



ANNUAL REPORT 2017 – 2018

**To be Presented at the
Annual General Meeting
of the
Law Society of Tasmania
on
19 October 2018**

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The Law Society Council

2017 – 2018

President

W C Justo

Vice-President

E G Hughes

Hon Treasurer

C M Garwood

Council

E Avery (S), L Bartlett (N), L Connelly (N-W), R Foon* (N), C Garwood* (N-W), W Griffiths (N), C Higgins* (S), R Hegarty (N) [part-year], E Hughes* (N), W Justo* (S), (N), T McKenna* (S) [part-year], B Paterson (S), K Siejka (S), A Thompson (S), M Verney*(N-W), P Willshire (S)

(*Executive Committee Member)

Executive Director

L O Rheinberger

Deputy Executive Director

F Saturno

Law Council of Australia Director

M J Verney

Committees 2017– 2018

The President is an *ex officio* member of all Law Society Committees

Northern Regional Committee

W M Griffiths [Chair], P J Lebski [Secretary], S P Bishop, R J Brown, J L Byrne, C N Dockray, C J Foon, R Foon, B Frake, J M French, C Gibson, D Grey, J C Kitto, S B McElwaine, F V Moore, R M Murray, S Pratt, R Reid, C L Schuh, B Sproal, K J Stanton, A Trezise, G Tucker, P A Welch, T J Whyte

Southern Regional Committee

W C Justo [Chair], E Avery, C Higgins, T J McKenna, B Paterson, K Siejka, A Thompson, P Willshire

North-West Regional Committee

A Mihal [Chair and Secretary], M Verney, L Topfer

Criminal Law Committee

J Hartnett [Chair], I Arendt, J Crotty, M Doyle, R Mainwaring, J Nunn, Y Prenc, C Rainbird, P Willshire

Litigation Committee

E Hughes [Chair], A Cordova, S Gates, R Hudson, S McCullough, D Marcenko, N Munting, L Rankin, L Taylor, A Thompson,

Property & Commercial Law Committee

R Manning [Chair], A Bobbi, R Hegarty (part-year), C Higgins, S Hoon, W C Justo, A Kostezky, A Laning, A Logan, M Kerrison, T Tierney (part-year)

Employment & Equal Opportunities Committee

A Wells [Chair], C Garwood, C Green, I Gunadasa, A Higgs, A R Mills, H Pill, S Sealy, K Siejka,, R Wilkie

Solicitors' Accounts Rules Committee

P V Manser [Chair], R Foon, E James, P Kuzis, S Law, A N Morgan, K Stevens

Continuing Professional Development Committee

A Clues [Chair], C Higgins, R Hudson, A Thompson, E White

Elder & Succession Law Committee

J Harrington [Chair], G Groom, M Farrow, R Jack, K McLagan, Z Nicholson, B Rheinberger, C Schokman, J Walker, A Wiss

Pro Bono Referral Service

C Mackie [Chair], C Bookless, B Cassidy, T Dargaville, M Essex, C Higgins J Hutchison, S Piggott, K Starkey

Family Law Committee

T McKenna [Chair], R Blissenden, L Connelly, H Gupta, L Mollross, M A Ryan, P Theobald, K Wylie

Young Lawyers' Southern Committee

V Veldhuizen, K Williams [Co-Presidents], M Crosswell [Treasurer], G Holgate [Secretary]

Members: Bune Keo, Cameron Topfer, Dinesh Longanathan, Dominic Deayton, Georgia Burke, Georgia Newland, Guy Knowler, Inga Eskirtas, Jarryd Price, Jake Farmer, Kim Heap, Lisa Kelly, Matthew Sakaris, Michael Flanagan, Nick Walker, Sarah Kimber, Suzette Pullinger, Theo Kapodistrias, Tim Cannon, Alex Cordova, Ruthie Jeanneret, Leah Vailas, Scott Ashby, Gabby Macdonald, Imogen Cook, Demi Peters, Amy Burnell, Elizabeth Phillips, Ali Sawyer

Young Lawyers' Northern Committee

H Phillips [President], Z Donnellan [Vice-President], E Swirsky [Treasurer], K Hughes [Secretary], A Croft [Marketing/Facebook], L Flanagan [Social Function Coordinator], A Goss [CPD Coordinator], L Binns, T Monczko, S Fair, S Pearce, H Goss

Young Lawyers' North-West Committee

A McKenzie [President], E Kilpatrick, [Treasurer], J Slevin [Secretary]

Representative on the National Young Lawyers' Committee

V Veldhuizen

The Society's Nominees on Other Bodies

Board of Legal Education

L Mason, M E O'Farrell SC,
L O Rheinberger [Secretary]

Law Council of Australia – Legal Practice Section Australian Law Management Group – Executive Committee

F Saturno

Law Council of Australia – Legal Practice Section Australian Property Law Group – National Committee

A Logan

Law Council of Australia Environment and Planning Law Group

J Feehely

Legal Aid Commission

J Higgins

Council of Law Reporting

M J Crisp

Law Foundation of Tasmania

W Justo [Chair], E Hughes, N R Readett, L O Rheinberger [Secretary]

Centre for Legal Studies

T G Bugg [Chair], P A Bowen, G L Jones, L O Rheinberger [Secretary]

Solicitors' Trust

P Kuzis, D Wallace

University of Tasmania Law Faculty Teaching and Learning Committee

D F M Zeeman, J Dewar

Legal Profession Board of Tasmania

G Jones, A Mihal

Associated Bodies

Family Law Practitioners' Association of Tasmania

M Turnbull [Chair], J Higgins [Vice-Chair], S Hunt [Secretary], K Starkey [Treasurer]

Tasmanian Women Lawyers

A Morton [President], A Thompson [Vice-President] S Kimber [Treasurer], L Rankin [Secretary], L Flanagan [northern representative], K Heap [membership officer]

President's Report

I have been honoured, humbled and privileged to serve as President of the Law Society of Tasmania. It has been an exciting, busy and ultimately fulfilling year for which I will forever be grateful.

Of course, I was left with a very solid foundation upon which to build. I have been given tremendous support by members of all of our committees, my Executive, the Council and of course the Legal Profession in general. Moreover, I have been able to rely upon the Executive Director, Luke Rheinberger, the Deputy Executive Director, Francesca Saturno and the staff of the Law Society. The enormous amount of work that they manage to accomplish is not to be underestimated. The Society would simply cease to function without them.

