the success of the many functions held.

—David Metcalf, Chair

Committee members

- / David Metcalf (Chair)
- / Paul Armarego
- / Sarah Avery (to September 2018)
- / Adam Bak (to April 2019)
- / Rod Barnett
- / Madeleine Harrington (Women Lawyers Association)
- / Kahlia Jenkins* (Young Lawyers Committee)
- / Nicole Karman (Communications Officer)
- / Jennifer Newman (to November 2018)
- / Anna Reynhout
- / Mitchell Wright* (Young Lawyers Committee)

* Shared membership

Richard Davies receives his 40 Years’ Service pin from President of the ACT Law Society Sarah Avery.



2019 ACT Golden Gavel award winners Louise Hagerty and Maclaren Wall with the judging panel.



Gala events

DATE	EVENT	VENUE
31 August 2018	Annual Dinner & Awards Night	The Commonwealth Club
27 October 2018	Young Lawyers Spring Wine Tasting Day	Four Winds Vineyard
23 November 2018	Young Lawyers Christmas Garden Party	House of Reps Rose Garden
6 April 2019	Young Professionals Ball	National Gallery of Australia
11 April 2019	Farewell dinner for Magistrate Karen Fryar AM	The Boathouse By The Lake
13 May 2019	Law Week Launch & ACT Golden Gavel	Great Hall, University House
15 May 2019	Law Week Dinner	The Boathouse By The Lake
17 May 2019	Law Week Quiz night	Ainslie Football Club

Collegiate and networking events

DATE	EVENT	VENUE
12 July 2018	July 2018 Members' Lunch	Buvette
22 August 2018	Young Lawyers Speed Networking	Highball Express
24 August 2018	Young Lawyers' Networking Drinks	Kokomo's
30 August 2018	Winter 2018 Government Law Drinks	University of Canberra
26 September 2019	Accounting for Pride	CPA Australia
27 September 2018	September 2018 Members' Lunch & AGM	Briscola
12 October 2018	Meet a Greyhound	ACT Law Society
26 October 2018	Young Lawyers' Networking Drinks	Momodà
8 November 2018	Spring 2018 Government Law Drinks	HWL Ebsworth
15 November 2018	Welcome drinks for Justice Loukas-Karlsson and Magistrate Taylor	Parlour
30 November 2018	End of Mentor Program Cocktail Event	Street Theatre
7 December 2018	Christmas 2018 Members' Lunch	Chairman & Yip
14 December 2018	Young Lawyers' Networking Drinks	Momodà
9 February 2019	An Afternoon Rendezvous	Capital Brewing Co
21 February 2019	Summer 2019 Government Law Drinks	Proximity
22 February 2019	Young Lawyers' Networking Drinks	Momodà
7 March 2019	March 2019 Members' Lunch	Alice's Thai
27 March 2019	Dinner with Deputy Chief Justice Robert McClelland	Monster Kitchen & Bar
26 April 2019	Young Lawyers' Networking Drinks	Momodà
2 May 2019	Autumn 2019 Government Law Drinks	King & Wood Mallesons
27 June 2019	Young Lawyers Mentor Program Cocktails	Street Theatre
28 June 2019	Young Lawyers' Networking Drinks	Momodà

Lectures and forums

DATE	EVENT	VENUE
29 August 2018	The MAC Protocol: Global impact and potential benefits for Australia	ACT Law Society
11 September 2018	The Annual Richardson Oration: Professor Megan Davis	Margaret Whitlam Pavillion
29 January 2019	Commencement of the 2019 Legal Year	ACT Supreme Court
14 May 2019	Annual Blackburn Lecture: Karen Fryar AM	Pilgrim House
14 May 2019	Justice in PNG: An evening with The Hon Terence Higgins AO QC	ACT Law Society
15 May 2019	Legal professional privilege: To be or not to be	King Wood & Mallesons
15 May 2019	Here, There and Everywhere: Human rights developments locally and nationally	Legal Aid ACT
16 May 2019	Deserving of Rights: Legal personhood and animal law	ACT Law Society

Sporting events

DATE	EVENT	VENUE
26 July 2018	Winter Netball Competition	ACT Netball Centre
26 October 2018	Touch Football Afternoon	Willows Oval, ANU
10 May 2019	Law Week Soccer Afternoon	Willows Oval, ANU



OPERATIONS

Submissions

Thanks to the many experts assembled on our committees, the Society is able to look in detail at proposed legislation and its impact, not only on legal practice in the ACT, but on the community's access to justice, and the fairness and efficiency of the administration of justice.

We maintain a strong relationship with the ACT Government's Justice and Community Safety directorate, which gives us the opportunity to comment

on proposed legislation. We also respond to requests from other entities, including ACT Legislative Assembly Committees, and the Shadow Attorney-General, for our comments on exposure drafts of proposed legislation.

The list below sets out some of the submissions made by the Law Society in the 2018-19 financial year. Consultation-in-confidence correspondence and submissions are not included.

DATE	SUBJECT OF SUBMISSION / CORRESPONDENCE	RECIPIENT
11 July 2018	Proposed amendments to the definition of tainted property – section 10, <i>Confiscation of Criminal Assets Act 2003</i> (ACT)	Deputy Director-General, Justice and Community Safety Directorate
13 July 2018	<i>Family Law Amendment (Family Violence and Cross-Examination of Parties) Bill 2018</i>	Legal and Constitutional Affairs Committee of the Senate
18 July 2018	Comments in relation to consultation paper – Developing the National Plan on Elder Abuse	Justice and Community Safety Directorate
31 July 2018	Submission – Veterans' Advocacy and Support Services Scoping Study	Department of Veterans' Affairs
30 August 2018	Options Paper: Reform options to facilitate greater admissibility of tendency and coincidence evidence in criminal proceedings	Justice and Community Safety Directorate
5 September 2018	Inquiry into the establishment of an integrity commission for the ACT	Select Committee on an Independent Integrity Commission
11 September 2018	Elder Abuse and the <i>Powers of Attorney Act 2006</i> (ACT)	Attorney-General
11 September 2018	Amendments to public notices to distribute a deceased estate, Part 3A <i>Administration and Probate Act 1929</i> (ACT) and <i>Family Provision Act 1969</i> (ACT)	Attorney-General
14 September 2018	Inquiry into the <i>Crimes (Consent) Amendment Bill 2018</i> (ACT)	Select Committee on Justice and Community Safety
15 October 2018	<i>Land Titles Act 1925</i> (ACT)	Peg Consulting Pty Ltd
19 October 2018	Review of the Lease Variation Charge	ACT Government
19 October 2018	<i>Motor Accident Injuries Bill 2018</i> – Inquiry	Standing Committee on Justice and Community Safety
9 November 2018	Criminal justice reform (child sexual abuse reform options)	Justice and Community Safety Directorate
31 January 2019	<i>Drugs of Dependence (Personal Cannabis Use) Amendment Bill 2018</i> (ACT)	Jeremy Hanson MLA
20 February 2019	Delays in processing Centrelink clearances	Minister for Human Services and Digital Transformation
20 March 2019	Inquiry into the <i>Drugs of Dependence (Personal Cannabis Use) Amendment Bill 2018</i>	Standing Committee on Health, Ageing and Community Services
29 March 2019	Law Society concerns – <i>Motor Accident Injuries Bill 2019</i>	Caroline Le Couteur MLA
10 May 2019	Comment – <i>Justice and Community Safety Legislation Amendment Bill 2019</i>	Attorney-General
11 June 2019	Proposed amendments to Part 2 and Part 4 of the <i>Bail Act 1992</i> (ACT)	Attorney-General, and Minister for Corrections

Continuing Professional Development

The Society aims to provide relevant, timely and high quality CPD to assist practitioners to fulfil their CPD obligations productively and efficiently. During the 2018-19 financial year, the Society offered the following CPD events.

CPD TYPE	EVENTS	ATTENDEES
Seminar (1-2 hours)	27	644
Workshop (3+ hours)	5	108
Themed afternoon	8	425
Full day conference	2	85
Two-day Intensive	1	109
Multi-day workshop	2	47
Total	45	1418

The Society welcomes member feedback on the program and is always interested to receive suggestions for future topics and speakers. We acknowledge the contribution our committees make to shaping the CPD program.

Speakers

In addition to interstate and international speakers, our CPD program relies heavily on the voluntary contributions of local practitioners with expertise in particular areas of law. The Society greatly appreciates the time and effort our speakers devote to the preparation and presentation of seminars. We thank everyone who contributed to our program during 2018-19.

People who presented, or were part of a panel, in 2018-19 were:

- / Sarah Avery (ACT Law Society)
- / Bill Baker (Baker Deane & Nutt Lawyers)
- / Allison Ballard (Mallee Family Care)
- / Michael Bannon (Nexia Canberra)
- / Jonathan Beaumont (Gillian Beaumont Legal)
- / Veena Bedekar (Proximity)
- / Tanya Berlis (KJB Law)
- / Prue Bindon (Key Chambers)
- / Peter Bowers (Department of Defence)

List of CPD events run in 2018-19

DATE	PRESENTATION TITLE
5 July 2018	Public Interest Disclosure Schemes
25 July 2018	Social media and employment
26 July 2018	How the criminal law works in cases of family violence and sexual offences
1 August 2018	Issues around the Harman Undertaking Principle (<i>joint Law Society/Bar Association event</i>)
8 August 2018	The role and jurisdiction of the Anti-Dumping Commission
9 August 2018	Criminal law and advocacy for women lawyers
16 August 2018	Professor Don Rothwell: The Timor Sea Treaty
30 August 2018	Better Business Series: Priorities, productivity and personal effectiveness
6 September 2018	Young Lawyers Committee presents Ben Nash: Financial advice for young lawyers
13 September 2018	RUOK Day seminar: A conversation could change a life
18 September 2018	The Personal Property Securities Act: Now we are six – a stocktake of issues
21 September 2018	Fifth ACT Wills and Estates Conference
25 September 2018	ACCC seminar series: Unfair contracts
26 September 2018	Young Lawyers advocacy workshop
2 October 2018	Dixon Advisory women's wealth series: Foundations of wealth
4 October 2018	Mental Health Week Seminar: Survival guide for legal practice managers
18 October 2018	Ethical issues and dilemmas for family lawyers (<i>joint Law Society/Bar Association event</i>)
25 October 2018	Electronic filing in ACT courts
31 October 2018	It's not (just) my fault: Proportionate liability provisions in the ACT and the Commonwealth
8 November 2018	Dixon Advisory women's wealth series: Investing in your Future

DATE	PRESENTATION TITLE
20 November 2018	Spring Government Lawyers Afternoon
November 2018	Practice Management Course Spring 2018
27 November 2018	Trust Accounting: ACT external examiners course
28 November 2018	Sexual harassment and unlawful discrimination Post-#MeToo
30 November 2018	New Lawyers Workshop
4 December 2018	Civil Litigation Committee: ACAT presentation
24 January 2019	Better Business Series: Trust Accounting
5 February 2019	Dixon Advisory women's wealth series: Super strategies
13-14 February 2019	The 2019 Two-Day Intensive Series
28 February 2019	Industrial Relations Committee: Managing disability in the workplace
5 March 2019	GreaterGood: Helping your clients achieve their philanthropic goals
13 March 2019	Government Law Afternoon
13 March 2019	Young Lawyers Afternoon
21 March 2019	Don Watson: Plain English and weasel words
28 March 2019	Property Law Afternoon
March - April 2019	Practice Management Course Autumn 2019
18 April 2019	Foreign Investment Review Board seminar
23 April 2019	Dixon Advisory women's wealth series: Investment strategies
8 May 2019	Getting started: All you wanted to know about being a Law Society Councillor
9 May 2019	Preventing, mitigating and managing vicarious trauma
14 May 2019	Law Week 2019: Karen Fryar AM presents the Annual Blackburn Lecture
15 May 2019	Law Week 2019: Legal Professional Privilege – To be or not to be?
15 May 2019	Law Week 2019: Human rights developments locally and nationally
16 May 2019	Law Week 2019: Deserving of rights – Legal personhood and animal law
5 June 2019	Megan Hunter: Managing 'unmanageable' high-conflict family cases
5 June 2019	Megan Hunter: Mediating high-conflict disputes
13 June 2019	Jeffrey Goldberger Contract Law Masterclass: A year in review
20 June 2019	Industrial Relations Committee: Employment out of hours conduct

Speakers (cont.)

