

The Law  
Society  
OF TASMANIA

# **ANNUAL REPORT**

## **2007 – 2008**

**To be Presented at the  
Annual General Meeting  
of the  
Law Society of Tasmania  
on  
17 October 2008**

# THE LAW SOCIETY COUNCIL 2007 – 2008

## **President**

M D Schyvens

## **Vice-President**

L O Rheinberger

## **Hon Treasurer**

W M Griffiths

## **Council**

K L Baumeler	[S]	T J McGuire	[NW]
S P Bishop	[N]	A E Nicholson	[NW]
G B Bradfield	[S]	N R Readett*	[S]
C A Cunningham	[S]	L O Rheinberger*	[S]
W M Griffiths*	[N]	M D Schyvens*	[S]
G L Jones*	[N]	K J Stanton	[N]
F V Moore	[N]	L S Topfer*	[NW]
P L Jackson*	[S]	D F M Zeeman*	[S]

## **Executive Members\***

### **Executive Director**

M Hagan

### **Director - Law Council of Australia**

C A Cunningham

# Committees 2007 – 2008

## Regional Committees

### Northern

W M Griffiths [Chairman]  
P J Lebski [Secretary]  
S P Bishop  
M Brett  
S J N Brown  
J L Byrne  
D P Cordell  
R J Dalglish  
B R Doolan  
C N Dockray  
W D Edwards  
C J Foon  
G L Jones  
J C Kitto  
S B McElwaine  
K A Mills  
R M Murray  
P R Page  
D N Stewart  
A Trezise  
G Tucker  
P A Welch  
T J Whyte

### Litigious Issues Committee

P L Jackson [Convenor]

### Litigious Costs Standing Committee

W M Griffiths [Convenor]

### Southern

M D Schyvens [Chairman]  
K L Baumeler  
G B Bradfield  
C A Cunningham  
P L Jackson  
N R Readett  
L O Rheinberger  
D F M Zeeman

### North-West

L S Topfer [Chairwoman]  
A E Nicholson [Secretary]  
C S Church

### Criminal Law Committee

K L Baumeler [Convenor]

### Mediation & Arbitration

J B Walker [Convenor]  
W J Friend

**Membership Services**

M D Schyvens [Convenor]

**Public Relations Committee:**

C A Cunningham [Chairman]

M M Fernando

C F McKenzie

V A J Mitchell

H V E Schnierer

A L Wiss

**Professional Development Committee**

M D Schyvens [Chairman]

M F Daly

R A Hart

R M Murray

D H Polden

N Reaburn

L S Topfer

**Property & Commercial Law Committee**

P A Kimber [Chairman]

S P Bishop

G B G Bradfield

R T Fay

R A Hart

L Johnson

A P Laning

P J Lebski

J P McMullen

J A Munnings

M J C Pawson

N R Reaburn

M D Schyvens

T J Tierney

J R Upcher

T J Whyte

A L Wiss

**Employment & Equal Opportunities Committee**

A R Mills [Chairwoman]

E N Archer

T J Badenach

C A Green

L K Mackey

A C Milliss

P A Salewicz

**Solicitors' Accounts Rules Committee**

P V Manser [Chairman]

R Byrne

M J Crisp

A N Morgan

C S Church

**Investigations Committee**

M S Schyvens [Chairman]

K L Baumeler

G B Bradfield

C A Cunningham

P L Jackson

N R Readett

L O Rheinberger

D F M Zeeman

## Young Lawyers

### **Southern Committee**

M Sheppard [President]  
J Moore [Secretary]  
M Harper  
N Munting  
R Grech  
S Nicholson  
L Taylor  
S Rodrigues  
P Butler  
E White  
A Wells  
E Skalidis  
K Smith  
M Eddington  
T McKenna

### **Northern Committee**

J E Higgins [President]  
A M Cohen  
A M Gardner

### **North-West Committee**

L J Edwards  
C Henderson  
A P Mihal  
A E Nicholson

### **Representative on National Young Lawyers Committee**

L Taylor

### Notes:

1. The President is an *ex officio* member of all Law Society Committees.
2. The Legal Ombudsman is entitled to attend those parts of Council and Investigations Committee meetings dealing with conduct complaints arising under Part X of the *Legal Profession Act 1993*.

