

ACT  
LAW  
SOCIETY  
**ANNUAL  
REPORT**  
2019-20

The image features a large, stylized logo for the Annual Report, consisting of the letters 'ALR' in a bold, yellow, outlined font. The background is a faded, grayscale image of the Statue of Liberty, showing her head and crown. The overall design is clean and professional.

act**l**awsociety

**LAW SOCIETY OF THE  
AUSTRALIAN  
CAPITAL TERRITORY**

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Vice Presidents	Elizabeth Carroll Peter Cain
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Immediate Past President	Sarah Avery

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Farzana Choudhury	Timothy Dingwall
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The Law Society acknowledges the Ngunnawal and Ngambri peoples, who are the traditional custodians of the land on which our building is located.

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# PRESIDENT'S REPORT



This last year has seen the natural disasters of drought, bushfires, floods, and a hailstorm. While these were happening, we watched a crisis unfold in China which spread worldwide, continuing to ravage communities here and abroad, and which now threatens to disable the world's economy. Despite all this, Canberra has fared comparatively well so far, and we should be thankful for that. Adapting our lifestyles and the way we work has been the key to warding off the virus. This has included modifying our physical interactions with each other, maintaining hygiene, and learning to do without some things. What it will all mean to our economy and our quality of life remains to be seen.

I have asked our practitioners to proceed in a way that cooperates with the intent of new rules, whether or not they are expressed as clearly as we would like. We should also act in a caring and considerate way towards each other, as the situation creates significant stresses, and we need to minimise anything that might add to that stress.

## **The Courts**

The Society has been actively engaged in consultations with the Courts and Tribunals as they developed processes to enable matters to proceed while avoiding the risks of virus infections.

In April this year there was widespread concern expressed by the legal profession at the removal in criminal proceedings of an accused's right to a jury trial in the ACT. This was done by the ACT Government as part of its response to the Covid-19 crisis. It allowed the Supreme Court to order that a trial on indictment be heard by a judge alone if satisfied the order would ensure the orderly and expeditious discharge of the business of the court, and be otherwise in the interests of justice. We welcomed the repeal of these provisions in the first few days of July.

In September last year the Supreme Court amended *Practice Direction 2 of 2009* so that the only occasion when solicitors are to robe (and wig) is when appearing as counsel in a jury trial, and on all other occasions solicitors are directed not to robe when appearing as counsel, even though barristers in the same matter are robed.

The Society made representations to the Judiciary via the Registrar to reduce the extent of the change, particularly for solicitor advocates appearing in criminal trials, but otherwise to permit (rather than compel) solicitors to robe and wig in the same circumstances as barristers. The response from the Chief Justice was that the Court was concerned to not impose a requirement that solicitors appearing in court acquire robes in order to appear in court, and to ensure that robes, when worn, are worn correctly. Her Honour also stated that the revisions to the practice direction should not be taken as reflecting adversely on solicitors in any way.

### **Sexual harassment in the profession**

The alarming and deeply disappointing findings of sexual harassment against a former Judge of the High Court prompted the profession to treat this issue with the urgency and seriousness that it warrants. The Directors of the Law Council of Australia unanimously called on the Federal Government to amend the Sex Discrimination Act 1984 (Cth), to expand its ambit to include judges, other statutory office holders and barristers.

The ACT Law Society takes a zero tolerance approach to allegations of sexual misconduct and other forms of harassment within the ACT profession, and investigates conduct of this nature when a person makes a formal complaint (under Chapter 4 of the Legal Profession Act 2006), or when an informal complaint is considered by our Council and they conclude that it requires investigation.

Currently we are convening a working group to consider how the Society can better respond where such allegations are made.

### **Other work of the Society**

In November last year Council resolved to adopt a policy on Sustainable Development, adopting that of the Law Council of Australia. The policy serves as a guide and rationale for our decisions and actions.

There is also a great deal of work done by our expert committees. This has included elder abuse issues such as better documentation of enduring powers of attorney, and work relating to duplicate offences in the Crimes (Offences Against Vulnerable People) Legislation Amendment Bill 2020. The Society was represented at two inquiries on child protection, and was vocal in condemning changes to the FOI Act which threatened the openness of the care and protection system. On property law issues, we expressed our concern about retrospective elements of the Building and Construction Legislation Amendment Bill 2019, and put in a good deal of work on e-conveyancing changes. We also joined with several other legal and community organisations to call for the age of criminal responsibility to be raised.