- / Emma Bragg (Tetlow Law)
- / Matthew Burgess (View Legal)
- / Peter Cain (ACT Government)
- / Elizabeth Carroll (IP Australia)
- / John Chamberlain (Lexmerca Lawyers)
- / Farzana Choudhury (Canberra Community Law)
- / Peter Christensen (ANU College of Law)
- / Robert Clynes (Blackburn Chambers)
- / Linda Crebbin (former president of the ACT Civil and Administrative Tribunal)
- / Josie Dempster (Key Chambers)
- / Susan Donnelly (Australian Securities and Investments Commission)
- / Chris Donohue (ACT Law Society)
- / Kirsty Easdale (Minter Ellison)
- / Caron Egle (Sage Thinking)
- / Anneka Ferguson (ANU School of Legal Practice)
- / Martin Fisk (Menslink)
- / Jenny Francis (Department of Health)
- / Jeffrey Goldberger (Norton Rose Fulbright)
- / Marcus Hassall (Blackburn Chambers)
- / Walter Hawkins (Maurice Blackburn Lawyers)
- / Scott Hay-Bartlem (Cooper Grace Ward)
- / Gavin Howard (Blackburn Chambers)
- / Liz Huang Hughes-Brown (Welcome Legal)
- / Noel Hucker (Legalsuper)
- / Cristina Huesch (Alliance Legal Services)
- / Megan Hunter (High Conflict Institute)

- / Rachael Hyde (Aulich Civil Law)
- / Stephen Johnson (Australian Securities and Investments Commission)
- / Billy Kang (Nexia Canberra)
- / Harry Kay (Myer Vandenberg Lawyers)
- / Andrea Kelly (Reconciliation Australia)
- / Madison Kennedy (Dixon Advisory)
- / Paul Livingstone (Frederick Jordan Chambers)
- / Deborah Lockhart (Australian Disputes Centre)
- / Deborah Mackenzie (Mackenzie Workplace Law)
- / Claudia MacLean (Women's Legal Centre)
- / Arthur Marusevich (Commonwealth Superannuation Corporation)
- / Stephen Mason (King & Wood Mallesons)
- / David McDowell (Office of the Registrar General)
- / Jenny McMillan (Lawcover)
- / Associate Justice Verity McWilliam (ACT Supreme Court)
- / Rebecca Michalak (PsychSafe Consulting)
- / Jasmine Millar (Australian Federal Police)
- / Belinda Miller (Clayton Utz)
- / Chris Miller (Vantage Strata Management)
- / Carmen Miragaya (Office of the Commonwealth Ombudsman)
- / Leesa Morris (Forensic Psychology Canberra)
- / Tim Morton (Farrar Gesini Dunn)
- / Justin Moses (Lexcovo)
- / Shelley Mulherin (McInnes Wilson Lawyers)
- / Moira Murray (Australian National University)
- / Tim Pearse (Land Titles Office, Access Canberra)
- / Adam Peppinck (Mills Oakley)
- / Nigel Phair (University of NSW)
- / Clarissa Rayward (Happy Lawyer Happy Life)
- / Rob Reis (ACT Law Society)
- / George Rennie (University of Melbourne)
- / Nathan Richards (TIMG)
- / Erin Riley (Sage Thinking)

- / Jamie Ronald (Burley Griffin Chambers)
- / Sharon Rowe (Sparke Helmore Lawyers)
- / Sandra Salcedo (Land Titles Office)
- / Chris Scarvell (IBM)
- / Ragnhild Sky (Legalsuper)
- / Kristy Soper (ACT Civil and Administrative Tribunal)
- / Paul Studdert (Studdert Mediations)
- / Kim Sutton (Gold Coast Hospital Foundations)
- / Louise Taylor (Magistrate of the Australian Capital Territory)
- / Ron Travers (Travers & Co)
- / Tiru Vallal (Vallal Legal)
- / Rodney Walsh (Office of the Commonwealth Ombudsman)
- / Don Watson
- / Alexandra Wedutenko (Clayton Utz)
- / Peter Waight (ACT Law Society Property Law Committee)
- / John Wilson (Bradley Allen Love)
- / Matthew Wilson (Penten)
- / Kai Zhang (Maxwell & Co Barristers and Solicitors)

CPD Program sponsor

We also take this opportunity to thank our sponsor, legalsuper, for its ongoing support of our CPD program. Without this support, we would not be able to offer quality CPD at such affordable rates.

CPD Program Sponsor
legalsuper



Practice Management Committee report

The ACT Law Society is now conducting three Practice Management Courses (increased from two due to the demand). In the past year there were a total of 62 participants. The committee have changed the format of the courses to include two panel sessions which, in addition to the sessions, have received very positive feedback from participants.

In addition, the committee has run risk management and trust accounting seminars for solicitors and support staff.

Presenters

- / Michael Bannon, Nexia Canberra
- / Jonathon Beaumont, Beaumont Legal
- / Billy Kang, Nexia Australia
- / Geoff Campbell, Nexia Canberra
- / Lea McLean, ACT Law Society
- / Rob Reis, ACT Law Society
- / John Wilson, Bradley Allen Love
- / Ron Travers, Travers & Co
- / Kim Chapman, Legalcost
- / Kevin Robinson, Robinson & McGuinnes Family Law
- / Vince Sharma, Mills Oakley
- / Alisa Taylor, Meyer Vandenberg Lawyers
- / Duncan Harrington, Canberra Costing Consultants
- / Jayne Reece, Acting Registrar and Deputy Coroner, ACT Magistrates Court
- / Katie Binstock, McInnes Wilson Lawyers
- / John Solomon, Moray & Agnew
- / Julie Dobinson, DDCS Lawyers
- / Michael James, Trinity Law

I thank all the course presenters and panellists who again delivered excellent papers, and members of the committee for their invaluable contribution.

—Bill Baker, Chair

Committee members

- / Bill Baker (Chair)
- / Graeme Blank
- / Phillip Davey
- / Robert Reis
- / Carissa Webster

Professional Conduct

The Law Society has a statutory obligation to maintain and improve the professional standards of the legal profession and to protect the public from inadequate advice and representation. These obligations are fulfilled in various ways — through education, investigation, intervention and support.

The Law Society investigates complaints against solicitors, unqualified practitioners, and associates of legal practices.

The Law Society ensures solicitors are ‘fit and proper’ persons for legal practice and undertakes litigation for complaints referred to the ACT Civil and Administrative Tribunal and the Courts.

Complaints are handled through the Law Society’s Professional Conduct Committee.

In addition to the handling of formal complaints, our Professional Standards Manager, Robert Reis, and Professional Standards Committee Secretary, Linda Mackay, dealt with numerous telephone and email enquiries from potential complainants. Not all enquiries escalate into formal complaints. At the time of an enquiry, where appropriate, opportunities to resolve issues are canvassed.

If an investigation commences, the committee will ultimately consider all the material provided by the parties and assess whether the complaint should be dismissed pursuant to section 399 of the *Legal Profession Act 2006*.

Complaints which the committee concludes are unable to be dismissed under section 399, are referred to the Council of the Law Society. The Council has the discretion to dismiss under section 412, summarily conclude the matter under section 413 or prosecute the complaint. Prosecution of complaints under section 419 of the *Legal Profession Act 2006* are referred to the ACT Civil and Administrative Tribunal (ACAT).

Professional Conduct Committee report

Three long-standing members, Michael Deasey, Ken Hubert, and Gillian Yeend resigned from the committee during the reporting year. On behalf of the committee, I express my gratitude to them for their collectively, incalculable voluntary hours of dedication to the important work of the committee.

In their place, the committee welcomed the former President of ACAT, Linda Crebbin, and senior family law practitioners, Sally McGuinness and Linda McGregor.

The committee dealt with 109 formal complaints this year, 17 more than last year.

The following analysis shows the type of conduct raised in complaints, and the major areas of law and concern. This year has seen a large increase in complaints involving family law matters (including four complaints about independent childrens' lawyers). Property and civil litigation complaints have also increased. Estate and migration matters have decreased, with other areas remaining steady.

CONDUCT RAISED IN COMPLAINT	QTY
Costs	9
Communication and services (failure to carry out instructions, acting without instructions, bullying, delay, discourtesy, lack of competence and diligence, lack of communication)	44
Trust account matters	4
Personal conduct (negligence, misleading behaviour, conflict of interest)	39
Non-compliance	49
Other (general conduct)	9

AREA OF LAW / CONCERN	QTY
Family Law	37
Property	22
Civil Litigation	22
Criminal Law	2
Compensation (Personal Injuries/Medical Negligence/Worker's Compensation)	13
Estate matters	8
Employment	2
Migration	1
Other	7

During the reporting period, 51 complaints were dismissed pursuant to section 399 without requiring an investigation (compared to 34 from the last period), 19 were dismissed pursuant to section 399 following an investigation, and seven were dismissed pursuant to section 412 following the completion of an investigation.

Four complaints were withdrawn following the cooperation of practitioners to redress complainants' concerns. Seven matters were summarily concluded pursuant to section 413. Two of these matters were appealed by the solicitor — ACAT upheld the Society's decision in one with a decision pending in the other.

Council resolved to refer five matters to the ACAT during the reporting year. Of these, ACAT made two findings of professional misconduct and fined the

practitioners \$10,000 and \$12,000 respectively. The other matters have not concluded as yet.

Two matters referred to ACAT in the previous reporting period resulted in findings of professional misconduct; one practitioner incurred a \$12,000 fine and in the other, ACAT recommended the removal of the practitioner's name from the Supreme Court roll. In one long standing matter, the Supreme Court removed the practitioner's name from the roll.

The Professional Standards Committee is well-placed to identify areas of practice experiencing an escalation in complaints received about specific types of conduct over a given period. For the assistance of members' professional development, information of this nature usefully informs the Law Society's CPD program and is an important factor in shaping that ongoing program. Articles about these developments are also written by the Professional Standards Manager in *Ethos*. Members are encouraged to read these articles, which regularly highlight how practitioners can greatly reduce the likelihood of receiving a formal complaint.

My gratitude is extended to Robert Reis and Linda Mackay and all members of the committee for their hard work and dedication over the past year.

—Ross Reid, Chair

Committee members

- / Ross Reid (Chair)
- / Allan Bedford
- / Sarah Boxall
- / Mary Burgess
- / Amy Burr
- / Sally Campbell
- / Linda Crebbin
- / Michael Deasey (until December 2018)
- / Julie Dobinson
- / Maurice Falcetta
- / Bridie Harders
- / Vivien Holmes
- / Gavin Howard
- / Ken Hubert (until October 2018)
- / Sally McGuinness
- / Linda McGregor
- / Ann Northcote
- / Scott Pearsall
- / Darryl Perkins
- / John Solomon
- / Alisa Taylor
- / Mark Tigwell
- / Gillian Yeend (until August 2018)

COMMITTEES

Alternative Dispute Resolution

In 2018, the then President of the ACT Law Society, Sarah Avery, invited me to set up a committee about Alternative Dispute Resolution (ADR). The Society sought expressions of interest and we subsequently launched the committee in late 2018 with thirteen founding members.

The initial meeting was in October 2018. We have been meeting monthly ever since. The committee members organised ourselves into sub-committees each with specific areas of responsibilities.

In order to have a framework for the committee to hold its initial discussions, I wrote down my thoughts about what the ADR Committee should be all about and distributed these notes among the members before our inaugural meeting. At the first meeting we came to conclusions about our reason to be and our role to advise the Council about possible projects which we wish to undertake. In the process, there was some agreement and some disagreement but, ultimately, we agreed on a course of action.

ADR is wide ranging and involves more than, say, simply 'mediation'. It includes, for example, different forms of mediation plus other forms of ADR including:

- / Mediation, including facilitative mediation, evaluative mediation, transformative mediation, mediation where parties' lawyers also participate, mediation where parties' lawyers do not participate, mediation where the mediator may or may not be a lawyer, and mediation where the mediator may be a psychologist/counsellor.
- / Conciliation.
- / Collaborative law.
- / Arbitration.
- / Negotiations by parties themselves.
- / Negotiations between parties and lawyers but without a mediator ('four-way meetings').

The committee recognised various projects which we believe we should undertake. We agreed to develop each project to the point where we could report to the President and the Council with the committee's recommendations to implement these projects. We set ourselves up, among the members, into the following sub-committees.

- / **Creation of a panel of mediators and arbitrators** — will aim to put together a detailed list of practicing solicitors with those qualifications to feature on the Society's website and to be openly available to the public.
- / **Education of the profession about ADR** — will organise events for solicitors to inform the profession about ADR, and will liaise within and without the

Society about other events to assist to educate the profession about ADR.