I have made mention of the work of the committees. Without those, the Society would not be able to formulate policy, react to changes in legislation or provide essential services and information to the profession at large. They provide a vital role in educating the profession by the provision of continuing professional development, advising on policy and assisting with submissions to Government. Whilst all committees have been busy, I would like to congratulate the Criminal Law Committee in having won Committee of the Year and to acknowledge the Property and Commercial Law Committee for the hard work required due to GST withholding measures, the introduction of Foreign Investor Duties Surcharge and a raft of other changes which have necessitated the education of the profession, Property Agents and amendments to Standard Form Contracts.

The Criminal Law Committee will need to continue to work hard given the Government's unfortunate legislative agenda. The old chestnut of mandatory sentencing is likely to rear its head again in the near future whilst other legislation (such as consorting laws) are introduced to Parliament without adequate or indeed any consultation. Whatever one's view on policy, the latter situation is simply not acceptable in a free and democratic society. Legislation must be made available for review and testing by those with appropriate expertise, in this case members of the Legal Profession. We will continue to make representations in that regard.

The Society has and will always make comment regarding rule of law matters but I have chosen in my year as President to turn our attention to member "grass roots" issues. The leader's lunches were extremely well attended and received and it was clear that participants had put a great deal of thought into their suggestions. I am looking forward to continuing the work of putting many of those suggestions into practice with my successors. I certainly intend to remain on Council to provide my fullest assistance in that regard.

I have made mention of the winner of the Committee of the Year Award. I would like to also take the opportunity to congratulate other award recipients, Robert Manning for the President's Award, Alex McKenzie for the Young Lawyer's Award and Page Seager for the Pro Bono Award. Robert made an exceptional speech highlighting the importance of collegiality amongst the profession which leads to better outcomes for us and better outcomes for our clients. Collegiality is built on, amongst other things, good communication and relationships rather than merely relying upon letters and emails. Collegiality is a corner stone of a strong profession. We require a strong profession to be able to continue to represent and promote our member's interests and also ultimately to be able to fulfil our other function of promoting rule of law of issues.

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At a national level, the Law Society is engaging with the Law Council of Australia in making representations to our federal politicians regarding the future of the Federal and Family Courts, and in particular the Family Court as a stand-alone court. The impact of the proposed changes cannot be understated. It should remain a serious concern to all practitioners and indeed all Australians and I urge members to use any influence that they can bring to bear on Federal members of Parliament to make their feelings known.

Although I have brought specific attention to those matters particularly affecting the members of the Profession themselves in their practices, we have continued to have a good relationship with the media and have spoken on a wide range of topics relating to rule of law matters and matters of interest to the public in general. Indeed, so much so that certain members of the media felt that it was completely alright to phone me for an interview about a bail reform paper put forward by the Government at 9:00 am on New Years morning! Nonetheless, I have taken the view that we do not need to express our thoughts on every matter. Indeed, I believe that sometimes our message may get lost if we do so and that it may be wise to confine our comments to matters of particular importance to the rule of law and the interest of our members. In saying that in no way do I seek to bind my successors in that view.

My predecessor's President's Report mentioned the ill health of the Attorney General, Vanessa Goodwin. The entire profession was saddened by her passing. The Society did indeed enjoy a good relationship with her. Although not always in agreement, her dealings with the Society were respectful and considered. We hope to eventually build a similar relationship with her successors.

Once again, I would like to thank the Council and the members of the Law Society in entrusting me with the leadership of the Society for the past year.

W Justo
President

Treasurer's Report

Attached are the financial Statements for the Law Society of Tasmania (“the Society”) for the financial year ending 30 June 2018. The Society is the Prescribed Authority under *the Legal Profession Act (Prescribed Authorities) Regulations 2008*, these regulations being made under the *Legal Professions Act 2007*.

The Society's income is down this financial year. This is in part due to offering for the first time a part-time professional indemnity insurance premium whilst not increasing the costs payable for full-time practitioners.

In accordance with the Investment Policy adopted on 19 June 2017, the Investment Committee of the Law Society has this year considered the spread of investments to focus on the growth of funds in the long term while ensuring access to capital and income is maintained in the short term. Funds for the Law Society of Tasmania Investment Fund (previously the Professional Development Fund), Law Library, Library Fund and excess operating capital have now been invested at competitive interest rates.

An asset revaluation has shown the Law Society's property values grow with Staffordshire House in Launceston moving from \$640,000.00 to \$700,000.00, and the Law Society building at Murray Street in Hobart substantially increasing from \$1,380,000.00 to \$1,750,000.00.

The Society's expenses have risen slightly this financial year, and the Financial Statements reveal a deficit of \$138,717.00.

It is worth noting that:

- the increase in property costs from the previous financial year which relates to work completed at Staffordshire House in 2017 to deal with rising damp;
- disciplinary costs have also been a significant expense to the Society and recovery action in relation to these costs continues;
- continuing professional development costs have increased to enable the Society to provide a high-quality program;
- the deficit also includes non-cash allocations such as quantified depreciation, website amortization, asset write-offs and provisions for annual leave and long service leave;
- member benefit costs for counselling and advice on complaint matters have doubled from the last financial year which shows our members are accessing these worthwhile services; and
- the Society continues to maintain not insignificant cash reserves and physical assets.

I would like to express my gratitude to the Society's accountant Peter Rowe, the Executive Director Luke Rheinberger, the Deputy Executive Director Francesca Saturno, and the Investment Committee for their contributions.

Crystal Garwood
Treasurer

Report of the Prescribed Authority 2017/2018 Presented to the Legal Profession Board of Tasmania

Section 653(3) of the *Legal Profession Act 2007* requires the prescribed authority on or before 1 August after the end of a financial year, to prepare and present to the Board a report on its operations for that financial year. The Law Society of Tasmania, being the prescribed authority presents its report to the Board for the financial year 2017/2018.

Overview

For the relevant financial year the *Legal Profession (Prescribed Authorities) Regulations 2008* designated the Society as the prescribed authority for the purposes of some 132 sections of the Act. They include:

- a. Regulation of practising certificates, including grant and renewal, the imposition of reasonable and relevant conditions, amendment, suspension and cancellation of practising certificates
- b. Maintaining a record of incorporated legal practices
- c. The regulation of trust accounts
- d. The appointment of investigators to law practices
- e. The appointment of external intervenors to law practices.