I commend the work of our committees in the last twelve months — you can read their reports later in this document.

*Chris Donohue*

PRESIDENT

# CEO'S REPORT



I was delighted to join the Law Society as CEO towards the end of June 2020 following Dianne O'Hara's departure after more than six years in the role. Dianne was well regarded by her team, by members of Council and by members of the Society, and this report really details the work she implemented for the Society over the 12 months to 30 June 2020.

One of Dianne's major contributions during the year was her leadership of the Society's CTP Working Group and the campaign against the new Motor Accident Insurance scheme. While the campaign was ultimately unsuccessful in preventing the removal of certain common law rights to compensation for victims in order to compensate at-fault drivers, the Working Group demonstrated the capacity of our volunteer members to advocate strongly for change.

A key infrastructure project was the new website and member management system, led by Dianne with the support of our operations team, including Finance & Business Services Manager Lea McLean, Communications Officer Nicole Karman, Executive Secretary Nicole Crossley, and Bookkeeper Kathleen Lui. They all worked incredibly hard on its implementation in time for the membership renewals process. While there have been some teething issues, overall the new site is much cleaner and easier to navigate. The project included several changes to encompass accessibility guidelines, meaning our content is now easier to find and easier to read.

Alongside the new website we launched a micro-site for the new electronic Contract for Sale, part of the move to e-conveyancing in the ACT. The new electronic contract allows members to create contracts quickly and easily and has mostly replaced the old 'blue pages'. I'd like to acknowledge the Property Law Committee and in particular Chair, Adam Peppinck, who were instrumental in this change.

In late 2019, in response to the bushfire emergency, the Law Society convened a meeting of the Canberra region's legal service providers to discuss what our community could do to support ACT residents and evacuees, and to update our *ACT Emergency Legal Help Plan* in the event it became necessary to activate it. We were incredibly lucky that Canberra did not come under immediate threat, although we spent months living under a thick haze of smoke.

February saw the beginnings of the Covid-19 emergency and in mid-March the Law Society closed its doors to the public in order to protect our staff. Our Council, Executive, and committees all transitioned to online meetings. To support our members, we implemented practising certificate fee relief and began offering a selection of free CPD as part of the membership package.

Our Elder Law Committee kept members up to date on electronic witnessing of documents, and our Legal Profession Act and Ethics Committee provided guidance to members on supervision of staff working remotely, and ensuring confidentiality of client information. Thank you to each of the members of those committees for contributing to this important work.

Covid-19 also forced us to cancel social events and re-evaluate how to present CPD seminars. Thanks to the hard work of our Professional Development Officer Carissa Webster, our CPD program transitioned effectively from face-to-face delivery to webinars, with the benefit of providing a back catalogue of recorded seminars. Our CPD program now offers a choice of in-person or online delivery, and feedback shows that this format is particularly useful for members who are unable to travel to sessions, or who simply want the choice of how they attend events.

As the Covid-19 emergency continued, the Society has kept members abreast of updates from the courts and other legal providers with our regular emails and coordinated social webinars to help members stay connected.

On behalf of the Society I thank Di for her significant contributions to the Society during the past year and over the whole of her time with us. I'd also like to thank our dedicated staff team who have ensured business as usual, not only through the COVID-19 restrictions and the consequent changes to how we work, but also through the transition to a new CEO. Change can be difficult for all of us and with such significant change over a short period, our team has shown their capabilities and resilience. I feel confident we will be able to work together to ensure continued growth and impact for the Society into the future.

I look forward to taking on opportunities over the coming year to ensure we have a robust governance framework and transparent processes that support our members and facilitate increased member engagement. Thank you to the members who I have already had the chance to meet in the short time that I've been in the role. I look forward to meeting with many more of you over coming months to hear your views on how we work, what we do well and what possibilities we could explore in future.

*Simone Carton*  
CHIEF EXECUTIVE OFFICER

# CORPORATE OVERVIEW

## Role of the Law Society

The objects of the Society are:

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

Councillors, L-R: Timothy Dingwall, Susan Platis, George Marques, Farzana Choudhury, Chris Donohue, Radmila Andric, Angus Tye, Rahul Bedi, Gavin Lee, Sage Leslie, Peter Cain, Elizabeth Carroll, Mark Tigwell, Alan Hill. Not present: Sama Kahn, Sarah Avery.