## **The Society's Representatives on Other Bodies**

### **Board of Legal Education**

G L Jones  
A B Walker

### **Road Safety Consultative Committee**

W M Griffiths

### **Law Council of Australia Access to Justice Committee**

S J N Brown

### **Legal Aid Commission**

S J N Brown  
M Brett

### **Council of Law Reporting**

M J Crisp

## **Associated Bodies**

### **Disciplinary Tribunal**

R W Pearce [Chairman]  
B A Baker  
M L Bessell  
F G Di Giovanni  
C N Dockray  
M J Temple-Smith  
J R Upcher

### **Centre for Legal Studies Ltd**

P A Dixon [Chairman] [part-year]  
T G Bugg [Chairman] [part-year]  
**Directors:**  
The Hon Justice A Blow [part-year]  
P A Bowen [part-year]  
The Hon Justice E Crawford [part-year]  
W M Griffiths [part-year]  
M S Schyvens [part-year]  
Professor K Warner  
M Hagan [Company Secretary]

## **The Law Foundation of Tasmania**

M D Schyvens  
L O Rheinberger  
M J Crisp  
D R Fairley  
L K Mackey  
D Nicol  
N R Readett  
M Hagan

President, Law Society of Tasmania  
Vice-President, Law Society of Tasmania  
Chairman, Solicitors' Trust  
President, Tasmanian Bar Association  
Nominee, Attorney-General  
Nominee, Attorney-General  
Nominee, Law Society of Tasmania  
Secretary

**Tasmanian Women Lawyers Inc.**

M A Ryan [President]

B F E Rheinberger [Secretary]

L Nuccitelli [Treasurer]

P J Ikedife

Barbara Baker

M Ballard

L Howroyd

M A Nettlefold

C Henderson

L E Peacock

A R Mills *ex officio*

**Family Law Practitioners'**

**Association**

A F FitzGerald [President]

R M Murray [Vice-President N]

A Nicholson [Vice-President N-W]

A Grant [Secretary]

C J Gregg [Treasurer]

M Foster

B Baker

E Gelston

L Peacock

C Fowler

A Boot

A Kent

T Eaton

J Higgins

P Fitzgerald

M Ryan

M Harper

**Solicitors' Trust**

M J Crisp [Chairman]

J Doyle

P Kuzis

## **President's Report to the Annual General Meeting of the Law Society of Tasmania 2008**

The past year has not only been an exceedingly busy period for the Society but also a period of great change, with greater change to come.

The major focus of the Society during this period has been moving towards the commencement of the *Legal Profession Act 2007* and the new *Rules of Practice*. At the time of writing it would appear the commencement of the new Act is imminent. The Society has run education sessions across the State to ensure that all members of the profession have had the opportunity to become aware of the most significant changes which will affect us all.

The most significant change will be that conduct complaints against legal practitioners will be dealt with by the newly established Legal Profession Board and not the Society. This will allow the Society to become more truly member focussed than it has in the past because a great deal of time and resources have previously been directed towards disciplinary matters. Upon commencement of the new regime the Society will establish a support mechanism for practitioners to provide advice to those in receipt of complaints.

This period has also seen a number of significant changes in senior legal positions within the State, including the appointments of a new Chief Justice, Chief Justice Crawford, new Supreme Court Judge, Justice Porter and a new Solicitor General, Mr Leigh Sealy SC to name but a few. I should also not forget to mention in the same period we have had no less than three Attorneys General.

Controversy surrounding legal appointments has been a major topic this year and the Society has endeavoured to engage in comment with the broader community to assist in the debate of this topic. To this end, the Society conducted a forum in August focussing on the issue of whether some form of anti-corruption commission was warranted in the State, and if so, with what powers should it be provided. The forum was very well attended and hopefully will have a significant impact upon the final policy to be adopted by the Government.

The forthcoming period will most likely be a challenging and positive period for the Society as it adapts to its new roles free of the burden of having to discipline the profession. I would strongly encourage members who may previously have been keen to have an involvement with the Society, whether as a member of a Committee or the Council itself, but have otherwise been deterred given the Society's involvement with discipline, to now act upon that prior interest to enrich the Society in this new era.

I thank the Society and the Council for allowing me to undertake the role of President during 2007/2008 which whilst challenging, has also been thoroughly rewarding. One thing that certainly became clear to me during the period was the significant contribution the Society makes, not only to the legal profession but to the Tasmanian community generally whilst operating with miniscule staffing levels in comparison with other States. Accordingly, I wish to express my appreciation to the staff and in particular Martyn Hagan who continues to safely steer the Society through this period of change.