- / **Community education** — will aim to educate the public at large about ADR, and about the role of solicitors in the ADR process.
- / **Liaison with courts** — the initial intention was for the committee to liaise with each of the courts in the ACT in order to develop a relationship with these institutions, inform them about the Society's Panel of Mediators and Arbitrators and to develop a line of communication between the ADR Committee and the Law Society with each of the courts. However, each court already has its own panel of mediators. Our intention is for the sub-committee to consider how to open a dialogue with the courts about expanding the existing Panel to include our solicitors, including mediators and arbitrators and to also include programs to teach litigants (in particular, self-litigants) about ADR.
- / **Law reform** — we consider that law reform may be a tool to introduce ADR as an integral component in lawyers' practices, for example, the sub-committee is considering whether Rule 7.2 of the *ACT Legal Profession (Solicitors) Conduct Rules 2015* should be amended.

Rule 7.2 reads: "A solicitor must inform the client or the instructing solicitor about the alternatives to fully contested adjudication of the case which are reasonably available to the client, unless the solicitor believes on reasonable grounds that the client already has such an understanding of those alternatives as to permit the client to make decisions about the client's best interests in relation to the matter."

This subcommittee will be considering whether the requirement on the lawyer under the Rule should be made more stringent, as is the case with family law practitioners who 'must' inform and provide written material to clients about family law disputes, about parenting plans, reconciliation and ADR services available.

- / **Mediation and collaborative law** — collaborative law is a distinct form of ADR where parties and their respective solicitors sign a contract where they agree that they will not litigate their family law dispute and will, instead, negotiate a settlement between them. The basis behind collaborative law is that, by removing the alternative to litigate, the parties will work together and co-operatively to resolve the matters in dispute between them. There is a group of solicitors who are organised between them and work together in matters where parties choose the collaborative law route. It is intended that the Panel of Mediators and Arbitrators will also include collaborative law practitioners.

/ Arbitration — the committee recognised that arbitration as an ADR tool is used less commonly than other forms of ADR such as mediation. In family law, for example, arbitration is virtually nonexistent in the ACT. Arbitration could become a very useful and flexible form of ADR. Litigants would be able to engage an arbitrator to act as a judge in a fully contested dispute, to rule on specific, contained issues, or perhaps to make a decision ‘on the papers’ rather than hear oral evidence and subject witnesses to cross examination.

/ Liaison with private industry — the committee is of the view that it will be important to liaise with private industry with regard to commercial, employment, and other disputes, and the role which the Society’s Panel could have in assisting to address those disputes.

/ Pro bono services — the committee recognises that the process of educating the community about ADR and solicitors’ role within ADR would be a good public relations exercise for solicitors and the profession generally. Peter Cain, one of the committee members, is particularly interested in setting out a service on a pro bono basis to offer to the public whereby mediators would be engaged for free to assist to resolve certain disputes. The committee believes that the proposed pro bono service would represent an excellent service as well as an excellent public relations exercise with the community. Peter has put together a specific proposal for the Society to provide this service which will be presented to the Council in due course to seek approval for its implementation.

/ Liaise with other committees — the committee members recognised that many of the projects being developed by the sub-committees may overlap with the work of other committees and other activities of the Society, for example, the Legal Profession

Act & Ethics Committee, the Professional Standards Committee, the Family Law Committee and the Pro Bono Clearing House. We decided that we would ensure that we would liaise with these other committees and with the organisers of the Pro Bono Clearing House to ensure that we work co-operatively with each other.

/ Launch event — the committee decided to hold a formal launch, which is now scheduled to take place at University House, ANU, on 21 November 2019. The profession at large will be invited to the launch, as well as Judges and Magistrates from the different courts in the ACT. The President of the Law Society has offered to speak during the launch and representatives from each court will also be requested to speak with regard to ADR topics. The committee will take the opportunity at the launch to describe the various projects it is developing.

—Carlos Turini, Chair

Committee Members

- / Carlos Turini (Chair)**
- / Anya Aidman**
- / Kyle August**
- / Rahul Bedi**
- / Peter Cain**
- / Anca Costin**
- / Kenneth Hubert**
- / Ben Mason**
- / Claire Naidu**
- / Natalija Nikolic**
- / Debra Parker**
- / Robert Routh**
- / Philippa Spence**

Guests at the Fifth ACT Wills and Estates Conference, held in September 2018 at the Boat House by the Lake.



Civil Litigation

During the past 12 months, there has been change in the membership of the committee, with a number of new members joining and some resignations. Overall, there continues to be a mix of law firms represented with some personal injury lawyers and other commercial lawyers. The committee includes the Registrars of the Supreme and Magistrates Courts, as well as senior representatives of ACAT.

One of the major issues under consideration in the past 12 months has continued to be the CTP scheme in the ACT. The committee has a number of representatives on the Law Society Working Group and there has been a significant contribution made in terms of lobbying and preparation of submissions. Unfortunately, as is well-known, the ACT government has passed the new Motor Accident Injuries Bill and despite the best efforts of all of the lawyers involved, there was very little change to the original model and the committee remains concerned about the outcome and the loss of rights for injured people in motor vehicle accidents.

It is intended to hold a CPD session about the new scheme as soon as the final guidelines and regulations are available.

There has been an ongoing concern about delays with the Australian Federal Police in providing reports and documents and a further meeting with the head of the legal section of the AFP has been planned.

A further problem has arisen in terms of the processing of Centrelink clearances in personal injury settlements. The Society forwarded a letter to the relevant Minister without success and is now attempting to engage the Law Council of Australia to assist as the delays seem to be getting longer.

I have continued to represent the Law Society on the Joint Rules Advisory Committee on a monthly basis. The Joint Rules Advisory Committee is overseeing the introduction of electronic file management and that is still progressing. Another major issue has been a review of the cost structure under the Court Procedures Rules and it is anticipated that there will be further work done on that issue in the next 12 months.

Once again, I have been fortunate to have strong support from Committee members over the past 12 months and I thank them for their input and assistance.

—Richard Faulks, Chair

Committee Members

- / Richard Faulks (Chair)
- / Charlene Barriga (from Feb 2019)
- / Belinda Barry*
- / Alyssa Dunn
- / Richard Garnett*
- / Walter Hawkins
- / John Henry
- / Benjamin Jullienne (From Sept 2018)
- / Sarah McJannett*
- / John McPherson (to June 2019)
- / Karl Pattenden (Bar)
- / Jayne Reece*
- / Kristy Soper*
- / Philippa Spence*
- / Elissa Steele*
- / Ellen Teys
- / James Treloar
- / Nikolas Willing

* Attend on a rotational basis

Guests and speakers at the Winter 2018 Government Law Drinks, hosted by the University of Canberra and The College of Law.



Elder Law & Succession Law

The areas of elder law and succession law continue to receive attention from policy makers and the public, largely stemming from the Australian Law Reform Commission's report into elder abuse, which was released in 2017, and general increased awareness.

Law Reform

As a result, the committee set an ambitious agenda for 2018-19 and contributed to a number of substantial law reform projects including:

- / Submissions to the ACT Attorney-General in relation to Enduring Powers of Attorney in the ACT and bringing them into line with the recommendations made in the ALRC Elder Abuse report.
- / Submissions to the ACT Attorney-General in relation to uncontroversial provisions of the Administration & Probate Act in relation to notices of intended distribution and parentage searches.
- / Submissions to the ACT Attorney-General in relation to the powers of ACAT in relation to attorneys breaching their obligations.
- / Working group for the review of the Retirement Villages Act.
- / Forum on Supported Decision Making.

Community engagement

The committee continues to welcome opportunities to engage with and provide education to members of the general public on matters related to elder law and succession law. Once again, the Law Society hosted a stall at the Seniors Expo in March 2019, which was staffed by volunteer practitioners throughout the day. Members of the committee have also provided information sessions other community groups on an ad hoc basis when a request is received.

Continuing Professional Development

The committee recognises that elder law and succession law is an area of practice that requires a high degree of professional expertise and we seek to provide opportunities to local practitioners to enhance their technical knowledge and practical skills. A highlight of the CPD calendar continues to be the annual ACT Wills & Estates Conference held in September each year. In 2018, the conference was close to a sell out and attendees enjoyed an engaging and informative day, with a combination of local and interstate speakers, including Her Honour Associate Judge Verity McWilliam of the ACT Supreme Court. The 2019 Conference promises to be another fantastic experience.

I am grateful for the continued enthusiasm, dedication and expertise of the committee members, who have

worked tirelessly to promote the Law Society and the profession in the areas of elder law and succession law.

I also express my particular gratitude to Emma Bragg for her efforts and leadership as Acting Chair from March to September 2018.

—Rebecca Tetlow, Chair

Committee Members

- / Rebecca Tetlow (Chair, on maternity leave to August 2018)
- / Emma Bragg (Acting Chair to August 2018)
- / Erin Bedford (to December 2018)
- / Jennifer Bauer* (JACS) (to May 2019)
- / Katie Binstock
- / Glenda Bloomfield
- / Gregory Burn (Public Trustee and Guardian) (from January 2019)
- / Kevin Campbell* (JACS) (to November 2018)
- / Christie Gardiner (to December 2018)
- / Stephen Kellett (Public Trustee and Guardian) (to January 2019)
- / Grant Kennealy
- / Hamish Kerr* (Department of Health) (to July 2018)
- / Jady Kwong* (Department of Health) (from July 2018)
- / Mabel Lim
- / Tim Morton
- / Golnar Nekoe (to December 2018)
- / Peter Prince* (Department of Health)
- / Elizabeth Samra
- / Kate Smyth* (JACS) (from May 2019)
- / Beng Chang Tan* (JACS) (from September 2018)
- / Fergus Thomson (Council on the Ageing ACT)

* Shared membership

Family Violence & Children's

The committee held its first meeting on 21 September 2018 with eight members. Since then we have met regularly and now have ten members.

The initial impetus for the formation of this committee was the lack of a centralised data base which the profession could source in cases of urgent need for those clients who were victims of family violence.

In addition, the impact of family violence on children and the conduct of those cases through the Children's Court was becoming increasingly problematic for practitioners. It was clear that information sharing was a necessity for the profession and would be achievable with the committee being the central data collection point. We have been determining the best way to make the relevant information immediately available and will

be working with the Society to house the data on the Society's website.

We will be inviting guests with significant roles in these areas of concern to our meetings so that they will be able to assist us with direction and will also take away the knowledge that the profession does care about their client's welfare and would like to collaborate in information sharing.

That particular project has been on hold while the committee responded to requests for submissions on response to the Review of Child Protection Decisions in the ACT discussion paper. That was quite a large project and in researching our response we were able to identify the lack of a formal process or procedure for the internal review mechanism, referred to as a current mechanism in the discussion paper. We submitted a thorough submission.

We are grateful for the support of the President in encouraging our efforts to follow up and address the lack of that process, in circumstances where it was clearly assumed to have existed in the drafting of the discussion paper. Those efforts are ongoing.

Now that we are established we will be informing the profession, at least quarterly, of information which we believe may be helpful for practice in these areas.

We will also be requesting information and feedback about issues in these areas of practice which the profession would like to have addressed by the committee. Hopefully we can see some change come about, at the very least by way of information exchange.

—Lessli Anne Strong, Chair

Committee Members

- / Lessli Strong (Chair)
- / Louisa Bartlett
- / Adrian Curtis (from May 2019)
- / Courtney Donohue (from May 2019)
- / Rosa Grahame
- / Rebecca Jaques
- / Angela Lauman
- / Elizabeth Reardon
- / Margie Rowe
- / Gemma Sutherland

Government Law

The Government Law Committee has a focus on government lawyers and private practitioners involved with government law, both Commonwealth and ACT. The committee is comprised of lawyers from the Commonwealth, the ACT, and private practice.

During 2018-19 the committee has met seven times, and members have contributed to the presentation of two CPD afternoons, four evening drinks functions, and to the Society's consideration of a number of issues concerning government law.

The committee held CPD afternoons covering all four CPD areas on 20 November 2018 and 13 March 2018, both at The Boathouse. As in previous years these were well attended, with valuable feedback provided on topics and speakers for subsequent afternoons. The committee continued its practice of seeking to provide a variety of topics from local and interstate presenters, with a mixture of government and private practitioners and members of the Bar.

At each of the committee's drinks functions an invited guest or guests spoke about the relevance of their work to the government law arena. I especially appreciated the generous offer from firms and government agencies to host these networking events and (again) had more offers for hosting than were required. The guests and host venues were:

- / 30 August 2018 — Mel Metz and Brooke Hartigan from DSS, hosted jointly by the College of Law and the Faculty of Business, Government and Law, University of Canberra.
- / 8 November 2018 — ACT Attorney-General, Gordan Ramsay MLA, hosted by HWL Ebsworth.
- / 21 February 2019 — Alice Linacre (Dept Agriculture and Water Resources), Adrian D'Amico (Dept of Defence), and Lisa Keeling (Dept of Home Affairs), hosted by Proximity and chaired by their Advisory Board Member, Kerrie-Anne Luscombe.
- / 3 May 2018 — Louise Aubin, UN High Commission for Refugees, hosted by King Wood Mallesons.