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

## Governance

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

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

## Executive

### President — Chris Donohue

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

### Vice President — Elizabeth Carroll

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

### Vice President — Peter Cain

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

### Secretary — George Marques

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

### Treasurer — Sama Kahn

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



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

#### **Immediate Past President – Sarah Avery**

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

#### **Council-Appointed Member – Mark Tigwell**

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

#### **Councillors**

- / Chris Donohue (President)
- / Sarah Avery (Immediate Past President)
- / Peter Cain (Vice President)
- / Elizabeth Carroll (Vice President)
- / George Marques (Secretary)
- / Sama Khan (Treasurer)
- / Mark Tigwell (Council Appointed Member)
- / Gavin Lee
- / Sage Leslie
- / Susan Platis
- / Rahul Bedi
- / Farzana Choudhury
- / Alan Hill
- / Radmila Andric (from September 2019)
- / Timothy Dingwall (from September 2019)
- / Angus Tye (from September 2019)
- / Isla Moyses (to September 2019)
- / Chase Deans (to September 2019)
- / Paul Edmonds (to September 2019)

#### **Council-appointed observers**

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

#### **Committees**

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

The Law Society operates the following committees:

#### **Access to Justice & Human Rights**

Chaired by Anya Aidman

#### **Alternative Dispute Resolution**

Chaired by Carlos Turini

#### **Civil Litigation**

Chaired by Richard Faulks

#### **Criminal Law**

Chaired by Michael Kukulies-Smith

#### **Elder Law & Succession Law**

Chaired by Katie Binstock

#### **Family Law**

Chaired by Andrea Evans

#### **Family Violence & Children's**

Chaired by Lessli Strong

#### **Functions & Law Week**

Chaired by David Metcalf

#### **Government Law**

Chaired by Peter Cain

#### **Inclusion & Diversity**

Chaired by Veena Bedeker

#### **Industrial Relations**

Chaired by John Wilson

#### **International Lawyers**

Chaired by Tiru Vallal

#### **Legal Profession Act & Ethics**

Chaired by Mark Love

#### **Military Law**

Chaired by James King

**Professional Conduct**

Chaired by Ann Northcote

**Property Law**

Chaired by Adam Peppinck

**Young Lawyers**

Chaired by Alyssa Dunn

**Secretariat**

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

**Chief Executive Officer**

Dianne O'Hara (to 5 June 2020)  
Simone Carton (from 17 June 2020)

**Professional Standards Manager**

Rob Reis

**Finance & Business Services Manager**

Lea McLean

**Executive Secretary**

Nicole Crossley

**Professional Development Officer**

Carissa Webster

**Research Officer**

Tien Pham

**Communications Officer**

Nicole Karman

**Committee Administrator**

Tanya Holt

**Complaints Committee Secretary**

Linda Mackay

**Bookkeeper**

Kathleen Lui

**Receptionist & LAB Administrator**

Robyn Guilfoyle

**Administrative Support**

Leonnie Borzecki  
Janette Graham  
Elaine Gray

**CPD Support**

Ono Chowdhury  
Gabrielle Freeman  
Shenpaha Ganesan  
Petrea Harrison  
Melissa Nuhich  
Fia Sankoorikal  
Jonathan Thomson-Settle  
Vivien Wang

**Sponsors**

**CPD Program**

legalsuper

***Ethos* quarterly magazine**

Nexia Australia

***Hearsay* fortnightly e-newsletter**

The College of Law

**Members Lunches**

Nexia Australia  
Arthur J Gallagher

**Annual Dinner**

Arthur J Gallagher

**Individual event sponsors**

ACT Government Solicitor, Hays Legal, Lawyerbank, Meyer Vandenberg, Sparke Helmore, and TIMG



# COMMUNITY

## Law Week

Law Week is an annual event held in May across Australia, which seeks to promote public understanding of the law and its role in society.

Each year in Canberra the Law Society and its partners run a range of free lectures, public pro bono events, educational seminars, and collegiate functions. These events engage the legal community and the public generally, celebrating local law and lawyers, and educating the public about the role we play in seeking justice and upholding the rule of law.