M D Schyvens  
President



## **Treasurer's Report to the Annual General Meeting of the Law Society of Tasmania 2008**

The income of the Society for the year ended 30 June 2008 shows a decrease, when compared with the income received by the Society last financial year, of approximately \$75,000.00.

The major contributors to this reduction are a decrease in net interest received as a result of timing issues, the payment of interest to the Solicitors' Guarantee Fund, and the reduction of approximately \$25,000.00 in the costs recovered in respect of disciplinary action.

Our expenses this year have increased by approximately 11% compared with the year ended June 2007. Again the larger contributors to this increase include professional fees paid in respect of disciplinary action, an increase in insurance premiums although also arising mainly from a timing issue and increases in salaries and honorariums.

The apparent increases in accountancy and consulting fees arise from those items having been previously included as salaries and remuneration.

Overall, the results are satisfactory and particularly so given that there has been an enormous amount of work undertaken by the Society in the finalising of the various requirements of the new legislation. The Society has been very well served indeed by many members of the Council who have donated enormous amounts of time and effort to the work required. Certainly however the largest contribution of work done beyond the call of duty is in relation to the effort expended by the Executive Director.

The foregoing figures and comparisons are based upon the premise that the Society has continued to function for yet another year with its principal source of income being practising certificate fees which have not been increased for a period that is now approaching 10 years, and without receiving the benefit of payments from the Guarantee Fund surplus, a disadvantage with which the Society has had to deal now for almost the same period of time.

Whilst the comparisons are useful, the Society in the last financial year did indeed receive a distribution from the fund in the sum of \$245,000.00 and thus has recorded an overall profit for the year and indeed the best result in that regard achieved for some considerable time.

The Society has continued to meet administrative and accounting costs provided to the Centre for Legal Studies and the Law Foundation in an amount calculated as being only a little less than \$20,000.00 during the last twelve months.

We now patiently await the introduction of the new legislation and with it the opportunity for the Society to expand the existing framework of benefits to its members and to pursue initiatives which have been prepared in anticipation of the bringing to an end our disciplinary functions.

W M Griffiths  
Honorary Treasurer

**The Private Legal Profession in Tasmania  
As at 19 September 2008**

<b>Legal practitioners in private practice</b>	<b>South</b>	<b>North</b>	<b>North West</b>	<b>Total</b>
<b>Partners</b>				
11	1	0	0	
9	2	0	0	
8	2	0	0	
7	1	0	0	
5	0	1	0	
4	3	1	1	
3	1	3	1	
2	11	3	8	
<b>Total partners</b>	<b>89</b>	<b>24</b>	<b>23</b>	<b>136</b>
<b>Total sole principals</b>	<b>58</b>	<b>12</b>	<b>15</b>	<b>85</b>
<b>Total principals</b> (includes 3 Senior Counsels)	<b>147</b>	<b>36</b>	<b>38</b>	<b>221</b>
Employed practitioners	140	43	23	206
Community legal services	12	2	2	16
Corporate Practising Certificate	5	0	2	7
<b>Total practitioners</b>	<b>304</b>	<b>81</b>	<b>65</b>	<b>450</b>
<b>Firms</b>				
Total partnerships	21	8	10	39
Sole principals	58	12	15	85
Legal practitioner corporations	2	4	1	7
<b>Total</b>	<b>81</b>	<b>24</b>	<b>26</b>	<b>131</b>
<b>Barristers in private practice</b>				
Queen's and Senior Counsel	8			8
Junior Counsel	24	4	3	31
<b>Total</b>	<b>32</b>	<b>4</b>	<b>3</b>	<b>39</b>
<b>Associate members</b>				<b>97</b>

**THE LAW SOCIETY OF TASMANIA  
INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	2008	2007
		\$	\$
Revenue	11	1,056,573	884,209
Expenses from Ordinary Activities	11	(974,759)	(878,681)
NET PROFIT/(LOSS)		<u>81,814</u>	<u>5,528</u>
<b>TOTAL CHANGES IN EQUITY</b>		<u><b>81,814</b></u>	<u><b>5,528</b></u>

The accompanying notes form part of these financial statements.