Funding of the Prescribed Authority

The functions of the prescribed authority are funded entirely by the legal profession through the payment of practising certificate fees.

Regulation of Trust Accounts

Most, but not all law practices in Tasmania operate a trust account. Trust money is money entrusted to a law practice in the course of or in connection with the provision of legal services. Part 3.2 of the *Legal Profession Act* deals with trust money and trust accounts. Obligations relating to trust accounts are also in part 3 of the *Legal Profession Regulations 2008*.

The major obligation of the Society is to ensure that trust money is held by law practices in a way that protects the interests of persons for or on whose behalf that money is held. Every law practice that holds money in its general trust account must undergo an annual trust account examination by an authorised examiner. For some years all trust account annual examinations have been carried by the one examiner authorised by the Society. Use of the one trust account examiner ensures a consistency in approach to examinations and that the examiner has the relevant expertise and knowledge of relevant legislative requirements. This has led to a marked improvement in compliance levels.

The examiner's report is provided to the Society. Reports identify any breaches of the relevant Act or Regulations, any unsatisfactory practices and make general recommendations regarding the operation of the trust account, including appropriate risk mitigation strategies.

The Society expends not inconsiderable resources in undertaking its statutory duties as the regulator of trust accounts. A trust account administrator is employed two days per week under the supervision of the Executive Director. The administrator's role is to manage the administration of trust accounting reporting requirements including checking and recording quarterly returns with regards to the designated deposit account, the review and analysis of all

external examination reports and reviewing other documents lodged with the Society such as the notification of irregularities, and the opening or closing of trust accounts. In addition, the Society's authorised trust account examiner is retained to provide advice as and when needed to law practices or prospective law practices. Such advice may include advice of a technical nature or providing information as to the appropriate practice management/trust accounting system for a particular firm.

The Society provides firms with online resources including an administration calendar and relevant forms.

Of increasing concern in the legal profession nationally and internationally is the rise in cybercrime, particularly targeting law practices. The Society has made and will continue to make law practices aware of the risks and provide education and resources in how to deal with those risks. The Society has provided information to law practices including in its weekly email update, directly to managing partners, by way of a poster for firms to display in their accounting area and through professional development seminars.

Trust account examinations relate to a calendar year. The following information therefore relates to the 2017 calendar year;

- Number of firms with trust accounts – 110
- Number of trust receipts – 104,588
- Total amount of trust receipts – \$8.56 billion
- Total amount held on trust at 31 December 2017 - \$151 million
- Total amount held on investment at 31 December 2017 - \$95.8 million

Practising Certificates

The following classes and numbers of practising certificates were issued under the *Act* during the period 1 July 2017 to 30 June 2018:

- Principal – 203
- Employee – 318
- Barrister – 58
- Corporate – 49
- Locum – 7
- Community legal centre – 60
- Volunteer community legal centre - 11

Section 41 of the *Act* states that an Australian lawyer engaged under the *State Service Act*, by a state, territory or commonwealth instrumentality, a local council or in a state or territory statutory office is taken to hold for the purposes of the *Act* and that employment, a practising certificate as a legal practitioner.

The above figures therefore do not include practitioners who fall within section 41 including practitioners employed in the Office of the Director of Public Prosecutions, the Solicitor-General and the Legal Aid Commission.

Each class of practising certificate has a number of practising certificate conditions attached to it as a matter of course. All practitioners are subject to a condition they comply with the

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Society's practice guideline mandating minimum requirements for continuing professional development. Further conditions may be and are imposed depending on the practitioner's circumstances. Examples include:

- The imposition of pupillage conditions for new barristers
- In the case of practitioners operating as a sole practitioner for the first time, the obligation to appoint a mentor, to meet with that mentor and for that mentor to report to the Society
- The imposition of additional continuing professional development obligations

Suspension of a Practising Certificate

On 30 October 2017 the Board directed the Society to suspend the practising certificate issued to Barbara Etter. The Society suspended Ms Etter's practising certificate on 31 October 2017. That suspension was subsequently stayed by the Full Court of the Supreme Court of Tasmania.

Conclusion

The Tasmanian Legal Profession operates under a co-regulatory model. For that model to operate effectively and efficiently it is necessary that there be a high degree of confidence and open communication between regulators. The Society records its appreciation to the Board for its continuing efforts in this regard.

July 2018

Committee Reports

Following please find reports received from the Society's Committees.

Continuing Professional Development

This year the CPD Committee has undergone a fairly significant overhaul to the way that it operates. I provided a fairly detailed report about this last quarter and I will repeat the most important aspects of it in this report.

On 12/4/18 the committee members received a memorandum dated 6/4/18 indicating that the future of the CPD Committee had been discussed by the Council's Selection Panel at their recent selection meeting.

As a result of that discussion the CPD Committee was asked to consider the following questions:

- Should the CPD Committee continue?
- If so, what should be the CPD Committee's functions?
- How often should the committee meet?
- Should it operate on an ad hoc basis, when matters arise?

These questions were the focus of the meeting held on 12/4/18.

As a result of discussion on these questions it was agreed that there was a role for the CPD Committee but its role needed to be redefined. It was agreed that the CPD Committee should be involved in the following:

- continuing independent oversight of the CPD program (including the identification of, and assistance with 'at risk' areas and program;
- consideration of CPD activity approval applications, exemption applications and compliance issues;
- consideration of CPD scheme related issues, including interpretation of Practice Guideline No. 4, and improvement/amendment recommendations to Council where required);
- educating the profession in relation to CPD rule requirements and compliance matters;
- CPD promotion, as well as consultation with peers / the profession;
- on-the-ground program assistance generally, particularly where gaps or other deficiencies appear (e.g. finding topics and speakers and assisting with organising); and
- a general CLE advisory function to Council in relation to professional development matters.

The Committee resolved that further examination of the above functions, as well as a review of the current Practice Guideline No. 4 and the Terms of Reference, warranted a strategic planning session. This took place on 31/5/18.

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At that meeting it was noted that The CPD Committee was initially established in or about 2011 to assist with the development and implementation of Tasmania's first Mandatory CPD scheme for legal practitioners. The Committee was involved in the drafting of the rules (and has been involved in subsequent amendments) leading to the Law Society Practice Guideline No. 4.