The committee, on behalf of the Society, continues to administer the Government Law Award, which recognises the outstanding contributions by a practitioner working for or with government. It is hoped that this award will continue to raise the awareness of the substantial contribution that government law practitioners make to the legal profession and to the community.

The committee continues to facilitate the approval by Council of practising certificates with respect to the Pilot Reciprocal Secondment Program. This program, an initiative of the Office of Legal Services Coordination, Attorney-General's Department (Cwlth), allows government lawyers and private practice lawyers to participate in short term reciprocal secondments. The program is a wonderful development opportunity for participants to strengthen their current legal professional skills as well as build insights and gain new perspectives from other legal practice areas. The

committee receives regular updates about the soon to be established Australian Government Legal Service, as well as pro bono opportunities for government lawyers, specialised government lawyer training and the vital role that lawyers within government play.

I'd like to thank the committee members for their enthusiastic support for the committee's agenda and for providing input into Law Society submissions as requested. Special thanks must go to the Society's Jean-Marie Nshimirimana and Tanya Holt, following her return from leave, for supporting the committee with its administration.

—Peter Cain, Chair

Committee Members

- / Peter Cain (Chair)
- / Simon Blake
- / Peter Brooks
- / Genevieve Butler
- / Athena Cains
- / Elizabeth Carroll
- / Dominic Cookman
- / Paula Gonzalez (to 10 December 2018)
- / Vicki Hogarth (to 13 August 2018)
- / Brian Kildea
- / Holly Matley (from 21 February 2019)
- / Kathleen McCarron
- / Sanaz Mirzabegian
- / Guy O'Brien
- / Athol Opas
- / Rebekha Pattison
- / Adam Peppinck
- / Christine Plevy
- / Mark Smith
- / Mitchell Wright

Inclusion & Diversity

The Inclusion & Diversity Committee seeks to promote inclusion, diversity, and equal opportunity for all members of the ACT legal profession. In the past 12 months, the Committee has:

- / Engaged with other ACT Law Society Committees and other bodies to explore areas of mutual interest.
- / Convened an information session to assist interested members in deciding whether to nominate for positions on the ACT Law Society Council.
- / Proposed that the Law Society commission a voluntary survey of members to understand the diversity of the profession.
- / Encouraged members to celebrate Harmony Day.
- / Arranged for a committee member to participate in one of the Young Lawyers' Committee Autumn CPD sessions.
- / Identified resources relating to inclusion and diversity issues in the profession.
- / Considered submissions referred to it from the Law Council of Australia.
- / Considered questions referred to it by the President of the Law Society relating to the Uluru Statement from the Heart.
- / Sought to re-energise the RAP Working Group membership.

As at the date of this report, the committee is at an advanced stage with its proposed webpage (which we hope will include links to the identified resources) and is preparing to submit its first article for *Ethos*.

Looking forward, the committee hopes to build on the momentum gathered throughout this year.

Guests and speakers at the Spring 2018 Government Law Drinks, hosted by HWL Ebsworth Lawyers.



The committee is very appreciative of the support provided by Tanya Holt and Jean-Marie Nshimirana over the past year.

I thank the committee members (listed below) for their contributions over the past 12 months.

—Veena Bedeker, Chair

Committee Members

- / Veena Bedekar (Chair)
- / Jan Baker
- / Avinesh Chand
- / Farzana Choudhury
- / Dominic Cookman
- / Walter Hawkins
- / Liz Hughes-Brown (to September 2018)
- / Kahlia Jenkins
- / Sama Khan
- / Ranjini Nayager (to January 2019)
- / Kath Taplin (from November 2018)
- / Anna-Kate Visser
- / Sara Wedgwood (to January 2019)
- / Senzeni Zambezi

International Lawyers

I assumed the role of Chair of the International Lawyers Committee in April 2019, after being Acting Chair in March 2019 when Lynette Molloy resigned her position as Chair. I thank Lynette on behalf of the committee, for leading the committee with positive outlook during her tenure as its Chair. It is worth mentioning here that most of the items contained in this report were the outcome of her endeavours.

There have been some membership changes in 2018-2019. Three people ceased to be members, and three new people (one being for an alternative guest members Ravi Kewalram and Paul Schofield from the Department of Foreign Affairs and Trade) joined the committee. The committee is now comprised of 14 members, including alternative guest members from the Department of Foreign Affairs and Trade, and a representative from the Young Lawyers Committee.

The committee sponsored two continuing professional development seminars during the financial year:

- / A consultation workshop on “The MAC Protocol: Global impact and potential benefits for Australia” (on 29 August 2018), which was the Unification of Private Law (UNIDROIT) workshop on the Protocol to the Cape Town Convention on matters specific to Agricultural, Construction and Mining Equipment. The workshop, which was only one of two in Australia, was co-sponsored by the International Lawyers

Committee and the UNCITRAL (United Nations Commission on International Trade Law) National Coordination Committee for Australia (UNCCA).

- / A panel session on international service of documents (on 13 February 2019). This was part of the ACT Law Society’s February Intensive CPD event.

The committee continues to communicate and promote international law items of interest through the established LinkedIn group and *Hearsay*. This has included the listing of CPD events co-sponsored by the committee, articles for *Ethos* written by committee members, and the Fifth UNCITRAL annual seminar presented by UNCCA in May 2019, held at the University of Canberra. Membership of the committee’s LinkedIn page has doubled in the last 12 months, thanks to our campaign to increase visibility of the page for lawyers with an interest in international law in the ACT.

In February 2019, the committee supported the Jessup International Law Moot Competition at the Australian National University, with three committee members (namely, Suzanne Howarth, Mark Goyne, and Tiru Vallal) participating as judges. It is commendable that Suzanne Howarth also took part in the preliminary judging rounds of the International finals of the Jessup Competition and has been invited to take part in a number of the regional rounds of the Competition.

The following two articles written by committee members were published in the December 2018 issue of *Ethos*:

- / “International contracts and dispute resolution” (a report on the Fourth Annual UNCCA Seminar held on 26 May 2018), written by Suzanne Howarth and Tiruvarul Vallal.
- / “The MAC Protocol, benefits, costs and implementation” (a report on the first Australian national consultation on the MAC Protocol to the Cape Town Convention), written by Mudit Bhandari, Dr Dalma Demeter, Debra Parker, and Suzanne Howarth (the latter two are committee members).

Short presentations were made by members at the May meeting. President of the ACT Human Rights Commission, Dr Helen Watchirs OAM, spoke about recent human rights development across Australia (which was a summary of her CPD presentation for the Law Society on 15 May 2019), and Suzanne Howarth gave a brief overview of her observations at the Jessup Moot final in Washington, USA.

The committee is currently working on creating an international law resources page, to be included on the Society’s website, to assist members with international law research.

—Tiru Vallal, Chair

Committee Members

- / Tiru Vallal (Chair) (Chair from April 2019)
- / Lynette Molloy (Chair to April 2019)
- / Bechor Aharoni
- / Adrienne Davis (from February 2019)
- / Mark Goyne
- / Suzanne Howarth
- / Zoe Hutchinson (to February 2019)
- / Ilona Krolikowska
- / Briony Martin (to February 2019)
- / Debra Parker
- / Barbara Pearson
- / Jason Solderblom
- / Ravi Kewalram*
- / Dr Imogen Saunders*
- / Dr Benedict Sheehey*
- / Dr Helen Watchirs OAM*
- / Paul Schofield*

*guest members

Legal Profession Act & Ethics

The committee met formally on six occasions throughout the financial year, as ever to address a wide range of issues either referred to it by the Executive or brought to the committee for consideration directly by sectoral committees. The committee also dealt with a number of other matters out of session as the need arose.

Matters addressed ranged across questions regarding the admission of foreign qualified practitioners, to addressing the incidental consequences of client requirements in the course of contract formation, and issues of requirements for supervision of seconded staff in legal and non-legal placements.

There remains persistent questions of conflict of interest and, separately in addressing the point at which duties exist towards clients and 'other parties', to which considerable time was devoted, with much of the 'Legal Practice' issues carried over from the previous year. This should not indicate tardiness on the part of the committee, but the processes of working through issues of concern, from the perspectives of both the committee and of the practitioners, to explore resolutions to questions and concerns based on a common understanding obligations posed by the LPA. These matters tend to be the foundation of our CPD drive.

Of concern to many practitioners would be a matter dealing with the consequence of the intimidation of a practitioner by an opposing party, raising a question over the continuation of their representational role after having sought the court's protection from future intimidation; the issue being whether the duties of conflict or representation could cause a practitioner

to cease acting. The circumstances were such that the issue was not straightforward. Whilst the committee's role is not one to judge any given matter, rather to guide practitioners where appropriate to consider the range of matters for their own consideration, it was considered that weight in such circumstances must be given to the choice a client makes for their representation and their right to use their chosen representative, in the absence of any specific duty to the contrary or their overarching duty to the Court.

This year also saw the retirement of the committee's long-serving Chair, Michael Phelps, whose years at the helm of this committee come with sincere and hard earned gratitude. Michael leaves the committee with a considerable legacy in identifying professional standards as they should be practiced.

We welcome back Tanya Holt, the Society's Committee Secretary, and also thank her temporary successor, Jean-Marie Nshimirimana, for their combined support through the year.

Much thanks goes to the members of the committee the work, intellectual drive and good humour through the year.

—Mark Love, Chair

Committee Members

- / Mark Love (Chair)
- / Paul Armarego
- / Rahul Bedi
- / John Buxton
- / Jennifer Crawley (to June 2019)
- / Owen Harris
- / Athol Opas
- / Michael Phelps (to Dec 2018)
- / Anna Reynhout
- / Gerald Santucci
- / Di Simpson
- / Ross Watch

Military Law

The Military Law Committee continues to monitor and consider matters of relevance to military law, military service, and government and private practice in the ACT. Committee members include Australian Defence Force legal officers, both regular and reserve, private practitioners, academics, and government lawyers.

The committee is well placed to provide advice and comment to the President on military law issues. Such issues impact on Law Society members, the defence community, and the wider public.

Committee members participated in an information brief from the Department of Defence in relation to proposed changes to Part IIIAAA of the *Defence Act 1903*. The changes dealt with the Defence Force call out powers.

Through the President, the committee provided comment to the ACT Attorney-General and the Justice and Community Safety Directorate in relation to legislative matters in the military law area. Members of the committee had ongoing input into a veterans' advocacy and support services scoping study in support of the President's previous submissions to the study.

One member of the committee was an editor and contributor, and another was a contributor, to the recently released book *Military Law in Australia*.

As in previous years the potential implications of ACT law for both the *Defence Force Discipline Act 1982* and the *Defence Act 1903* are topics of ongoing interest. The issue of the Commonwealth Criminal Code and combatant immunity is a subject of ongoing consideration.

—James King, Chair

Committee Members

- / James King (Chair)
- / Genevieve Butler
- / Alexandra Collins (to January 2019)
- / David Letts
- / Jeremy Leyland (from February 2019)
- / Eva Logan
- / Don Malcolmson
- / Ben Mason
- / Andrew Paterson (from February 2019)
- / Matthew Punter (from February 2019)
- / Peter Sutherland
- / Michael Webster

Property Law

The Property Law Committee had an extremely busy 2018-19 year. We continue to meet monthly, and have some sub-committees that meet in addition to the monthly meetings. Some items of note include:

GST residential withholding measures

The committee liaised extensively with the Australian Taxation Office following the 1 July 2018 introduction of changes to the collection of GST by the Australian Taxation Office in relation to the sale of certain new residential property and vacant land.

Land tax

The committee liaised extensively with the ACT Revenue Office following the 1 July 2018 introduction of changes to ACT land tax. This included several meetings with the ACT Revenue Office to discuss related issues and the publication of an information paper for members (for which particular thanks goes to Peter Waight).

Review of the Land Titles Act

The committee liaised extensively with the Directorate of Chief Minister, Treasury and Economic Development (CMTED) and their appointed consultants (Peg Consulting) in relation to the ACT Government's scoping study to identify current issues, options and proposed approaches for undertaking legislative reform of the Land Titles Act (including the possible introduction of eConveyancing in the ACT). This included meeting with PEG Consulting and providing a written submission on behalf of the ACT Law Society.

Review of the Lease Variation Charge

The committee liaised extensively with the Environment, Planning and Sustainable Development Directorate (EPSDD) in relation to the ACT Government's review of

Guests at the Young Lawyers Wine Tasting Day at Four Winds Vineyard in Murrumbateman. The event was proudly sponsored by TIMG.



the Lease Variation Charge. This included meeting with the Directorate and providing a written submission on behalf of the ACT Law Society.