**THE LAW SOCIETY OF TASMANIA  
BALANCE SHEET  
AS AT 30 JUNE 2008**

	Notes	2008 \$	2007 \$
<b>Current Assets</b>			
Cash assets	2	410,817	819,211
Receivables	3	72,061	552,632
Inventories	4	10,200	12,210
Other	5	2,710,082	2,207,166
<b>TOTAL CURRENT ASSETS</b>		<b>3,203,160</b>	3,591,219
<b>Non Current Assets</b>			
Property, plant and equipment	6	1,622,158	1,596,046
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,622,158</b>	1,596,046
<b>TOTAL ASSETS</b>		<b>4,825,318</b>	5,187,265
<b>Current Liabilities</b>			
Payables		186,034	2,060,004
Current tax liabilities		112,076	(4,440)
Provisions		313,984	279,193
Other		1,531,421	252,519
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,143,515</b>	2,587,276
<b>TOTAL LIABILITIES</b>		<b>2,143,575</b>	2,587,276
<b>NET ASSETS</b>		<b>2,681,803</b>	2,599,989
<b>Members' Funds</b>			
Reserves		43,843	43,843
Accumulated Society Funds		2,556,146	2,550,618
Annual Surplus		81,814	5,528
<b>TOTAL MEMBERS' FUND</b>		<b>2,681,803</b>	2,599,989

The accompanying notes form part of these financial statements.

**THE LAW SOCIETY OF TASMANIA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	2008	2007
		\$	\$
<b>Cash Flow from Operating Activities</b>			
Receipts from customers		1,433,262	2,565,591
Payments to suppliers and employees		(1,420,503)	(1,190,485)
Interest received		82,644	130,254
Interest and other costs of finance		(2,268)	(2,336)
Net cash provided by (used in) operating activities (Note 10)		<u>93,135</u>	<u>1,530,024</u>
Net increase/(decrease) in cash held		93,135	1,503,989
Cash at the beginning of the year		3,017,568	1,514,544
<b>Cash at the end of the year (Note 10)</b>		<u><b>3,111,703</b></u>	<u><b>3,017,568</b></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 2008**

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Opening Balance 1 July 2006</b>	<u>254,461</u>
Profit for the year ended 30 June 2006	5,528
<b>Balance as at 30 June 2007</b>	<u>2,599,989</u>
Profit for the year ended 30 June 2007	81,814
<b>Balance as at 30 June 2008</b>	<u>2,681,803</u>

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 2008**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

This financial report is 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 Council has determined that the Society is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031:	Materiality
AASB 110:	Events after the Balance Sheet Date

The Financial Report has been prepared on an accruals basis from the records of the Society. It is based on historical costs and does not take into account changing money values, or except where specifically stated, current values of non-current assets.

**(b) Property, Furniture and Equipment**

*Property*

Properties are included at valuation less provision for depreciation (excluding land content). Valuations have been determined from independent advice. These revaluations take no account of potential capital gains tax. Net revaluations increments, which arise, are transferred to the asset revaluation reserve, apart from those reversing previous decrements, which were charged to operating profit. Net revaluation decrements, apart from those reversing previous increments are charged to operating profit.

*Furniture and Equipment*

Furniture and equipment and improvements are included at cost. Assets are depreciated over their estimated useful lives commencing from the time the asset is ready for use.

*Depreciation*

The depreciable amount of all fixed assets, including buildings, is depreciated on a straight line basis over the asset's useful life to the Society commencing from the time the asset is ready for use

**(c) Comparative Figures**

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(d) Income Tax**

The provision for income tax is not necessary as the Society is exempt from income tax.

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 2008**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included

The Net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

**(f) Employee Benefits**

Provision is made for the society's liability for employee benefits arising from services rendered by employees to balance date.



**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

<b>NOTE 2: CASH</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Bank accounts:		
- Westpac cheque account	255,372	655,838
Solicitors' Trust holding account – CBA	155,222	162,949
Other cash items:		
- Cash on hand	223	424
	<u><b>410,817</b></u>	<u>819,211</u>
 <b>NOTE 3: RECEIVABLES</b>		
Sundry debtors	37,061	552,632
Sponsorship due	35,000	-
	<u><b>72,061</b></u>	<u>552,632</u>
 <b>NOTE 4: INVENTORIES</b>		
Book stock at cost – Lawless Harvest	10,200	12,210
	<u><b>10,200</b></u>	<u>12,210</u>
 <b>NOTE 5: OTHER ASSETS</b>		
Short term deposits – Perpetual Trustees	1,240,056	1,175,219
Short term deposits – Perpetual Trustees Society Funds	1,439,830	1,023,138
Prepaid insurance	10,195	8,809
	<u><b>2,710,082</b></u>	<u>2,207,166</u>