Alison Clues

Criminal Law Committee

For the 2017/2018 reporting period the Criminal Law Committee had nine members made up of representatives of the both State and Commonwealth prosecuting services, the private bar, legal aid and the private profession. The Committee had general meetings and a number of special meetings. The chair of the Committee during the reportable period was Jackie Hartnett.

It was a particularly busy period for law reform in the area. With the Committee considering a number of proposed Bills and the Sentencing Advisory Council Paper on Statutory Discounts for pleas of guilty. Bills considered included mandatory sentencing for serious sexual offences against children, assaults on off duty police, prisoner remissions, the phasing out of suspended sentences and amendments to the Road Safety (Alcohol and Drugs) Act to name but a few.

The reporting period coincided with the concentrated trial period in Hobart, which saw not only members of the Committee with significant trial commitments but the profession generally. The Committee sought to represent the views of the Law Society criminal practitioners during this time and will continue to do so.

The major CPD event for the Criminal Law Committee was held on the 2 March 2018. It was a successful event with the feedback from the attendees overwhelmingly positive. It was an excellent program with a number of informative presentations and speakers whom the Committee thanks. These include the Honourable Justice Stephen Estcourt, Chief Magistrate Catherine Geason, Commonwealth DPP Sarah McNaughton SC , Deputy Director of Public Prosecutions Linda Mason SC, Associate Professor Arie Freiberg, Evan Hughes and Inspector Craig Joel. The success of the CPD event would not have been possible without the considerable effort of Amal Cutler and others from the Law Society. I thank them for their efforts.

The Committee is grateful to Luke Rheinberger for his support, hard work, and efficiency. I thank those members of the Committee who volunteer their time and expertise to the Committee. The efforts of the Committee were recognised by the presentation of the Certificate of Recognition for outstanding committee at the Annual Opening of the Legal Year dinner.

Jackie Hartnett

Employment & Equal Opportunity Committee

The Committee is committed to diversity measures for women as well as all people from diverse backgrounds and identities.

The EEO Committee meets monthly and reports to the Society's Law Council as well as the EOL Committee of the Law Council of Australia.

The Committee is greatly indebted to Ms Audrey Mills for chairing the Committee for over 10 years prior to a handover of the chair in April.

Equitable briefing policy

The Committee retains a watching brief on the Society's adoption of this policy. It is hoped the Society will take further steps to assist the profession fully implement this policy.

Inclusion and Diversity Initiatives

Pride in Diversity

The Society took up membership with Pride in Diversity earlier this year on the recommendation of the Committee. The Society is the first Law Society in Australia to take up Pride in Diversity membership.

Membership includes 2 hours' face-to-face training delivered by a Pride in Diversity representative. That training was utilised at the Committee's recent annual Employment Law Conference on 9 September 2018. Pride in Diversity's Ms Ashleigh Sternes delivered the first of a 2-part training series at the conference. Ms Sternes' seminar was an excellent opportunity for members of the profession to educate themselves to better understand their obligations as well as the diverse nature and needs of their clients. Participant feedback was overwhelmingly positive. The Committee has secured Law Foundation funding to host follow up Pride in Diversity training session(s) which, subject to sufficient expressions of interest, it is hoped will be run later in 2018 or early 2019.

Firms can access member-only parts of Pride in Diversity's website under the Society's, membership which includes substantive and significant publications on the hows and whys of being a LGBTI-friendly workplace and service provider. Firms are encouraged to consider taking up Pride in Diversity membership.

Sexual harassment

There has been significant movement in this space both nationally and internationally. On 20 June 2018 the Australia's Sex Discrimination Commissioner announced a National Inquiry into Sexual harassment in Australian workplaces. The Committee, as well as its National counterpart, the EOL Committee of the Law Council of Australia, are keen to participate in the Inquiry.

The Committee will be urging the Society to take steps to measure and address sexual harassment in the Tasmanian legal profession.

CPD

The Committee held its annual Employment Law Conference on 9 September 2018. The conference was well attended and presenters included a number of interstate speakers. Special

thanks to Amal Cutler and Julie Mazey at the Society for their support and assistance to make the day such a success.

Model conduct rules

The Committee continues to lobby the Society to adopt the Model Conduct Rules and in particular those rules relating to bullying and sexual harassment.

Flexible work practices

Attraction and retention of lawyers increasingly requires firms to accommodate the diverse needs of their employees, including the need for flexible work practices. The Committee continues to urge the Society to assist firms identify ways and means of accommodating such needs.

Alison Wells

Elder & Succession Law Committee

1. Summary

As a whole the committee is on track for not receiving the wooden spoon this year.

- a. Submissions were made to the TLRI on the review of the Guardianship and Administration Act 1995.
- b. Exemption of the payment of duty on the transfer of motor vehicle and the process of the same extended and streamline for the estate of a testator that does not require the Grant.
- c. The Probate registry acknowledged formatting errors in their forms and is correcting the formatting.
- d. Working towards the development of a Wills Register, that if successful will be the first nationally.
- e. The Development of a Capacity Report to be used across the board by medical profession and other professional.
- f. The holding of well received PD on taxation of estates and our annual conference.
- g. The appointment of Jencie Harrington as the Society's representative on the National Elder & Succession Law Committee, Law Council of Australia.

2. Law Reform Issues

Guardianship & Administration Act 1995

The TLRI are yet to return with a second draft or report.

3. Probate Rules

It is nearly a year since the implementation of the new Rules.

Turnaround time, from submission to the receipt of Grant has reduced.

The Committee continues to work with the registry to pass on the profession's comments and concerns.

An index to the "Frequently asked questions" is now available.

4. Practice Issues

a. Will Point

We have now moved on from Will Point and are looking at working with Birth Deaths & Marriages to develop a relationship to enable the notification of the death of a person to flow to a register held with the Society.

b. Testamentary Capacity – Capacity Report

We have hit a speed bump with the RACGP and are now considering other professionals such as Occupational Therapist (OT's). OT's are engaged to assess a person's needs. While not a medical practitioner they have the requisite skills to assess a person's capacity.

c. Motor Vehicle Transfer and Duty exemption

Following representations from the Committee, the SRO has now, with the assistance of the introduction of Statutory Declaration requirements, relaxed their requirements in some instances in relation to claiming an exemption from the payment of duty, on the transfer of registration of motor vehicles to a beneficiary of a deceased estate.

5. Professional Development

The Committee has discussed and intends to hold our Annual Conference in the north of the State next year. Topics, date, time and location are yet to be determined or confirmed.