Strata reform

The committee liaised with the EPSDD in relation to the ACT Government's enquiry into strata reform. Representatives of the committee participated in a series of stakeholder consultation meetings and provided a written submission on behalf of the Law Society.

Enquiry into commercial rates

The committee liaised with the CMTED in relation to the ACT Government's enquiry into commercial rates. This included providing a written submission on behalf of the ACT Law Society.

Enquiry into building quality

The committee liaised (and continues to liaise) with the CMTED in relation to the ACT Government's inquiry into building quality in the ACT.

Contract for Sale

The committee is in the process of redrafting the standard Contract for Sale (including to address further legislative changes in relation to GST, land tax, and possibly strata). The committee also continues to liaise with the Chief Executive Officer in relation to the development of an electronic version of the standard Contract for Sale, which is expected to become available during the 2019-20 year.

Retirement villages reform

The committee liaised with the Elder Law Committee in relation to the property-related aspects of legislative changes regarding retirement villages.

Red tape reform

The committee continued to lobby the ACT Government for a range of reforms intended to reduce the red tape associated with property dealings.

Continuing Professional Development

The committee ran a Property Law Afternoon CPD on 28 March 2019, which was extremely well attended.

Hearsay

The committee published *Hearsay* articles on changes to legislation, case law, and ACT and Commonwealth Government policy.

Q&A

The committee regularly answered questions from members regarding property law matters.

I sincerely thank the members of the committee, who continue to give generously of their time and expertise. Their hard work and efforts continue to provide an enormous benefit to all members of the profession,

to the property industry, and, as a result, to the wider community.

—Adam Peppinck, Chair

Committee Members

- / Adam Peppinck (Chair)
- / Ed Campbell (from March 2019)
- / John Chamberlain
- / David Claxton
- / Peter Dascarolis (from July 2018)
- / Alfonso del Rio
- / Geoff Hay
- / Mussa Hijazi
- / Michael James
- / Roberta McRae
- / Rhys Mitchell (YL Rep) (from Feb 2019)
- / Shelley Mulherin (from Sept 2018)
- / Christine Murray
- / Pria O'Sullivan (from July 2018)
- / Georgina Phelps (from March 2019)
- / Helen Rodriguez
- / Peter Waight
- / Chris Wheeler
- / Fred Arugay (Access Canberra)
- / Kate Smyth (JACS)
- / Brett Phillips (EPSDD)

Young Lawyers

The Young Lawyers Committee currently has 20 members. The committee meets once a month with a view to facilitating a positive and collegiate young lawyers' community through social events, CPD seminars, networking events, and a mentor program. It is fair to say that the committee enjoys a strong reputation in the legal community for being a very active and engaged committee. That reputation is down to the hard work of the committee members, who work to organise and publicise a strong, interesting and exciting calendar of events.

The committee is also very lucky to have a healthy budget at present, due to the success of our CPD program, the hard work of committee members in sourcing sponsorship and running cost-effective events, and the support of young lawyers in attending our events. The committee is putting these funds back into our members through discounted ticket prices and providing financial assistance to the winner of the ACT Golden Gavel to travel to Darwin. Following on from the theme of previous years, we anticipate being in a position to supplement the money raised for our chosen charity for 2019, Hands Across Canberra.

As usual, we had a very active calendar of events for the 2018-19 year, including (but not limited to) our CPD events, An Afternoon Rendezvous, Networking Drinks, the Young Professionals Ball, the Golden Gavel competition, the Law Week Quiz Night, our Mentor Program, Speed Networking, Spring Wine Tasting, and the Christmas Garden Party. We are also introducing a Yoga Afternoon by the High Court. Unfortunately we did not run the Ski CPD Weekend in 2019, as we did not garner sufficient interest. Alyssa Dunn, Rahul Bedi, and Sarah Wetton are coordinating Counsel to move the admissions of new lawyers, and organising Networking Drinks to celebrate the newly admitted lawyers and providing a regular and free networking event for all new and young lawyers.

The Mentor Program, coordinated by Emily Bowler and Laura Pierce, continues to grow. We now run two intakes per year, with about 40 mentors and mentees in each intake. We also held our end of mentor program cocktail function on 27 June 2019 at the Street Theatre, which was well attended. Peter Garrison AM, ACT Solicitor-General, graciously attended and gave an inspiring speech, which was equal parts wise advice and entertaining. This event has become a regular fixture on our calendar.

Our CPD program is also very successful, and is ably coordinated by Angela Li, Alyssa Dunn, Adrian Hearne, Andrew Giddings and Sinead de Sousa. We held our Young Lawyers Autumn CPD afternoon in March 2019, which focused on finding happiness in the law. This CPD included guest speaker Clarissa Rayward from the *Happy Lawyer Happy Life* podcast.

We are also working on a project to engage more closely with students undertaking the GDLP at ANU and College of Law at UC, which is being coordinated by Steven McMahon and Rhys Mitchell. The project involves preparing a brochure to provide to these students with information on the practicalities of admission, what the committee does, and directing them to job placement opportunities.

We are also continuing to increase the committee's presence on Facebook and LinkedIn. We regularly post about our upcoming events and other matters of interest to our members. Our online accounts are managed by Kahlia Jenkins, myself, Steven McMahon and Andrew Chakrabarty.

The Young Professionals Ball continues to be our flagship event, which in 2019 was organised by Rahul Bedi and myself. It was held at the National Gallery again, and was a fantastic night with about 250 guests attending. This event also continues to grow and attract young professionals from all different industries, creating a fantastic opportunity for young lawyers to grow their networks and have fun at the same time. Work is already underway for the 2020 Young Professionals Ball which

will be held at the National Arboretum on 18 April 2020, thanks to Sebastian Marquez.

Thanks must also go to our sponsors, TIMG (Networking Drinks and the Mentoring Events), Michael Page (Law Week Quiz Night), Hays (Speed Networking Event and the Christmas Function) and Vincents (Young Professionals Ball). We are very lucky that local companies are keen to engage with us and support us in what we do. Without their support, it would not be financially viable for us to deliver our fantastic events.

I would like to thank all members of the committee for their ongoing dedication and hard work to making the ACT a great place to be a young lawyer, as well as all the people who attend our events. I would also like to thank the ACT Law Society staff and the Council for their continual support which ensures we can facilitate amazing events and programs.

Young lawyers charity

Each year the committee chooses a local charity to support. Our 2018 charity was Orange Sky Laundry and we raised \$5,000 with the generous support of young lawyers and with an additional contribution by the Young Lawyers Committee. Our charity coordinator for 2019 is Adrienne Davis.

In 2019 we are supporting Hands Across Canberra. Hands Across Canberra was founded in 2010 and is Canberra's independent community foundation, working with more than 200 local community organisations.

In other charity activities, Kahlia Jenkins and her subcommittee (which included Natasha Del Piero, Andrew Giddings and Alyssa Dunn, as well as helpers on the night, Mitchell Wright and Rahul Bedi), organised the Quiz Night for Law Week, which raised donations for the Law Society's charity, Domestic Violence Crisis Service (DVCS) ACT. We will also be participating in the running of Mental Health Week, through organising the Touch Football Competition (coordinated by Rhys Mitchell, Natasha Del Piero and Monica Serci).

—Rebecca Wheeler, Chair

Committee Members

- / Rebecca Wheeler (Chair)
- / Kahlia Jenkins (Vice Chair)
- / Alyssa Dunn (Secretary)
- / Rahul Bedi (Treasurer)
- / Emily Bowler
- / Andrew Chakrabarty
- / Adrienne Davis
- / Natasha Del Piero
- / Sinead de Sousa

- / Andrew Giddings
- / Adrian Hearne
- / Angela Li
- / Sebastian Marquez
- / Steven McMahon
- / Rhys Mitchell
- / Laura Pierce
- / Kumu Samarakoon
- / Monica Serci
- / Sarah Wetton
- / Mitchell Wright

Committees listed elsewhere in this report

- / Functions & Law Week (found under *Our Members*)
- / Professional Standards (found under *Operations*)

Non-reporting committees

- / Access to Justice & Human Rights—Anya Aidman, Chair
- / Criminal Law—Michael Kukulies-Smith, Chair
- / Family Law—Andrea Evans, Chair
- / Industrial Relations—John Wilson, Chair

Guests at the Young Lawyers Afternoon Rendezvous celebrating the commencement of the new legal year at Capital Brewing Co in Fyshwick.



Speakers at the Summer 2019 Government Law Drinks, generously hosted by Proximity..





FINANCIAL STATEMENTS

AIR

GENERAL ACCOUNT

The Law Society of the ACT – General Account

Statement of Comprehensive Income

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue	2	2,911,892	2,848,286
Audit fees	12	(16,120)	(15,745)
Capitation fees		(258,789)	(249,275)
Committee and executive working lunches		(21,223)	(17,649)
Consultancy fees		(21,000)	(8,000)
CTP Fair Comp campaign		(25,000)	(20,000)
Depreciation expense	8	(67,156)	(73,212)
Employee benefits expense		(1,236,351)	(1,166,545)
Ethos magazine expenses		(36,161)	(33,319)
Functions		(115,336)	(122,704)
Insurances		(31,323)	(28,127)
IT maintenance and services		(64,007)	(61,046)
Membership services		(32,348)	(19,456)
Postage and couriers		(38,113)	(35,335)
President's allowance		(114,302)	(111,218)
Printing and stationery		(26,440)	(27,130)
Rent and related expenses		(203,216)	(205,638)
Seminars		(140,912)	(125,608)
Travel and accommodation		(8,964)	(6,509)
Other expenses		(130,810)	(107,080)
Profit for the year		324,321	414,690
Total comprehensive income		324,321	414,690

Statement of Financial Position

As at 30 June 2019

	Notes	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	4	2,096,283	2,932,622
Investments	5	2,700,000	1,450,000
Trade and other receivables	6	354,217	282,496
Inventory	7	452	42
Prepayments		58,705	60,672
Total current assets		5,209,657	4,725,832
Non-current assets			
Office furniture and equipment	8	392,593	419,050
Rental bond		54,287	54,287
Total non-current assets		446,880	473,337
Total assets		5,656,537	5,199,169
Current liabilities			
Trade and other payables	9	2,152,980	2,013,553
Provisions	10	234,169	217,713
Total current liabilities		2,387,149	2,231,266
Non-current liabilities			
Trade and other payables	9	372,945	406,832
Provisions	10	20,379	9,328
Total non-current liabilities		393,324	416,160
Total liabilities		2,780,473	2,647,426
Net assets		2,876,064	2,551,743
Equity			
Accumulated funds		2,876,064	2,551,743
Total equity		2,876,064	2,551,743

Statement of Changes in Equity

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Accumulated Funds			
Balance at the beginning of the financial year		2,551,743	2,137,053
Total comprehensive income for the year		324,321	414,690
Balance at the end of the financial year		2,876,064	2,551,743

Statement of Cash Flows

For the year ended 30 June 2019

Cash flows from operating activities			
Receipts from members and others		3,139,573	2,919,443
Payments to suppliers and employees		(2,734,593)	(2,443,859)
Interest received		49,380	48,936
Net cash inflow/(outflow) from operating activities		454,360	524,520
Cash flows from investing activities			
Receipts/(payments) for investments		(1,250,000)	(550,000)
Payments for office furniture and equipment		(40,699)	(14,280)
Net cash inflow/(outflow) from investing activities		(1,290,699)	(564,280)
Net increase/(decrease) in cash and cash equivalents held		(836,339)	(39,760)
Cash and cash equivalents at the beginning of the financial year		2,932,622	2,972,382
Cash and cash equivalents at the end of the financial year	4	2,096,283	2,932,622

Notes to the Financial Statements

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

The Law Society of the Australian Capital Territory (the Society) is a statutory body incorporated in the Australian Capital Territory under the *Legal Profession Act 2006*.

These financial statements cover the Society as an individual not-for-profit entity, domiciled in Australia. Its registered office and principal place of business is 1 Farrell Place, Canberra City ACT 2601.

Basis of Preparation

Reporting Basis and Conventions

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements of the Australian Accounting Standards Board), including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the *Legal Profession Act 2006*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied. The functional and presentation currency of the Society is Australian dollars. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Accounting Policies

(a) New, revised or amended accounting standards adopted

The entity has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the entity in either the current or prior financial reporting periods.

There were no financial assets/liabilities which the entity had previously designated as fair value through profit or loss under AASB 139 that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the entity has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

AASB 9: Financial Instruments

The entity applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs from 1 July 2018. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting. AASB 9 replaces the previous requirements of AASB 139.

Classification and measurement of financial assets

The adoption of AASB 9 has resulted in the reclassification of financial assets and financial liabilities as outlined in the following table, but has not resulted in any impacts on the financial position, profit or loss, other comprehensive income or total comprehensive income of the entity in the current or previous years.