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 2008**

<b>NOTE 6: PROPERTY PLANT AND EQUIPMENT</b>	<b>2008</b>	2007
<b>Plant and equipment:</b>		
- At cost	464,997	447,091
- (Less) accumulated depreciation	(349,927)	(325,034)
<b>(a) Land – At fair value</b>		
28 Murray Street, Hobart	360,000	360,000
56A Charles Street, Launceston	190,000	190,000
<b>(b) Buildings – At fair value</b>		
28 Murray Street, Hobart	330,000	330,000
28 Murray Street, Hobart – Improvements	422,167	370,219
56A Charles Street, Launceston	235,000	235,000
(Less) Accumulated depreciation	(50,907)	(39,290)
<b>TOTAL LAND AND BUILDINGS</b>	<b>1,486,260</b>	1,445,929
<b>Motor vehicles:</b>		
- At cost	32,142	32,142
- (Less) Accumulated depreciation	(11,314)	(4,082)
	20,828	26,060
	<b>1,622,158</b>	1,596,046

(a) Valuations – The fair value of land and buildings have been determined by reference to independent valuations as at 30/06/2004.

(b) Improvements are included at cost. Assets are depreciated over their estimated useful lives commencing from the time the asset is ready for use.

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 2008**

<b>NOTE 7: PAYABLES</b>	<b>2008</b>	2007
Unsecured:		
- Sundry creditors	28,069	12,695
- Solicitors' Trust	157,965	410,949
- QBE for professional indemnity insurance	-	1,636,360
	<hr/> <b>186,034</b> <hr/>	<hr/> 2,060,004 <hr/>

**NOTE 8: PROVISIONS**

**Current**

Employee entitlements – annual and long service leave	45,645	37,589
Provision for library services	215,339	206,604
Provision for disciplinary costs	53,000	35,000
	<hr/> <b>313,984</b> <hr/>	<hr/> 279,193 <hr/>

**NOTE 9: OTHER LIABILITIES**

**Current**

Membership fees in advance	11,178	8,024
CLE payments in advance	3,762	421
Practising certificates in advance	192,544	189,668
PII premium in advance	1,287,373	49,920
Rent in advance	4,308	-
Sundry	5,467	486
Accrued expenses	26,789	4,000
	<hr/> <b>1,531,421</b> <hr/>	<hr/> 252,519 <hr/>

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 2008**

**NOTE 10: 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>2008</b>	2007
	<b>\$</b>	\$
Westpac cheque account	255,372	656,838
Solicitors' Trust holding account – CBA	155,222	162,949
Cash on hand	223	424
Perpetual Trustees – Members PD Fund	1,240,056	1,175,219
Perpetual Trustees – Society Funds	1,459,830	1,023,138
	<b>3,111,703</b>	<b>3,017,568</b>

**(b) Reconciliation of Cash Flow from Operations with Net Profit**

Operating profit/(loss)	81,834	5,528
Depreciation	43,742	35,372
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities.	(69,854)	(67,751)
(Increase)/decrease in trade and term debtors	452,175	(364,980)
(Increase)/decrease in finished goods	2,010	(12,210)
(Increase)/decrease in prepayments	(1,386)	(8,809)
(Increase)/decrease in trade creditors and accruals	(1,620,985)	1,582,609
(Increase)/decrease in other creditors	1,471,157	298,312
(Increase)/decrease in employee entitlements	8,056	23,223
(Increase)/decrease in sundry provisions	(273,613)	11,730
<b>Net cash provided by operating activities</b>	<b>93,136</b>	<b>1,503,024</b>

The accompanying notes form part of these financial statements.

**THE LAW SOCIETY OF TASMANIA  
INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2008**

**NOTE 11:**

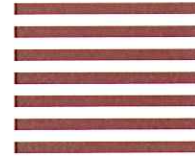
	<b>2008</b>	2007
	\$	\$
<b>Revenue</b>		
Insurance recoveries	-	2,282
Interest received	82,644	130,254
Administration fees	10,234	10,837
Advertising	14,080	10,456
Certificate of fitness	2,082	2,210
Continuing legal education	25,076	26,422
Dinners and functions	19,570	20,830
Disciplinary action – costs recovered	20,104	46,332
Guarantee fund distribution	254,000	-
Hire of council rooms	6,444	4,211
Membership benefits	8,650	9,005
Practising certificate fees	384,706	387,761
Professional indemnity insurance funding	123,270	130,101
Sponsorship	46,000	41,264
Subscriptions	17,905	14,211
Sundry income	1,458	1,533
Rent received	49,350	46,500
<b>TOTAL</b>	<b>1,056,576</b>	<b>884,209</b>

The accompanying notes form part of these financial statements.