6. Related Organisations

National Elder & Succession Law Committee

Jencie Harrington nomination was confirmed by the Society and accepted by the Law Council of Australia.

7. Media

The Committee is yet to have its article about Will Kits published in the Mercury. The article however has been provided for publication to Community publications.

Jencie Harrington

Family Law Committee

The Society's dedicated Family Law Committee comprised the following members for 2018:

- Trevor McKenna – Chair
- Robert Blissenden
- Kate Mooney (Barrister)
- Kristen Wylie
- Hari Gupta
- Linda Connelly
- Louse Mollross
- Mary Anne Ryan (Barrister)
- Philip Theobald (Barrister)

What follows is a snapshot of some of the work of the Committee:

- **Legal Aid:** Receiving feedback from members about their interaction with the Legal Aid Commission of Tasmania insofar as it relates to family law including, for example, funding and alternative dispute resolution. Feedback received is considered by the Committee and provided to the Commission in an effort to refine and improve legal aid in family law matters.
- **ALRC Review into the Family Law System:** The Committee has engaged with this review via the Family Law Section of the Law Council of Australia. The Committee provided feedback to the FLS about a variety of matters including:
 - How can the accessibility of the family law system be improved for people with disability, in particular around the funding of litigation guardians.
 - Expanding the definition of family violence to include “systems abuse” (appropriately defined).
 - Better triage and differential case management including through far greater use of the Case Assessment process.
 - Financial Agreements including amending the *Family Law Act* to make clear that an agreement entered into under Pt VIIIAB (before or during a de facto relationship) can be enforced under Pt VIIIA if the parties later marry.
 - The collection, use and amendment of sex and gender information.
- **CPD:** The Committee has worked on attracting CPD presenters to provide in areas of particular interest and relevant to our membership. This year saw the Society provide a one day family law specific advocacy course and more recently a half day session on the new Child Support legislation. The family law advocacy day was fully subscribed with strong interest from members wishing to participate in a future offering.

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- **Structured reform of the Federal Court:** This is an ongoing project with an aim of providing material for use in a submission made by the LCA in their submission to the Senate Legal and Constitutional Affairs Legislation Committee's inquiry into the Federal Circuit and Family Court of Australia Bill 2018, Federal Circuit and Family Court of Australia (Consequential Amendments and Transitional Provisions) Bill 2018. Our submission will focus on a number of matters including:
 - Registries servicing rural and remote areas and possible impacts on resourcing to regional areas
 - Delegated powers of registrars
 - Case management

- **Engagement with Media:** The Committee has been able to provide commentary in the Tasmanian media on behalf of the profession in response to policy, legislative reform and matters of public interest.

The Committee thanks the staff of the Law Society for assisting the Committee throughout the year and for the guidance of Luke Rheinberger.

Trevor McKenna

Litigation Committee

Purpose

The Litigation Committee of the Law Society of Tasmania provides specialist advice to the Society on matters relating to civil litigation. The Committee reviews legislation relevant to the work of practitioners in this broad area of law, seeks to identify areas of reform and improvement within the law as well as assisting in the training and development of litigation lawyers. The Committee's focus is on providing challenging and worthwhile professional development opportunities to the profession, focused mainly on more experienced practitioners given that less senior lawyers are assisted comprehensively by the Society's Young Lawyers Committees.

The Committee has its genesis in the Tasmanian Bar Association and brings with it in its current form many of the traditions that were held with that Association as a recognition of that heritage.

Composition of the Committee

Evan Hughes (Chair), Nathan Munting, Alex Cordova, Sam McCullough, Amanda Thompson, Dexter Marcenko, Simon Gates, Robert Hudson

MATTERS CONSIDERED AND UNDER CONSIDERATION BY THE COMMITTEE

Electronic Filing

The Committee has been actively engaging with the courts to advance the implementation and expansion of electronic filing for the benefit of practitioners. This would provide a significant improvement to access to justice and greater efficiency in the instigation, management and advancement of civil litigation matters. The Committee is also reviewing delays experienced by practitioners in the return of filed documents from the court and what can be done to improve the efficiency of the process.

Court Redevelopment

The Committee is actively involved in reviews undertaken by the courts with respect to its physical make up in Hobart and on the North-West Coast and the way in which those arrangements could best reflect the needs of practitioners in their day to day work in the court precincts.

Personal Injuries Abuse Cases

The Committee reviewed changes in the legislation in other States, namely Victoria, as it relates to the Ellis defence, a decision of the New South Wales Court of Appeal which determined that the Catholic Church did not exist as an entity capable of being sued.

The Committee also provided detailed feedback with respect to the proposed amendments to the *Limitation Act* by way of the *Limitation Amendment Bill 2017*.

Judicial Review Act 2000 (Tas)

The Committee is currently preparing a response to the Tasmanian Law Reform Institute Issue Paper No. 26 which aims to simplify the law with respect to the process of review. This is a complex area of law whereby the *Judicial Review Act* (JRA) overlays with imprecision traditional common law remedies.

Restructuring of the Federal Court

Much of the debate in this area has focused on the effect upon the Family Court. The Committee is concerned with the equal and potentially far reaching impacts of the restructure of the Federal Court upon those who use the Federal Court as a mechanism for securing relief in civil litigation matters. The effectiveness of the Federal Court as a forum for securing relief is well recognized by those who utilize its services. The Committee is concerned with the impact upon restructuring with the efficacy of the court and the specialized knowledge held by those judges that hear and determine civil litigation matters. The Committee is assisting the Society in preparing a response to those proposed reforms by the Federal Government. That response will form part of a broader response across each of the constituent Law Societies of the Law Council of Australia. The Law Council of Australia will then in turn use the information provided by the constituent bodies to be a persuasive and articulate voice in Canberra on behalf of the profession.

CPD EVENTS

The Committee hosted a 2 day Litigation Convention on 10th and 11th November of 2017 at Strahan on the West Coast of Tasmania. The Convention had the benefit of an array of high quality speakers from both within Tasmania and interstate, including members of the judiciary. Delegates had the opportunity to attend an extremely entertaining dinner which included a speech by the Honourable Chief Justice Blow OAM, which was widely regarded as the highlight of the evening. The Committee's post-convention survey revealed that the majority of delegates viewed the convention as very successful, with the majority indicating that they would highly recommend that others attend the Committee's next convention. The Committee intends to conduct its next litigation convention in 2019 as a bi-annual event.