Classification and measurement of financial assets and financial liabilities

The details of the new accounting policy for the classification and measurement of financial asset and liabilities are provided in Note (f) of the financials.

Impairment

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Society to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The following table illustrates the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 July 2018.

	Original measurement category under AASB 139	New measurement category under AASB 9	Original carrying amount under AASB 139	Adjustment recognised under AASB 9	New carrying amount under AASB 9
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost	2,932,622	-	2,932,622
Other financial assets	Held-to-maturity investments	Financial assets at amortised cost	1,450,000	-	1,450,000
Trade and other receivables	Loans and receivables	Financial assets at amortised cost	282,496	-	282,496
Trade and other payables	Financial liabilities at amortised cost	Financial liabilities at amortised cost	2,013,553	-	2,013,553

(b) Income Tax

The Society is exempt from income tax under section 50-25 of the *Income Tax Assessment Act 1997*.

(c) Inventory

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a specific identification basis and include direct costs and appropriate overheads, if any. Costs are assigned on the basis of the First In First Out (FIFO) method.

(d) Office Furniture and Equipment

Each class of office furniture and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Where a revaluation has been performed, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The carrying amount of office furniture and equipment is reviewed at the end of the reporting period to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. All other costs (eg. repairs and maintenance) are charged to the statement of comprehensive income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Society commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The expected useful lives are as follows:

- / Office furniture and equipment—3-15 years.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- / the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- / the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the above, the entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- / the entity may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; and
- / the entity may irrevocably designate a financial asset that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The entity recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the entity's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the future direction of conditions at the reporting date, including time value of money where appropriate.

(g) Investments

Investments in bank bills and deposits are brought to account at cost and interest income is recognised in the statement of comprehensive income when receivable.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

(i) Trade and Other Receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 120 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis.

(j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Society prior to the end of the financial year and which were unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Revenue

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.

Revenue from practicing certificates is recognised in the year to which the fees relate.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of the GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Employee Benefits

Provision is made for the liability for employee benefits arising from services rendered by employees to balance date. The benefits due to be settled within one year to employees for their

entitlements have been measured at the amounts expected to be paid including on-costs and are disclosed as current liabilities. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made in respect of those benefits. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data.

(n) Provisions

Provisions are recognised when the Society 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 the outflow can be reliably measured.

(o) Comparative Figures

Comparative figures have been adjusted, where necessary, to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgements

The Councillors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Society.

The Councillors do not believe that there were any key estimates or key judgements used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

	2019 \$	2018 \$
Note 2: Revenue		
Revenue from operating activities		
Practising certificate fees	1,619,110	1,490,233
Members' subscriptions	19,596	17,311
Capitation fees	259,783	252,224
Certificates of good standing	12,900	14,200
Ethos advertising and subscriptions	6,473	8,254
Functions	102,761	107,142
Profit on standard forms	94,916	111,285
Reimbursement of expenses		
Statutory Interest Account - administration*	93,137	96,594
Statutory Interest Account - Legal Advice Bureau*	41,418	40,667
Statutory Interest Account - professional standards*	121,790	121,811
Solicitors' Fidelity Fund of the Australian Capital Territory - administration*	54,074	53,178
Settlements Office contributions	71,476	69,342
Seminar income		
Continuing Professional Development	208,781	279,889
Practice management courses	77,071	69,285
	2,783,286	2,731,415
Revenue from outside the operating activities		
Interest	77,486	54,633
Miscellaneous income	19,223	26,683
Sponsorship	31,897	35,555
	128,606	116,871
	2,911,892	2,848,286

Note 3: Profit for the Year

Included in the profit for the year are the following specific items of expenditure:

Rental payments on operating lease	(181,906)	(185,754)
Superannuation contributions	(112,076)	(106,724)

* These amounts are received from entities managed and administered by the Society under the *Legal Profession Act 2006*.

	2019	2018
	\$	\$
Note 4: Cash and Cash Equivalents		
Cash on hand	300	300
Cash at bank — Law Society General Acc	2,093,908	2,907,353
Undeposited funds	2,029	2,054
	2,096,237	2,909,707
Cash at bank — Compensation Rights Acc	46	22,915
	2,096,283	2,932,622

Note 5: Investments

Term deposits*	2,700,000	1,450,000
	2,700,000	1,450,000

Note 6: Trade and Other Receivables

Trade debtors	248,079	213,738
Deposits paid	7,981	-
Accrued interest receivable	54,517	26,411
Other accrued income	30,700	30,739
GST refund receivable	12,940	11,608
	354,217	282,496

Note 7: Inventory

Contracts for sale	452	42
	452	42

* A number of term deposits are held with maturities of 9 - 12 months from the date of deposit.

2019
\$

2018
\$

Note 8: Office Furniture and Equipment

Office furniture and equipment

At cost	709,892	701,068
Less: accumulated depreciation	(349,174)	(282,018)
Total office furniture and equipment	360,718	419,050
Computer database development in progress	31,875	-
	392,593	419,050

Reconciliation

A reconciliation of the carrying amount at the beginning and end of the current financial year is set out below.

Office furniture and equipment

Carrying amount at the beginning of the year	419,050	477,982
Additions	8,824	14,280
Computer database development in progress	31,875	-
Depreciation expense	(67,156)	(73,212)
Carrying amount at the end of the year	392,593	419,050

Note 9: Trade and Other Payables

Current

Subscriptions and other income in advance	1,972,654	1,762,254
Accruals	41,921	61,755
Payable – Solicitors' Fidelity Fund of the Australian Capital Territory	67,188	63,000
Fair Comp Compensation Rights account	46	22,915
Young Lawyers funds	17,140	25,349
Trade creditors	54,031	78,280
	2,152,980	2,013,553

Non-Current

Lease incentive liability	372,945	406,832
Total liabilities	2,525,925	2,420,385

	Notes	2019 \$	2018 \$
Note 10: Provisions			
Current			
Provision for annual leave		100,542	102,312
Provision for long service leave*		133,627	115,401
		234,169	217,713
Non-Current			
Provision for long service leave		20,379	9,328

Note 11: Financial Risk Management

The accounting policies and terms and conditions of each class of financial asset and financial liability at the end of the reporting period are consistent with those regularly adopted by businesses in Australia.

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

The entity is not subject to any significant liquidity, credit or interest rate risk.

The totals for each category of financial instrument, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets at amortised cost

Cash and cash equivalents	4	2,096,283	2,932,622
Term deposit investments	5	2,700,000	1,450,000
Trade and other receivables	6	354,217	282,496
Total Financial Assets		5,150,500	4,665,118

Financial Liabilities at amortised cost

Trade and other payables	9	2,152,980	2,013,553
Total Financial Liabilities		2,152,980	2,013,553

Net Fair Values

Financial assets and liabilities are carried at their net fair value at the end of the reporting period. The carrying values of financial assets and financial liabilities approximate their net fair values due to their short terms of maturity or market interest rates. No financial assets or financial liabilities are traded on organised markets in standard form.

* There is no known current long service leave expected to be settled within 12 months of the end of the financial year.

	2019	2018
	\$	\$
Note 12: Remuneration of Auditors		
Audit of the Society's financial statements	11,175	10,945
Audit of Statutory Deposits Trust Account	1,830	1,775
Audit of Statutory Interest Account	3,115	3,025
	16,120	15,745
Audit of Solicitors' Fidelity Fund	3,115	3,025
	19,235	18,770

No other benefits were received by the auditors.

Note 13: Leasing Commitments

Lease commitments

Commitments in relation to non-cancellable operating leases contracted for at the reporting date, payable:

Within one year*	224,998	218,445
Later than one year but not later than 5 years*	969,548	941,309
Later than 5 years	150,275	403,513
	1,344,821	1,563,267

The Society's current 10 year lease was signed effective 1 February 2015 expiring 31 January 2025, with an option for another 5 years. The overall cost of the lease is accounted for on a straight-line basis for the term of the lease.

Note 14: Legislation

The Society is constituted under the *Legal Profession Act 2006*. Pursuant to that Act the Society is responsible for operating and maintaining the following fund and accounts:

- / The Solicitors' Fidelity Fund of the Australian Capital Territory;
- / The Statutory Deposits Trust Account; and
- / The Statutory Interest Account.

Note 16: Related Parties

The names of persons who were members of the Council of the Law Society of the Australian Capital Territory for any part of the year are as follows:

- / Mr C Donohue—President from 27 September 2018
- / Ms S Avery—Immediate Past President from 27 September 2018, President to 27 September 2018
- / Mr G Marques—Secretary from 27 September 2018, General Councillor to 27 September 2018
- / Mr P Cain—Vice President
- / Ms E Carroll—Vice President from 27 September 2018, General Councillor to 27 September 2018
- / Ms S Khan—Treasurer from 27 September 2018, General Councillor to 27 September 2018
- / Mr G Lee
- / Ms S Leslie
- / Ms S Platis
- / Mr C Deans
- / Mr P Edmonds
- / Mr R Bedi—From 27 September 2018
- / Ms F Choudhury—From 27 September 2018
- / Mr A Hill—From 27 September 2018
- / Ms I Moyse—From 27 September 2018
- / Mr M Tigwell—From 27 September 2018
- / Mr M Carmody—To 27 September 2018

- / Mr M Carrick—To 27 September 2018
- / Mr M Hockridge—Immediate Past President to 27 September 2018
- / Ms L E Vardanega PSM—Secretary to 27 September 2018
- / Mr C Painter—Vice President to 27 September 2018
- / Mr V Sundar—Treasurer to 27 September 2018

Councillors and their related entities transact with the Society from time to time on normal terms and conditions that are no more favourable than those available to others. The types of transactions include practicing certificate fees, capitation fees, subscriptions, functions, seminars, courses and the sale of standard forms.

During the year the Society paid professional fees to Councillors or their Councillor-related entities within a normal client-solicitor relationship on terms and conditions no more favourable than those which it is reasonable to expect would have been adopted if dealing with the Councillors or their Councillor-related entities at arm's length in the same circumstances.

The President receives an allowance for the services provided to the Society. This allowance is included in key management personnel compensation below. No other member of council receives any remuneration from the Law Society of the Australian Capital Territory or a related entity.

During the year the Society paid \$5,517 (2018: \$4,075) in premiums for Councillors and Officers liability insurance.

Note 17: Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Society, directly or indirectly, including any Councillor (whether executive or otherwise) of the Society.

	2019	2018
	\$	\$
Total key management personnel compensation	338,640	328,883

Note 18: Events After the Balance Date

These financial statements were authorised for issue by the Councillors on the date of signing the attached Councillors' Declaration. The Councillors have the power to amend the financial statements after they are issued.

There are no other events after the balance date which require amendment of, or further disclosure in, the financial statements.

Note 19: Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets at the end of the financial year.

Councillors' Declaration

For the year ended 30 June 2019

The Councillors declare that the financial statements and notes set out on pages 2 to 14:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2019 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society 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 Councillors.



Councillor

19 August 2019



Councillor

19 August 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAW SOCIETY OF THE AUSTRALIAN CAPITAL TERRITORY

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory which comprise the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Australian Capital Territory as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Council for the financial statements

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

In preparing the financial statements, the Council is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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Auditor's responsibility for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Nexia Duesburys (Audit)
Canberra, 19 August 2019



Rod Scott
Partner



STATUTORY DEPOSITS

Statutory Deposits Trust Account

Statement of Comprehensive Income

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue		-	-
Net surplus / (deficit)		-	-
Total comprehensive income for the year		-	-

Statement of Financial Position

As at 30 June 2019

Current assets

Cash and cash equivalents	2	14,491,156	14,681,077
Investments	3	46,400,000	34,100,000
Total current assets		60,891,156	48,781,077

Total assets		60,891,156	48,781,077
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Current liabilities

Trade and other payables	4	60,891,156	48,781,077
Total current liabilities		60,891,156	48,781,077

Total liabilities		60,891,156	48,781,077
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Net assets		-	-
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Equity

Accumulated Funds		-	-
Total equity		-	-

Statement of Changes in Equity

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Balance at the beginning of the year		-	-
Changes during the year		-	-
Balance at the end of the year		-	-

Statement of Cash Flows

For the year ended 30 June 2019

Cash flows from investing activities

Proceeds from investments		23,800,000	25,153,033
Payments for investments		(36,100,000)	(32,700,000)
Net cash inflow/(outflow) from investing activities		(12,300,000)	(7,546,967)

Cash flows from financing activities

Proceeds from statutory deposits		17,687,905	23,970,298
Repayments of statutory deposits		(5,577,826)	(8,710,057)
Net cash inflow/(outflow) from financing activities		12,110,079	15,260,241

Net increase/(decrease) in cash and cash equivalents held		(189,921)	7,713,274
Cash and cash equivalents at the beginning of the financial year		14,681,077	6,967,803
Cash and cash equivalents at the end of the financial year	2	14,491,156	14,681,077

Notes to the Financial Statements

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

These financial statements cover The Law Society of the Australian Capital Territory Statutory Deposits Trust Account (the Trust Account) as an individual not-for-profit entity, domiciled in Australia. Its registered office and principal place of business is 1 Farrell Place, Canberra City, ACT, 2601.