**THE LAW SOCIETY OF TASMANIA  
INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
<b>Expenses</b>		
Accountancy fees	12,974	2,146
Audit fees	5,500	6,500
Advertising and public relations	520	3,377
Bad debts	2,097	1,050
Bank fees and charges	2,268	2,336
Computer supplies and services	12,178	14,243
Consulting fees	16,973	8,665
Depreciation	43,742	35,372
Honorarium	68,287	46,550
Insurance	20,087	12,404
Lease payments	4,976	4,976
Library review	1,486	3,012
Light and power	12,504	9,373
Meetings, travel and accommodation, professional development	41,704	34,606
Membership benefits, dinners and functions	54,374	51,046
Motor vehicle expenses	5,784	14,545
Printing and stationery	44,800	40,191
Professional fees – disciplinary action	176,226	162,637
Rates and taxes	25,266	24,006
Repairs and cleaning	30,491	42,385
Salaries and remuneration	270,293	283,327
Security and fire alarms	12,057	9,284
Staff training	1,334	600
Subscriptions	2,288	1,410
Sundry expenses	9,044	5,096
Superannuation	73,349	33,814
Telephone, video conferencing and web expenses	24,157	25,730
	<hr/>	<hr/>
<b>TOTAL EXPENSES</b>	<b>974,759</b>	<b>878,681</b>

The accompanying notes form part of these financial statements.



## Wise Lord & Ferguson

Chartered Accountants

*advice to advantage*

### INDEPENDENT AUDIT REPORT

To the members of The Law Society of Tasmania

#### Scope

##### *The financial report and Management's responsibility*

We have audited the attached special purpose financial report comprising the Income Statement, Balance Sheet, Statement of Cash Flows and Notes to the financial statements, of the Law Society for the year ended 30 June 2008. The Law Society of Tasmania is responsible for the financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the organisation and are appropriate to meet the needs of members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of The Law Society of Tasmania. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the Society's financial reporting requirements under The Law Society of Tasmania By-Laws. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the organisations reporting requirements including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position, and of its performance as represented by the results of its operations and cash flows.

Our audit has been conducted in accordance with Australian Auditing Standards. We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Directors.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 to the financial statements.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

The audit opinion expressed in this report has been formed on the above basis.

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**Partners:** Peter Beven, Harvey Gibson, Danny McCarthy,  
Douglas Thomson, Joanne Doyle, Stuart Clutterbuck, Ian Wheeler  
**Managers:** Shenna Hurd, Marg Marshall, Sharon Breen, Dean Johnson,  
Alicia Leis, Melanie Richardson, Nick Carter, Paul Lyons, Kane Ingham, Kate Barnes  
**Consultant:** Brent Palfreyman, Robert Whitehouse

**Audit Opinion**

In our opinion, the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of The Law Society of Tasmania as at 30 June 2008 and its financial performance for the year then ended.



**D J McCARTHY**  
**PARTNER**



**WISE LORD & FERGUSON**  
**CHARTERED ACCOUNTANTS**

160 Collins Street  
HOBART TAS 7000  
Dated: 6.10.08



## **Annual Report of the Disciplinary Tribunal Established under the *Legal Profession Act 1993***

This report is provided pursuant to s.71 of the *Legal Profession Act 1993* (“*the Act*”).

Five applications have been received in the report period and are awaiting hearing

Two matters were heard in the previous report period and the following decisions handed down in the report period

### **Practitioner A**

The Practitioner was found guilty of unprofessional conduct and professional misconduct in the carriage of an estate matter. It was found that the Practitioner:

- Was guilty of unprofessional conduct because of a breach of the obligation of candour in responses to the Law Society by failing to raise matters that were later relied on in proceedings before the Tribunal. It was found that whilst the matters that were not raised were exculpatory in nature they were highly material to the investigation;
- Was guilty of professional misconduct by rendering an account to the estate when a no win/no fee agreement was in place.

The Practitioner was

- reprimanded and fined \$1,000.00 on the finding of unprofessional conduct
- reprimanded and fined \$8,000.00 on the finding of professional misconduct
- ordered to repay to the estate the sum of \$10,949.34
- ordered to pay the Society’s costs of the application including the costs incurred by the Council of the Law Society in investigation of the complaint.

### **Practitioner B**

The Practitioner was found guilty of delay in a family law matter and was fined \$1,500.00 and ordered to pay the costs of the Society including the costs of investigation.

Robert Pearce  
Chairman