The Committee has arranged a 1 day litigation conference to be held on Friday 2 November 2018 at Blundstone Arena, which will include a keynote speech by Carolyn Sparke QC and presentations from prominent members of the Tasmanian profession and judiciary. We encourage practitioners to register and take the opportunity to refine their advocacy skills.

In Conclusion

As Chair of the Committee I thank each of the members of the Committee for the time that they dedicate to the work of the Committee in a skilled and professional way. All of the members of the Committee carry significant and busy practices and the work they undertake for the Committee is on a voluntary basis.

Evan Hughes

Property Law Committee

Once again, the Property and Commercial Law Committee has had a very busy year. We were particularly pleased that our Chair, Robert Manning, was honoured with the President's Award for 2018. This is a just reward for his work on the Committee (and or course elsewhere) and the important work of the Committee in general.

This year's work has seen amendments to the Standard Form Particulars Conditions of Sale for Real Estate. The most obvious change to the Contract was to the Subject to Sale/Subject to Completion Clauses as well as coping with the introduction of GST withholding. We would like to specifically thank Matthew Pawson and Jillian Hall from Rae & Partners for their contribution with respect to the withholding provisions. They are a paradigm shift in payment of GST and required a great deal of thought.

Robert Manning and I spent considerable time providing CPD updates with the Profession and Real Estate Agents regarding the Contract, GST withholding and the introduction and application of the Neighbourhood Disputes About Plants Act. These seminars were very well attended and well received. In addition, the Committee's Annual Professional Development Day was again held in March. Attendance was sold out and by all reports the key speakers were very well received.

On general matters, the Committee has regular meetings with the Land Titles Office and State Revenue Office to ensure there is open communication with these important Government Offices. Although they are welcome, it has been disappointing that both Offices seem to take the view that our meetings are a privilege accorded to the Profession rather than a right or indeed a useful tool to enable those Offices to conduct their business. I am confident that we will see a change in approach in attitude in the coming year. Many mistakes and inefficiencies that have been introduced or continue could be avoided through listening to our Committees and our Members. The introduction of the Foreign Investors Duty Surcharge, the proposed mechanisms for Duty discounts for first home owners and "down sizers" and the efficient operation of self-endorsement are cases in point.

I would also like to thank the staff of the Law Society and in particular Francesca Saturno for their support, without which we would simply not be able to continue with our work.

Finally, I would like to take this opportunity to thank all Members of the Committee for their input, work and general contributions to the Committee over the past year. It has been an extremely busy year and I would submit that the Profession would not be able to function effectively without the Committee's input.

Will Justo

Pro Bono Referral Service

The Law Society of Tasmania's Pro Bono Committee, otherwise known as the Pro Bono Referral Committee, continued its valuable work in 2018.

The committee is currently made up of 11 members.

These members meet every two months to assess applications for pro bono legal assistance made by Tasmanian individuals and organisations.

In this calendar year the Committee considered 24 applications, many of which were the subject of a grant of assistance.

Members of the Law Society can be pleased that this committee continues to play a vital role in ensuring the Tasmanian public has the ability to access the justice system regardless of their financial circumstances.

The Committee gratefully acknowledges the work of the many members of the legal profession of Tasmania who generously and diligently work for those applicants who have been granted pro bono assistance. The Committee annually presents an award to a lawyer or lawyers for their work in this important area. In 2017 that award was given to the firm Page Seager. Any lawyer who is prepared to participate in this scheme but who has not yet done so is invited to contact the Committee with an expression of interest.

As in past years, the Committee would particularly like to acknowledge the work of David Wilson of the Australian Government Solicitor's Office. Each application for pro bono assistance is the subject of a thoughtful and objective review and recommendation by David. This is of significant assistance to other Committee members. The ongoing funding for David's position is unfortunately currently being reviewed. The Committee is in the process of attempting to ensure David's valuable work for the applicants for pro bono assistance can be continued.

The Committee would also like to acknowledge the Society's Executive Director Luke Rheinberger and his executive assistant Tracey Long, who assist with the smooth administration of Committee business.

Craig Mackie

The Private Legal Profession in Tasmania as at 19 September 2018

Solicitors	South	North	North West	Total
Sole Principals	59	20	22	101
Partners/ 2	6	4	3	13
Directors 3	2	2	1	5
4	2	1	0	3
5	1	0	0	1
6	2	0	0	2
8	1	0	0	1
10	1	0	0	1
12	1	0	0	1
Total firms	76	27	26	128
Principal practitioner	132	38	31	201
Employed practitioner	204	45	37	286
Community legal practitioners	31	11	5	46
Volunteer Community Legal Centre	5	4	0	9
Corporate practitioners	51	2	1	54
Locum practitioners	2	0	1	3
	424	100	75	599

*Practitioners include Senior Counsel - one principal

Barristers				
Queen's and Senior Counsel	11	1	-	12
Junior Counsel	34	4	1	39
Total barristers	45	5	1	51

Total Practitioners	650
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Associate members	153
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Firms				
Sole principals	41	16	16	73
Partnerships	8	5	1	14
Incorporated legal practices	28	7	9	44
*Total firms	77	28	26	131

*Included are firms without a principal based in Tasmania.

The Law Society of Tasmania Annual Report 2017-2018

Statement by Honorary Treasurer

For the Year Ended 30 June 2018

The Society is not a reporting entity and this special purpose financial report is prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In my opinion the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and the Notes to the Financial Statements:

1. Present fairly the financial position of the Law Society of Tasmania as at 30 June 2018 and its performance for the year on that date; and
2. At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.