Basis of Preparation

Reporting Basis and Conventions

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements of the Australian Accounting Standards Board), including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the *Legal Profession Act 2006*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied. The functional and presentation currency of the Trust Account is Australian dollars. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Accounting Policies

(a) New, revised or amended accounting standards adopted

The entity has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the entity in either the current or prior financial reporting periods.

There were no financial assets/liabilities which the entity had previously designated as fair value through profit or loss under AASB 139 that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the entity has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

AASB 9: Financial Instruments

The entity applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs from 1 July 2018. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting. AASB 9 replaces the previous requirements of AASB 139.

The adoption of AASB 9 has resulted in the reclassification of financial assets and financial liabilities as outlined in the following table, but has not resulted in any impacts on the financial position,

profit or loss, other comprehensive income or total comprehensive income of the entity in the current or previous years.

Classification and measurement of financial assets and financial liabilities

The details of the new accounting policy for the classification and measurement of financial asset and liabilities are provided in Note (f) of the financials.

Impairment

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The following table represents the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 July 2018.

	Original measurement category under AASB 139	New measurement category under AASB 9	Original carrying amount under AASB 139	Adjustment recognised under AASB 9	New carrying amount under AASB 9
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost	14,681,077	-	14,681,077
Other financial assets	Held-to-maturity investments	Financial assets at amortised cost	34,100,000	-	34,100,000
Trade and other receivables	Loans and receivables	Financial assets at amortised cost	-	-	-
Trade and other payables	Financial liabilities at amortised cost	Financial liabilities at amortised cost	48,781,077	-	48,781,077

(b) Income Tax

The Trust Account is exempt from income tax under relevant provisions of the *Income Tax Assessment Act 1997*.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

(d) Investments

Investments in term deposits are brought to account at cost. Interest income is transferred to the Statutory Interest Account in accordance with the *Legal Profession Act 2006*.

(e) Monies Deposited by Solicitors

Monies deposited by solicitors are recognised as a liability upon receipt. Amounts are repayable in accordance with the *Legal Profession Act 2006*.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the

instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- / the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- / the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the above, the entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- / the entity may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; and
- / the entity may irrevocably designate a financial asset that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The entity recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the entity's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the future direction of conditions at the reporting date, including time value of money where appropriate.

(g) Comparatives

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgements

The Councillors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Trust Account.

The Councillors do not believe that there were any key estimates or key judgements used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

Note 2: Cash and Cash Equivalents

	2019 \$	2018 \$
Cash at bank	14,291,156	14,481,077
Cash at bank — AMP Saver Account	200,000	200,000
	14,491,156	14,681,077

	2019	2018
	\$	\$
Note 3: Investments		
Term deposits*	46,400,000	34,100,000
	46,400,000	34,100,000

Note 4: Trade and Other Payables

Monies deposited by solicitors	60,891,156	48,781,077
	60,891,156	48,781,077

Note 5: Legislation

The Statutory Deposits Trust Account is maintained by the Law Society of the Australian Capital Territory, a related entity, in accordance with section 253 of the *Legal Profession Act 2006*. Interest income earned on interest bearing deposits held by the Statutory Deposits Trust Account is credited as income of the Statutory Interest Account. The Trust Account has no employees.

Note 6: Remuneration of Auditors

Audit fees of \$1,830 (2018: \$1,775) were ultimately paid by the Statutory Interest Account on behalf of the Statutory Deposits Trust Account.

Note 7: Financial Risk Management

The accounting policies and terms and conditions of each class of financial asset and financial liability at the end of the reporting period are consistent with those regularly adopted by businesses in Australia.

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

The entity is not subject to any significant liquidity, credit or interest rate risk.

The totals for each category of financial instrument, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Notes	2019	2018
		\$	\$
Financial Assets			
Cash and cash equivalents	2	14,491,156	14,681,077
Held-to-maturity investments	3	46,400,000	34,100,000
Total Financial Assets		60,891,156	48,781,077
Financial Liabilities			
Trade and other payables	4	60,891,156	48,781,077
Total Financial Liabilities		60,891,156	48,781,077

Net Fair Values

Financial assets and liabilities are carried at their net fair value at the end of the reporting period. The carrying values of financial assets and financial liabilities approximate their net fair values due to their short terms of maturity or market interest rates. No financial assets or financial liabilities are traded on organised markets in standard form.

* A number of term deposits are held with maturities of 6 to 18 months from the date of deposit.

Note 8: Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets at the end of the financial year.

Note 9: Events After the Balance Date

These financial statements were authorised for issue by the Councillors on the date of signing the attached Councillors' Declaration. The Councillors have the power to amend the financial statements after they are issued.

There are no other events after the balance date which require amendment of, or further disclosure in, the financial statements.

Councillors' Declaration

For the year ended 30 June 2019

The Councillors declare that the financial statements and notes set out on pages 18 to 23:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2019 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society 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 Councillors.



Councillor

19 August 2019



Councillor

19 August 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAW SOCIETY OF THE AUSTRALIAN CAPITAL TERRITORY STATUTORY DEPOSITS TRUST ACCOUNT

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory Statutory Deposits Trust Account which comprises the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Australian Capital Territory Statutory Deposits Trust Account as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Council for the financial statements

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

In preparing the financial statements, the Council is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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The trademarks NEXIA INTERNATIONAL, NEXIA and the NEXIA logo are owned by Nexia International Limited and used under licence.

Auditor's responsibility for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Nexia Duesburys (Audit)
Canberra, 19 August 2019



Rod Scott
Partner



STATUTORY INTEREST

The Statutory Interest Account

Statement of Comprehensive Income

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue	2	3,429,867	2,797,662
Expenses			
Law Society of the Australian Capital Territory – reimbursement of administration expenses		(93,137)	(96,594)
Disciplinary legal costs and other legal costs		(1,055,408)	(1,058,823)
Legal Advice Bureau operating costs	8	(42,427)	(42,287)
Professional Standards Office costs		(122,930)	(122,929)
Surplus before disbursements		2,115,965	1,477,029
Proposed disbursements under s253		(2,106,023)	(1,477,000)
Surplus/(deficit) for the year		9,942	29
Total comprehensive income		9,942	29

Statement of Financial Position

As at 30 June 2019

	Notes	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	3	2,142,218	1,220,015
Investments	4	1,100,000	1,400,000
Trade and other receivables	5	752,520	664,504
Total current assets		3,994,738	3,284,519
Non-current assets			
Other receivables	5	-	-
Total assets		3,994,738	3,284,519
Current liabilities			
Trade and other payables	6	197,871	131,117
Provisions	7	2,110,523	1,477,000
Total current liabilities		2,308,394	1,608,117
Total non-current liabilities		-	-
Total liabilities		2,308,394	1,608,117
Net assets		1,686,344	1,676,402
Equity			
Accumulated funds		1,686,344	1,676,402
Total equity		1,686,344	1,676,402

Statement of Changes in Equity

For the Year Ended 30 June 2019

Accumulated funds			
Balance at the beginning of the financial year		1,676,402	1,676,373
Surplus/(deficit) for the year		9,942	29
Balance at the end of the financial year		1,686,344	1,676,402

Statement of Cash Flows

For the Year Ended 30 June 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Recovered disciplinary legal costs and fines imposed		232,457	217,462
Miscellaneous receipts & GST refunds		258,864	194,100
Disbursements and other operating payments		(1,493,436)	(1,516,996)
Interest		3,096,818	2,505,278
Net cash inflow/(outflow) from operating activities		2,094,703	1,399,844
Cash flows from investing activities			
Receipts from investments		300,000	(100,000)
Net cash inflow/(outflow) from investing activities		300,000	(100,000)
Cash flows from financing activities			
Section 253 disbursements	9	(1,472,500)	(1,033,400)
Net cash inflow/(outflow) from financing activities		(1,472,500)	(1,033,400)
Net increase/(decrease) in cash and cash equivalents held		922,203	266,444
Cash and cash equivalents at the beginning of the financial year		1,220,015	953,571
Cash and cash equivalents at the end of the financial year	3	2,142,218	1,220,015

Notes to the Financial Statements

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

These financial statements cover The Law Society of the Australian Capital Territory Statutory Interest Account (the Account) as an individual not-for-profit entity, domiciled in Australia. Its registered office and principal place of business is 1 Farrell Place, Canberra City, ACT, 2601.

Basis of Preparation

Reporting Basis and Conventions

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements of the Australian Accounting Standards Board), including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the *Legal Profession Act 2006*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied. The functional and presentation currency of the Account is Australian dollars. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Accounting Policies

(a) New, revised or amended accounting standards adopted

The entity has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the entity in either the current or prior financial reporting periods.

There were no financial assets/liabilities which the entity had previously designated as fair value through profit or loss under AASB 139 that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the entity has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

AASB 9: Financial Instruments

The entity applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs from 1 July 2018. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting. AASB 9 replaces the previous requirements of AASB 139.

The adoption of AASB 9 has resulted in the reclassification of financial assets and financial liabilities as outlined in the following table, but has not resulted in any impacts on the financial position, profit or loss, other comprehensive income or total comprehensive income of the entity in the current or previous years.

Classification and measurement of financial assets and financial liabilities

The details of the new accounting policy for the classification and measurement of financial asset and liabilities are provided in Note (f) of the financials.

Impairment

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The following table represents the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 July 2018.

	Original measurement category under AASB 139	New measurement category under AASB 9	Original carrying amount under AASB 139	Adjustment recognised under AASB 9	New carrying amount under AASB 9
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost	1,220,015	-	1,220,015
Other financial assets	Held-to-maturity investments	Financial assets at amortised cost	1,400,000	-	1,400,000
Trade and other receivables	Loans and receivables	Financial assets at amortised cost	664,504	-	664,504
Trade and other payables	Financial liabilities at amortised cost	Financial liabilities at amortised cost	131,117	-	131,117

(b) Income Tax

The Account is exempt from income tax under relevant provisions of the *Income Tax Assessment Act 1997*.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

(d) Investments

Investments in term deposits are brought to account at cost and interest income is recognised in the statement of comprehensive income when receivable.

(e) Revenue Recognition

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- / the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- / the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the above, the entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- / the entity may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; and
- / the entity may irrevocably designate a financial asset that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The entity recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the entity's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the future direction of conditions at the reporting date, including time value of money where appropriate.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Comparatives

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgements

The Councillors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Account.

The Councillors do not believe that there were any key estimates or key judgements used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

	2019	2018
	\$	\$
Note 2: Revenue		
Interest on investments by the Statutory Interest Account	56,530	45,733
Interest on investments by the Statutory Deposits Account	1,227,531	812,982
Interest on Solicitors' Trust Accounts	1,923,722	1,710,123
Recovered disciplinary costs and fines	222,084	228,824
	3,429,867	2,797,662

Note 3: Cash and Cash Equivalents

Cash at bank	2,142,218	1,220,015
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Note 4: Investments

Term deposits*	1,100,000	1,400,000
	1,100,000	1,400,000

Note 5: Trade and Other Receivables

Current

Accrued interest		
Investments	531,410	360,581
Solicitors' Trust Accounts	146,958	160,849
Other	9,789	55,762
	688,157	577,192

Debtors	170,552	102,443
Provision for doubtful debts	(143,563)	(65,081)
Prepayments	1,160	2,148
GST receivable	36,214	47,802
	64,363	87,312

Non-current

Debtors	167,647	71,419
Provision for doubtful debts	(167,647)	(71,419)
	-	-
	752,520	664,504

* A number of term deposits are held with maturities of 12 months from the date of deposit.

	2019	2018
	\$	\$
Note 6: Trade And Other Payables		
Sundry creditors and accruals	197,871	131,117

Note 7: Provisions — Current

Proposed disbursements*	2,110,523	1,477,000
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Note 8: Legal Advice Bureau Operating Costs

Cleaning	1,002	935
Depreciation	1,155	1,155
Electricity	283	248
Insurance	125	245
Publications and subscriptions	1,008	1,620
Rental of premises	8,450	8,450
Salaries and superannuation	30,404	29,634
	42,427	42,287

* The Account will invite submissions for disbursements from the Statutory Interest Account under s253(4) of the *Legal Profession Act 2006*, as well as allocating a component to the Solicitors' Fidelity Fund.