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

Unfortunately, due to the Covid-19 situation, the ACT Law Society had to cancel Law Week this year.

We had a great line up of events planned for 2020, and most of those events are unlikely to be rescheduled.

In light of this cancellation, we asked our event organisers and other supporters if, instead of running an event, they'd like to participate in a special 'Electronic Law Week' edition of our magazine.

This edition of *Ethos* represented the Law Week that might have been. We offered the magazine freely to the public, as well as to our normal subscribers, and asked readers to consider making a donation to our Law Week charity, ACT Wildlife.

## Legal Advice Bureau

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

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

## Legal matters covered by LAB

In the 2019-20 financial year, LAB saw 466 clients. LAB went into hiatus in March 2020 due to the COVID emergency.

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

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

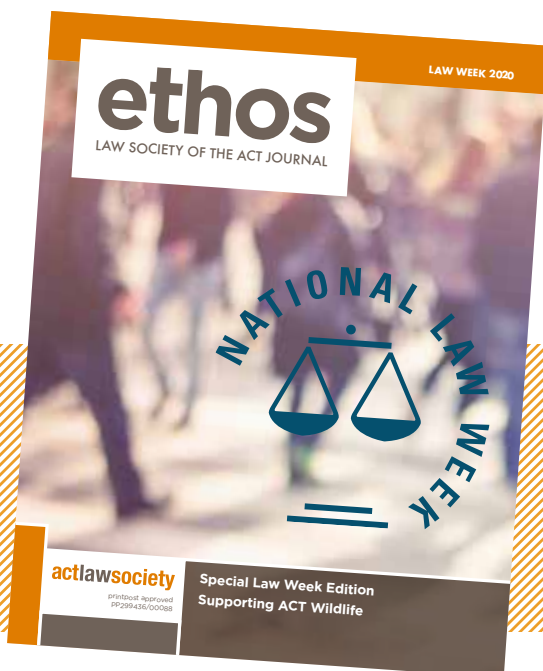
## Legal matters covered by LAB

AREA OF LAW	NO. OF APPOINTMENTS	
	2018-19	2019-20
ACAT	26	11
Builder	34	24
Business	26	24
Contract	63	31
Criminal	31	15
Debt / Finance	60	46
Employment	77	42
Family	99	58
Medical	20	4
Migration	11	11
Motor vehicle accident	26	4
Personal injury	10	10
Property and tenancy	157	51
Wills / Power of Attorney	66	57
Workers compensation	24	15
Other	86	33
<b>Total</b>	<b>816</b>	<b>466</b>

## Lawyers volunteering at LAB

Thank you to the following members who volunteered their time at LAB during the 2019-20 financial year:

- / Bill Andrews
- / Radmila Andric
- / Lauren Armstrong
- / Jan Baker
- / Amelia Barclay
- / Avner Barhen
- / Emma Bayliss
- / Veena Bedekar
- / Tamsin Bendeler-Cartledge
- / Simon Blake
- / Greg Brackenreg
- / Damien Brown
- / Andrew Byrnes
- / Katerina Calvert
- / Libby Carroll
- / Darren Carden
- / Claire Carton
- / David Chen
- / Michael Chin
- / Shontelle Chamtaprieo
- / Stephanie Chow
- / Peter Christensen
- / Ron Clapham
- / Chris Clery
- / Luke Coniston
- / Chase Deans
- / Ivanka Debevec
- / James Dunn
- / Edward Eyers
- / Aabid Farouk
- / Maxine Feletti
- / Jessica Fenech
- / Samantha Ferry
- / Amanda Gilkes
- / Irene Ghobreal
- / Paula Gonzalez
- / Mark Goyne
- / Daryn Griffiths
- / Josie Hampton
- / Owen Harris
- / Walter Hawkins
- / John Henry
- / Mussa Hijazi
- / Ruby Holloway
- / Kelly Irvine
- / Charlotte King
- / Paul King
- / Sean King
- / Carina Lam
- / Leone Leyshon
- / Bill McCarthy
- / Richard McGilvray
- / Kristina Mihalic
- / Christine Ng
- / Jacinta Northam
- / Debra Parker
- / Vanessa Parkins
- / Karl Pattenden
- / Darryl Perkins
- / Laura Pierce
- / Dean Prail
- / Radhika Reddy
- / Rohan Reddy
- / Simone Richards
- / Kurt Richardson
- / Catherine Ross
- / Dean Rutherford
- / Sam Ryan-Baker
- / Basem Seif
- / Emma Sherman
- / Calista Sim
- / Lauren Smith
- / Dale Stevens
- / Joseph Tallarita
- / Mary Trimboli
- / Tiru Vallal
- / Russell Wilson