Honorary Treasurer

Dated: *17 September 2018.*

The Law Society of Tasmania

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 30 June 2018

	Notes	2018	2017
		\$	\$
Revenue	9	1,154,055	1,212,580
Expenses	9	(1,292,772)	(1,237,196)
Surplus / (Deficit) for the Year		<u>(138,717)</u>	<u>(24,616)</u>
Other Comprehensive Income			
Items that will not be Reclassified to Profit or Loss:			
Loss on Revaluation of Land and Buildings		-	-
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
Total Comprehensive Income		<u><u>(138,717)</u></u>	<u><u>(24,616)</u></u>

The accompanying notes form part of these financial statements

The Law Society of Tasmania

Statement of Financial Position as at 30 June 2018

	Notes	2018	2017
		\$	\$
Current Assets			
Cash and Cash Equivalents	2	6,101,178	5,060,243
Receivables	3	148,196	503,854
Total Current Assets		6,249,374	5,564,097
Non-Current Assets			
Property, Plant and Equipment	4	2,513,787	2,072,266
Website	4	6,238	9,337
Total Non-Current Assets		2,520,025	2,081,603
Total Assets		8,769,399	7,645,700
Current Liabilities			
Payables	5	18,471	23,776
Current Tax Liabilities		204,405	209,599
Provisions	6	1,064,664	891,151
Other Liabilities	7	3,450,501	2,833,190
Total Current Liabilities		4,738,041	3,957,716
Total Liabilities		4,738,041	3,957,716
Net Assets		4,031,358	3,687,984
Members' Funds			
Capital Profits Reserve		-	43,843
PfII Reserve		372,508	372,508
Asset Revaluation Reserve		482,091	408,122
Accumulated Society Funds		3,176,759	2,863,511
Total Members' Funds		4,031,358	3,687,984

The accompanying notes form part of these financial statements

The Law Society of Tasmania

Statement of Cash Flows for the Year Ended 30 June 2018

	Notes	2018	2017
		\$	\$
Cash Flows from Operating Activities			
Receipts from Operations		1,672,762	1,982,688
Payments to Suppliers and Employees		(655,832)	(820,773)
Interest Received		31,961	85,221
Interest and Other Finance Costs		(4,623)	(5,121)
Net Cash Flows from / (Used in) Operating Activities	8	<u>1,044,268</u>	<u>1,242,015</u>
Cash Flows from Investing Activities			
Payment for Property, Plant and Equipment		(3,333)	(22,537)
Net Cash Flows from / (Used in) Investing Activities		<u>(3,333)</u>	<u>(22,537)</u>
Net Increase / (Decrease) in Cash Held		1,040,935	1,219,478
Cash at the Beginning of the Year		5,060,243	3,840,765
Cash at the End of the Year	2	<u><u>6,101,178</u></u>	<u><u>5,060,243</u></u>

The accompanying notes form part of these financial statements

The Law Society of Tasmania

Statement of Changes in Equity for the Year Ended 30 June 2018

	Accumulated Society Funds	PII Reserve	Asset Revaluation Reserve	Capital Profits Reserve	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2016	2,962,916	297,719	408,122	43,843	3,712,600
Comprehensive Income					
Surplus / (Deficit) for the Year	(24,616)	-	-	-	(24,616)
Transfer to PII Reserve	(74,789)	74,789	-	-	-
Total Comprehensive Income for the Year Attributable to Members of the Society	(99,405)	74,789	-	-	(24,616)
Balance at 30 June 2017	2,863,511	372,508	408,122	43,843	3,687,984
Comprehensive Income					
Surplus / (Deficit) for the Year	(138,717)	-	-	-	(138,717)
Transfer to Accumulated Society Funds	451,965	-	-	(43,843)	408,122
Other Comprehensive Income for the Year	-	-	73,969	-	73,969
Total Comprehensive Income for the Year Attributable to Members of the Society	313,248	-	73,969	(43,843)	343,374
Balance at 30 June 2018	3,176,759	372,508	482,091	-	4,031,358

The accompanying notes form part of these financial statements

The Law Society of Tasmania

Notes to the Financial Statements for the Year Ended 30 June 2018

Note 1: Statement of Significant Accounting Policies

(a) Basis of Preparation

The Council have prepared the financial report on the basis that the Society is a non-reporting entity because there are no users dependent on general purpose financial report. This financial report is therefore a special purpose financial report prepared specifically for distribution to members in accordance with the *Law Society By-Laws 1994* made under the *Legal Professional Act 1993*.

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the Council have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial report, except for the cash flow information, has been prepared on an accrual basis and is based on historical costs unless otherwise stated in the notes. The amounts presented in the financial report has been rounded to the nearest dollar.

(b) Revenue

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present value when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(c) Cash and Cash Equivalents

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

Westpac Rural Employee Scheme

Funds in this bank account were received from the Solicitors' Guarantee Fund for the purpose of setting up a Regional Lawyer Supplementation Scheme.

(d) Receivables

Trade and other receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are recognised at the nominal transaction value without taking into account the time value of money.

The Law Society of Tasmania

Notes to the Financial Statements for the Year Ended 30 June 2018

Note 1: Statement of Significant Accounting Policies (Cont.)

(e) Property, Plant and Equipment

Land and Buildings

Land and buildings are carried at their fair value less depreciation (excluding land content). The fair value of land and buildings have been determined by reference to independent valuations as at 30/06/2018. The property at 28 Murray Street, Hobart was deemed to have a market value of \$1,750,000 by independent property valuers Saunders & Pitt, while the Staffordshire House at 54A - 56 Charles Street, Launceston was deemed to have a market value of \$700,000 by Opteon Property Group. These revaluations take no account of potential capital gains tax.

Plant and Equipment

Plant and equipment and leasehold improvements are measured on the cost basis less depreciation.

Depreciation and Amortisation

The Society adopts the straight-line method of depreciating buildings and leasehold improvements and amortising intangible assets over the asset's useful life to the Society commencing from the time the asset is held ready for use.

Motor vehicles are depreciated using the diminishing value method over the asset's useful life to the Society commencing from the time the asset is held ready for use.

Plant and equipment are depreciated using a combination of both the straight-line and diminishing value methods.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Land and Buildings	2.5%
Plant and Equipment	2 – 40%
Motor Vehicles	22.5%
Website	33%

(f) Payables

Trade and other payables are recognised at the nominal transaction value without taking into account the time value of money.

(g) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax.

The Law Society of Tasmania

Notes to the Financial Statements for the Year Ended 30 June 2018

Note 1: Statement of Significant Accounting Policies (Cont.)

(h) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Short-term employee benefits

Provision is made for the Society's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service.