Note 9: Disbursements

Disbursements made from the Statutory Interest Account under s253(4) of the *Legal Profession Act 2006* were:

Canberra Community Law	135,375	76,800
Care Inc (Consumer Law)	25,180	14,400
Environmental Defender's Office	25,180	14,400
Legal Aid Commission (ACT)	1,133,109	612,269
Women's Legal Centre	80,056	82,131
	1,398,900	800,000
Disbursement to the Solicitor's Fidelity Fund	73,600	233,400
	1,472,500	1,033,400

Note 10: Financial Risk Management

The accounting policies and terms and conditions of each class of financial asset and financial liability at the end of the reporting period are consistent with those regularly adopted by businesses in Australia.

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

The entity is not subject to any significant liquidity or credit risk. Interest rate risk is managed by the Account reviewing the interest rate profile, current interest rates and the market outlook, and taking action as necessary to ensure that risk levels are maintained at a satisfactory level for its own cash and investments. A 1% movement in interest rates across the Account's cash and investments, and the cash and investments of the Statutory Deposits Account and solicitors' trust accounts would have a significant impact on profit and equity, however it is not practical to quantify the impact given the variables involved. Movements in the amounts held by Solicitors in their trust accounts can also have a significant impact on interest received by the Account. A number of the variables associated with interest risk are not able to be influenced by the Account.

The totals for each category of financial instrument, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Notes	2019 \$	2018 \$
Financial Assets at Amortised Cost			
Cash and cash equivalents	3	2,142,218	1,220,015
Term deposit investments	4	1,100,000	1,400,000
Trade and other receivables	5	716,306	616,702
Total Financial Assets		3,958,524	3,236,717
Financial Liabilities at Amortised Cost			
Trade and other payables	6	197,871	131,117
Total Financial Liabilities		197,871	131,117

Net Fair Values

Financial assets and liabilities are carried at their net fair value at the end of the reporting period. The carrying values of financial assets and financial liabilities approximate their net fair values due to their short terms of maturity or market interest rates. No financial assets or financial liabilities are traded on organised markets in standard form.

Note 11: Contingent Assets

The Account continues to seek recovery of certain disciplinary costs. At the present time the amount of the recovery is uncertain.

Note 12: Contingent Liabilities

There are no contingent liabilities at the end of the financial year.

Note 13: Legislation

The Statutory Interest Account is maintained by the Law Society of the Australian Capital Territory, a related party, in accordance with s253 of the *Legal Profession Act 2006*. Under the Act, interest on solicitors' trust accounts and investments by the Statutory Deposits Trust Account are deposited into the Statutory Interest Account.

Note 14: Remuneration of Auditors

Audit fees of \$3,215 (2018: \$3,025) were ultimately paid by the Statutory Interest Account.

Note 15: Events After the Balance Date

These financial statements were authorised for issue by the Councillors on the date of signing the attached Councillors' Declaration. The Councillors have the power to amend the financial statements after they are issued.

There are no other events after the balance date which require amendment of, or further disclosure in, the financial statements.

Councillors' Declaration

For the year ended 30 June 2019

The Councillors declare that the financial statements and notes set out on pages 26 to 34:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2019 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society 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 Councillors.



Councillor

19 August 2019



Councillor

19 August 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAW SOCIETY OF THE AUSTRALIAN CAPITAL TERRITORY STATUTORY INTEREST ACCOUNT

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory Statutory Interest Account which comprises the statement of financial position as at 30 June 2019, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Law Society of the Australian Capital Territory Statutory Interest Account as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Council for the financial statements

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

In preparing the financial statements, the Council is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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Auditor's responsibility for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Nexia Duesburys (Audit)
Canberra, 19 August 2019



Rod Scott
Partner



FIDELITY FUND

The Solicitors' Fidelity Fund of the ACT

Statement of Comprehensive Income

For the Year Ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue	2	285,828	560,069
Audit fees		(3,115)	(3,025)
Administration expenses		(54,074)	(53,178)
Investigations, examinations, legal and managers' costs		(43,900)	(161,493)
Random inspections expenses		(141,620)	(108,980)
Surplus / (deficit) for the year		43,119	233,393
Total comprehensive income for the year		43,119	233,393

Statement of Financial Position

As at 30 June 2019

	Notes	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	3	448,093	379,156
Investments	4	4,902,994	4,902,994
Trade and other receivables	5	244,557	232,261
Total current assets		5,595,644	5,514,411
Total assets		5,595,644	5,514,411
Current liabilities			
Trade and other payables	6	111,446	73,332
Total current liabilities		111,446	73,332
Total liabilities		111,446	73,332
Net assets		5,484,198	5,441,079
Equity			
Accumulated funds		5,484,198	5,441,079
Total equity		5,484,198	5,441,079

Statement of Changes in Equity

For The Year Ended 30 June 2019

	Notes	2019 \$	2018 \$
Accumulated Funds			
Balance at the beginning of the financial year		5,441,079	5,207,686
Total comprehensive income for the year		43,119	233,393
Balance at the end of the financial year		5,484,198	5,441,079

Statement of Cash Flows

For the Year Ended 30 June 2019

Cash flows from operating activities			
Receipts from contributions		140,695	340,992
Recoveries & GST refunds		17,773	42,459
Payments to suppliers and others		(226,556)	(411,528)
Interest received		137,025	172,644
Net cash inflow/(outflow) from operating activities		68,937	144,567
Cash flows from investing activities			
Payments for investments		(1,700,000)	-
Proceeds from investments		1,700,000	100,001
Net cash inflow/(outflow) from investing activities		-	100,001
Net increase/(decrease) in cash and cash equivalents held		68,937	244,568
Cash and cash equivalents at the beginning of the financial year		379,156	134,588
Cash and cash equivalents at the end of the financial year	3	448,093	379,156

Notes to the Financial Statements

For the year ended 30 June 2019

Note 1: Summary of Significant Accounting Policies

The Solicitor's Fidelity Fund (the Fund) of the Australian Capital Territory is a statutory body incorporated in the Australian Capital Territory under the *Legal Profession Act 2006*. The financial statements cover the Fund as an individual not-for-profit entity. Its registered office and principal place of business is 1 Farrell Place, Canberra City, ACT, 2601.

Basis of Preparation

Reporting Basis and Conventions

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (Reduced Disclosure Requirements of the Australian Accounting Standards Board), including Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board, and the requirements of the *Legal Profession Act 2006*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied. The functional and presentation currency of the Fund is Australian dollars. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Accounting Policies

(a) New, revised or amended accounting standards adopted

The Fund has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Fund in either the current or prior financial reporting periods.

There were no financial assets/liabilities which the entity had previously designated as fair value through profit or loss under AASB 139 that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the entity has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

AASB 9: Financial Instruments

The entity applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs from 1 July 2018. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting. AASB 9 replaces the previous requirements of AASB 139.

The adoption of AASB 9 has resulted in the reclassification of financial assets and financial liabilities as outlined in the following table, but has not resulted in any impacts on the financial position, profit or loss, other comprehensive income or total comprehensive income of the entity in the current or previous years.

Classification and measurement of financial assets and financial liabilities

The details of the new accounting policy for the classification and measurement of financial asset and liabilities are provided in Note (f) to the financial statements

Impairment

In relation to the impairment of financial assets, AASB 9 requires an expected credit loss model as opposed to an incurred credit loss model under AASB 139. The expected credit loss model requires the Fund to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The following table illustrates the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 July 2018.

	Original measurement category under AASB 139	New measurement category under AASB 9	Original carrying amount under AASB 139	Adjustment recognised under AASB 9	New carrying amount under AASB 9
Cash and cash equivalents	Loans and receivables	Financial assets at amortised cost	379,156	-	379,156
Other financial assets	Held-to-maturity investments	Financial assets at amortised cost	4,902,994	-	4,902,994
Trade and other receivables	Loans and receivables	Financial assets at amortised cost	232,261	-	232,261
Trade and other payables	Financial liabilities at amortised cost	Financial liabilities at amortised cost	73,332	-	73,332

(b) Income Tax

The entity is exempt from income tax under relevant provisions of the *Income Tax Assessment Act 1997*.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

(d) Revenue Recognition

Contributions are recognised in the year to which the contributions relate.

Recovered investigation/management costs are recognised upon the receipt of funds or when they become recoverable if earlier.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(e) Investments

Investments in bank bills and deposits are brought to account at cost and interest income is recognised in the profit or loss when receivable.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value or amortised cost using the effective interest rate method. The subsequent measurement depends on the classification of the financial instrument as described below.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- / the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- / the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the above, the entity may make the following irrevocable election/designation at initial recognition of a financial asset:

- / the entity may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; and
- / the entity may irrevocably designate a financial asset that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The entity recognises lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated based on the entity's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the future direction of conditions at the reporting date, including time value of money where appropriate.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of the GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Comparatives

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgements

The Councillors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Fund.

The Councillors do not believe that there were any key estimates or key judgements used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

	2019	2018
	\$	\$
Note 2: Revenue		
Interest on investments	145,133	137,075
Contributions from levies	67,095	58,957
Recovery of investigations/management costs	-	130,637
Distribution from the Statutory Interest Account	73,600	233,400
	285,828	560,069

Note 3: Cash and Cash Equivalents

Cash at bank	448,093	379,156
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Note 4: Investments

Term deposits*	4,902,994	4,902,994
	4,902,994	4,902,994

Note 5: Trade and Other Receivables

Trade debtors — The Law Society of the Australian Capital Territory	67,188	63,000
Trade debtors — other	166,380	166,380
Provision for doubtful debts	(46,379)	(46,379)
Accrued interest	57,368	49,260
	244,557	232,261

Note 6: Trade and Other Payables

Trade creditors and accruals	44,258	10,332
Contributions received in advance	67,188	63,000
	111,446	73,332

Note 7: Legislation

The Solicitors' Fidelity Fund of the Australian Capital Territory is maintained by the Law Society of the Australian Capital Territory, a related entity, in accordance with s320 of the *Legal Profession Act 2006*. The Fund has no employees.

* A number of term deposits are held with maturities of 6 - 12 months from the date of deposit.

2019
\$

2018
\$

Note 8: Auditors' Remuneration

Audit of the Fund's financial statements	3,115	3,025
Conduct of random inspections	55,000	45,240
	58,115	48,265

Note 9: Financial Risk Management

The accounting policies and terms and conditions of each class of financial asset and financial liability at the end of the reporting period are consistent with those regularly adopted by businesses in Australia.

The Fund is not subject to any significant liquidity or credit risk. Interest rate risk is managed by the Fund reviewing the interest rate profile, current rates and the market outlook and taking actions as necessary to ensure that risk levels are maintained at a satisfactory level. A 1% movement in interest rates on term deposits held at year end would have an annual effect of \$49,030 on profit and equity.

A previous actuarial assessment of the Fund noted that the level of exposure to risk had increased due to the substantial increase in trust monies held in the ACT by law firms. The recommendation was that the prudential optimal size of the Fund should be between \$5.5m and \$6.0m and the Council of the ACT Law Society continues to monitor the balance each year.

The totals for each category of financial instrument, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets at amortised cost

Cash and cash equivalents	3	448,093	379,156
Term deposit investments	4	4,902,994	4,902,994
Trade and other receivables	5	244,557	232,261
Total Financial Assets		5,595,644	5,514,411

Financial Liabilities at amortised cost

Trade and other payables	6	111,446	73,332
Total Financial Liabilities		111,446	73,332

Net Fair Values

Financial assets and liabilities are carried at their net fair value at the end of the reporting period. The carrying values of financial assets and financial liabilities approximate their net fair values due to their short terms of maturity or market interest rates. No financial assets or financial liabilities are traded on organised markets in standard form.

Note 10: Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets at the end of the financial year.

Note 11: Events After The Reporting Period

These financial statements were authorised for issue by the Councillors on the date of signing the attached Councillors' Declaration. The Councillors have the power to amend the financial statements after they are issued.

There are no other events after the end of the reporting period which require amendment of, or further disclosure in, the financial statements.

Councillors' Declaration

For the year ended 30 June 2019

The Councillors declare that the financial statements and notes set out on pages 38 to 44:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2019 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society 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 Councillors.



Councillor

19 August 2019



Councillor

19 August 2019



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOLICITORS' FIDELITY FUND OF THE AUSTRALIAN CAPITAL TERRITORY

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Solicitors' Fidelity Fund of the Australian Capital Territory which comprises the statement of financial position as at 30 June 2019, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Solicitors' Fidelity Fund of the Australian Capital Territory as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Council for the financial statements

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

In preparing the financial statements, the Council is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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Auditor's responsibility for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia Duesburys

Nexia Duesburys (Audit)
Canberra, 19 August 2019

R Scott

Rod Scott
Partner





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