## Pro Bono Clearing House

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

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

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

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

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

### Management Committee report

For the period 1 July 2019 to 30 June 2020, 53 applications for pro bono assistance were received. Of those applications, 31 were successfully referred out to firms, 13 were unsuccessful\*, one required further information before further consideration, and one was resolved before the panel considered the application. The remaining 7 were approved by the panel but were not successful in being referred to a firm.

#### The secondee system

The Clearing House is assisted by a rotating 'operational secondee', a lawyer from a Canberra law firm or government agency who spends approximately 3 months working with the Clearing House. The primary role of the secondee is to meet with potential applicants, assist them with preparing their application, provide a summary report to the panel and attend panel meetings.

Over the 2019-20 period, operational secondees have been provided by Sparke Helmore, King & Wood Malleons, ATAPTBL, and Proximity. I would like to thank all the operational secondees for the 2019-20 year:

- / Veer Dhaliwal and Wendy Meredith (Sparke Helmore)
- / Ben Morgan, Liam Carroll, Daniel Masciantonio (King & Wood Malleons)

\* Applications to the PBCH may be unsuccessful for several reasons, including because they did not have reasonable prospects of success, did not meet the means test eligibility criteria, had no legal issues, had not exhausted all other avenues, or did not merit the use of scarce pro bono resources.

- / Stephanie Gill (ATAPTBL)
- / Radhika Bhatia (Proximity)

This year the operational secondee and the Clearing House was assisted by Haikun Huang from the College of Law, ANU.

The ANU course is designed to provide students who have a commitment to working in social justice, opportunities to discover the range of settings in which public interest work is carried out. Haikun was with the Clearing House for 12 weeks.

Following this successful placement, the Clearing House will be taking on another student for 12 weeks.

I would like to thank the following firms for accepting referrals from the PBCH:

- / Ashurst
- / Baker Deane & Nutt
- / Boxall Legal
- / Bradley Allen Love
- / Chamberlains
- / Chamberlains Law Firm
- / Colquhoun Murphy
- / Elringtons
- / Gabbedy Milson Lee
- / Johannessen Legal & Migration
- / JR Baker (Law)
- / Ken Cush & Associates
- / Key Chambers
- / KJB Law
- / McInnes Wilson
- / McKenna Taylor
- / Meyer Vandenberg
- / Mills Oakley
- / Minter Ellison
- / Moray & Agnew
- / Proximity
- / Snedden Hall & Gallop
- / Women's Legal Centre

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

*Martin Hockridge*  
CHAIR

#### Committee members

- / Martin Hockridge (Chair)
- / John Boersig
- / Katy Grimes

- / Peter McNulty
- / Rebekha Pattison
- / Susan Platis
- / Staff: Nicole Crossley (Executive Secretary)

## Charitable donations

### President's charity

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

The Society's annual charity for 2020 is ACT Wildlife. ACT Wildlife is a volunteer not-for-profit organisation that cares and rehabilitates injured, sick and orphaned native wildlife for return to the wild. They are Canberra's only wildlife rescue service.

In 2020, the President's Charity, ACT Wildlife, will receive \$3,760, representing the Foundation disbursement, plus additional funds in the next financial year yet to be determined.

### Law Society Foundation

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

The Foundation was seeded with three years' worth of Law Week profit (2013, 2014 and 2015), matched by Law Society funds. The total amount in the Foundation as at 30 June 2020 is now \$99,947, and the disbursement for 2020 was \$3,760.

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

### Other donations

The Society has also made donations of \$1,800 to St Vincent de Paul for the CEO Sleepout campaign.

## Awards to university students

The ACT Law Society funds prizes for academic excellence at the University of Canberra and the Australian National University. Congratulations to all the award recipients.