(i) 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

(j) Comparative Figures

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

The Law Society of Tasmania

Notes to the Financial Statements for the Year Ended 30 June 2018

	2018	2017
	\$	\$
Note 2: Cash and Cash Equivalents		
Bank Accounts:		
Westpac Cheque Account	2,085,714	92,628
Westpac Maxi Direct Account	1,210,194	3,214,033
Westpac Library Fund	57,146	364,867
Westpac Integrated Law Library Grant	95	88,250
Westpac Integrated Law Library Grant No. 2	260,648	186
Westpac Rural Employee Scheme	-	76
Short Term Deposits – Westpac	-	1,300,000
Westpac Duty Lawyers	166,081	-
AMP Term Deposit	800,000	-
Westpac Term Deposit – 1111	858,000	-
Westpac Term Deposit – 1103	500,000	-
Westpac Term Deposit – 1138	163,000	-
Other Cash Items:		
Cash on Hand	300	203
	6,101,178	5,060,243
 Note 3: Receivables		
Sundry Debtors	125,314	493,082
Prepaid Expenses	22,882	10,772
	148,196	503,854

The Law Society of Tasmania

Notes to the Financial Statements for the Year Ended 30 June 2018

	2018	2017
	\$	\$
Note 4: Property, Plant and Equipment		
Plant and Equipment:		
At Cost	645,548	642,215
Accumulated Depreciation	(592,838)	(577,867)
	52,710	64,348
Land and Buildings – At Fair Value:		
28 Murray Street, Hobart:		
Land	760,000	660,000
Building	990,000	720,000
56A Charles Street, Launceston:		
Land	400,000	340,000
Building	300,000	300,000
Accumulated Depreciation	-	(26,375)
	2,450,000	1,993,625
Motor Vehicles:		
At Cost	39,464	39,464
Accumulated Depreciation	(28,387)	(25,171)
	11,077	14,293
Total Property, Plant and Equipment	2,513,787	2,072,266
Website:		
At Cost	51,725	51,725
Amortisation	(45,487)	(42,388)
Total Website	6,238	9,337

The Law Society of Tasmania
Notes to the Financial Statements for the Year Ended 30 June 2018

	2018	2017
	\$	\$
Note 5: Payables		
Trade Creditors	18,471	23,776
	18,471	23,776
 Note 6: Provisions (Current)		
Employee Entitlements – Annual and Long Service Leave	136,679	111,417
Provision for Library Services	927,985	779,734
	1,064,664	891,151
 Note 7: Other Liabilities (Current)		
Practicing Certificates In Advance	539,626	509,463
PII Premium In Advance	2,344,363	2,191,626
Grants Administered	514,257	88,250
Other Liabilities	52,255	43,851
	3,450,501	2,833,190

The Law Society of Tasmania
Notes to the Financial Statements for the Year Ended 30 June 2018

Note 8: Cash Flow Information

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(b) Reconciliation of Cash Flow from Operations with Surplus from Operations

	2018	2017
	\$	\$
Net Surplus for the Year	(138,717)	(24,616)
Non-Cash Flows in Surplus:		
Depreciation and Amortisation	47,002	54,583
Changes in Assets and Liabilities:		
Decrease / (Increase) in Receivables	367,768	(278,770)
Decrease / (Increase) in Other Debtors	(12,110)	2,057
Increase / (Decrease) in Payables	(5,305)	(3,332)
Increase / (Decrease) in Current Tax Liabilities	(5,194)	72,171
Increase / (Decrease) in Provisions	173,513	290,135
Increase / (Decrease) in Other Liabilities	617,311	1,129,787
Cash Flows Provided by Operating Activities	<u>1,044,268</u>	<u>1,242,015</u>

The Law Society of Tasmania
Notes to the Financial Statements for the Year Ended 30 June 2018

Note 9: Income and Expenditure Statement for the Year Ended 30 June 2018

	2018	2017
	\$	\$
Revenue		
Administration Fees	134,790	134,390
Advertising	9,845	10,136
Certificate of Fitness	2,300	2,500
Continuing Professional Development	227,573	179,995
Disciplinary Action – Costs Recovered	2,204	21,602
Events and Functions	30,832	30,524
Hire of Council Room	703	981
Interest Received	40,863	58,588
PII Mutual Fund Surplus	9,635	94,834
Practising Certificate Fees	555,983	551,679
Rent	61,597	60,000
Sales	6,420	3,960
Sponsorship	57,500	51,170
Subscriptions	13,810	12,221
Total Revenue	<u>1,154,055</u>	<u>1,212,580</u>

The Law Society of Tasmania
Notes to the Financial Statements for the Year Ended 30 June 2018

Note 9: Income and Expenditure Statement for the Year Ended 30 June 2018 (Cont.)

	2018	2017
	\$	\$
Expenses		
Accountancy Fees	21,163	19,594
Advertising	-	137
Audit Fees	6,750	6,700
Bank Fees and Charges	4,623	5,121
Computer Supplies and Services	11,799	17,110
Consultants	10,000	9,000
Continuing Professional Development	89,407	70,743
Depreciation and Amortisation	47,002	54,583
Disciplinary Action – Professional Fees	26,521	34,185
Donations and Grants	16,357	12,819
Events	56,990	51,185
Honorarium	106,308	101,900
Insurance	23,983	17,847
Law Letter	19,174	19,648
Light and Power	16,363	16,434
Meetings	39,327	57,046
Member Counselling and Legal Services	17,961	8,564
Membership Benefits	5,206	1,586
Photography	1,395	1,305
Printing and Stationery	20,988	26,445
Property Valuations	2,600	-
Rates and Taxes	37,607	35,730
Repairs and Cleaning	67,604	31,033
Salaries and Remuneration	560,569	566,128
Security and Fire Alarms	13,405	11,948

The Law Society of Tasmania
Notes to the Financial Statements for the Year Ended 30 June 2018

Note 9: Income and Expenditure Statement for the Year Ended 30 June 2018 (Cont.)

	2018	2017
	\$	\$
Staff Training	3,643	-
Subscriptions	2,461	235
Sundry Expenses	2,802	3,339
Superannuation	46,779	43,865
Telephone, Video Conferencing & Web Expenses	13,985	12,966
Total Expenses	<u>1,292,772</u>	<u>1,237,196</u>

INDEPENDENT AUDITOR'S REPORT

To the Council Members of the Law Society of Tasmania

Opinion

We have audited the financial report of the Law Society of Tasmania (the Society), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a statement of significant accounting policies, and statement by Honorary Treasurer.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Society as at 30 June 2018 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

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 Report section of our report. We are independent of the Society 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 report 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 Management and Those Charged with Governance for the Financial Report

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

In preparing the financial report, management is responsible for assessing the Society'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 management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

The Law Society of Tasmania

if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

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

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.



DANNY MCCARTHY

PARTNER

WISE LORD & FERGUSON

Date: 17.9.18