### Australian National University

- / BC Meagher Prize for Commonwealth Constitutional Law — Richard Fenton
- / Law Society of the ACT Prize for Contracts — Laurence Brown & Isabel Olivia Gray (shared)
- / Liz and Bill Allen Prize for Practical Legal Training — Thivaahar Paramasivam

### University of Canberra

- / ACT Law Society Prize for the Highest Achieving Student in Contract Law — Alison Armitstead
- / ACT Law Society Prize for the Highest Achieving Student in Equity Law — Michael Sage



Good Afternoon,

My name is Alison Armitstead and I am the very grateful recipient of the ACT Law Society Prize for Contract Law, semester two 2019.

I would like to take this opportunity to thank the ACT Law Society for its continued support of law students. As a mature age student, working fulltime with two children, this prize has certainly motivated me to continue to strive towards the end result.

Thank you again for your continued support and for this wonderful prize, I really appreciate it.

Many thanks, Alison Armitstead

# MEMBERS

## Our members

The Law Society represents over 2,800 lawyers in the ACT region. Our members are sole practitioners, lawyers in private firms and government departments, in-house counsels, community legal centre solicitors, legal academics, and lawyer volunteers. We also have a number of associate members, including students, expatriates, and retirees who want to maintain contact with the Canberra legal community.

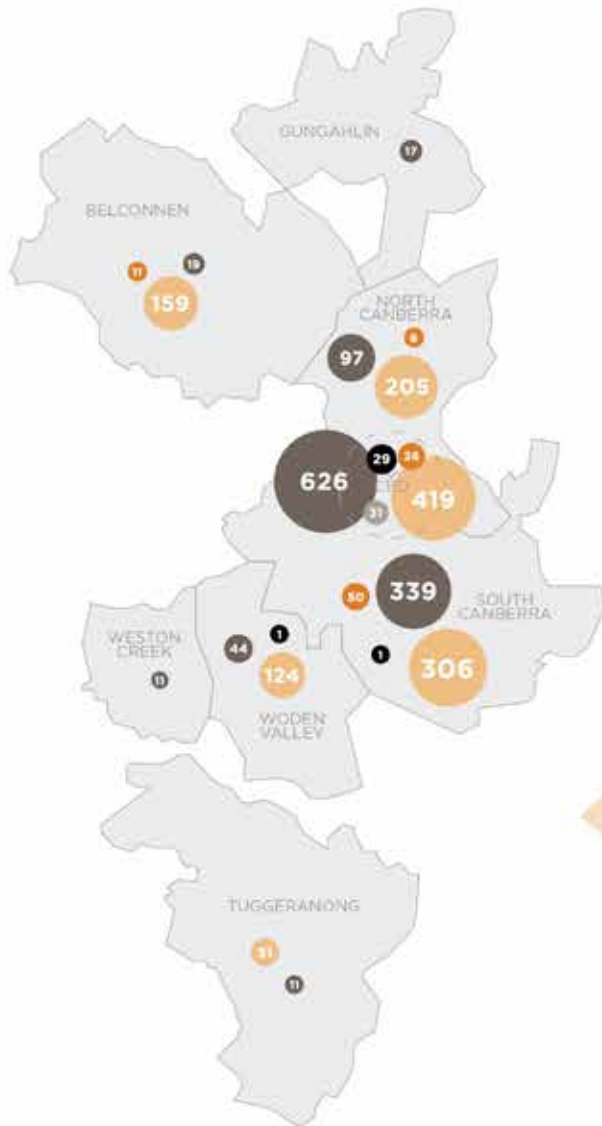
As at 30 June 2020, the Society had 2,851 members. This represents an increase of 5 per cent from the previous financial year.

Women represent 59 per cent of our members. Of our members, 94 per cent hold a practising certificate, with 42 per cent of those in private practice, and 45 per cent working for local or federal government. The remaining members are in-house or corporate lawyers (4 per cent), members overseas (2 per cent), volunteers or community legal centre lawyers (2 per cent), and members without practicing certificates (6 per cent).





# MEMBERSHIP AS AT 30 JUNE 2020



101 IN HOUSE/CORPORATE

1194 PRIVATE

1270 GOVERNMENT

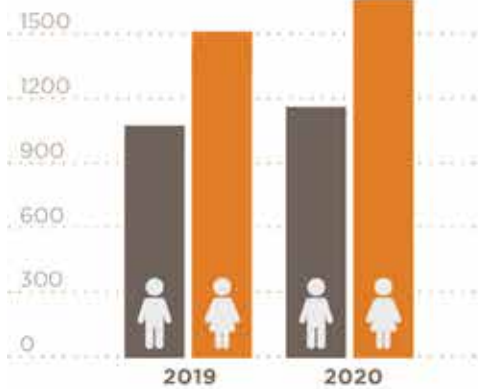
29 CLC

33 VOLUNTEER

64 OVERSEAS

TOTAL  
**2851**  
AN INCREASE OF 130 FROM 2018

## PRACTISING MEMBERS



101 IN HOUSE/  
CORPORATE

1194 PRIVATE

1270 GOVERNMENT

29 CLC

33 VOLUNTEER

64 OVERSEAS



5 ACADEMIC

22 GOVERNMENT

13 BARRISTER

11 RETIRED

81 OTHER

## Recognising member achievements

The ACT Law Society would like to thank local Canberra artist, Nadina Geary, for the 2019 Law Society Award sculptures. Since 2014, the Society has chosen an artwork by an Australian artist to represent its awards, including the President's Medal, the Young Lawyer of the Year Award, the Government Law Award, and the Pro Bono Service Award.

Nadina Geary's 'After Ethos' series is based on the Tom Bass statue 'Ethos' located outside the ACT Legislative Assembly. Bass' Ethos is envisaged as the spirit of community, embodying our values and beliefs as a community of people. The ACT Law Society's official seal references her hands holding the sun disk.

Nadina's homage to Bass' statue is simplified, stripped back, and modernised through her minimalist shape. Her outline recalls the robed and winged figure and she holds aloft an orange orb, flecked with copper, referencing both the sun disk and the copper her predecessor is made from. Bass' Ethos is impossible to view without tilting one's head back, so the brilliant Canberra blue sky becomes part of the work. Nadina chose to further this notion and incorporated the sky into the body by using an encased cobalt blue glass.

The Law Society's 2019 Annual Dinner & Awards Night was proudly sponsored by Arthur J Gallagher.

### President's Medal

The President's Medal is an annual award that recognises significant personal and professional contributions to the betterment of law and justice in the community by an ACT solicitor and member of the ACT Law Society. The winner in 2019 was Michael Kukulies-Smith.

Michael is one of Canberra's most experienced criminal lawyers, and has been deeply involved in local law development and reform.

Since 2010, Michael has been chair of the Law Society's Criminal Law Committee, and he is often called upon to represent the Law Society in the media, in government inquiries, and in Legislative Assembly committee meetings, where he has consistently shown great dedication to advocating for better laws in the ACT.

On behalf of the Society, he has spoken out on such topics as the recent retrospective legislation changes in the Crimes Act and the Firearms Act; the introduction of the ACT's Drug and Alcohol Court; drink driving and drug driving penalties; proposed cannabis laws; and the government's CTP changes.

He has also served on a number of court and departmental committees and advisory panels, including in respect of the reform of Sexual Assault Reform Program (SARP) in the ACT.

He has taken on several matters relating to wrongful imprisonment on a pro bono basis, pursuing one such matter all the way to the High Court of Australia.

Each year, Michael participates in the Burgmann College Volunteer Mentor Program, freely giving his time to mentor students considering a career in criminal law. He also gives regular guest lectures at ANU in areas of criminal law.

Michael carries his advocacy work to the national stage as the Law Society's delegate to the National Criminal Law Committee convened by the Law Council of Australia. In 2015, he coordinated the Canberra protest as part of the Law Council of Australia's national day of action calling for increased legal assistance funding.

'After Ethos', by Nadina Geary — concept sketch and final awards.



Michael Kukulies-Smith, winner of the 2019 President's Medal, with President of the ACT Law Society Chris Donohue.



For his outstanding work for the Law Society as a volunteer expert in criminal law, his always cheerful willingness to answer obscure questions at odd times, and his professionalism in dealing with the media and the government, he is a worthy recipient of the 2019 President's Medal.

### ACT Young Lawyer of the Year

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

Farzana Choudhury was presented the 2019 ACT Young Lawyer of the Year Award by President of the Law Society, Chris Donohue, and Patron of ACT Young Lawyers, the Hon Justice Chrissa Loukas-Karlsson of the ACT Supreme Court.

Farzana is a Senior Solicitor in Street Law, a program of Canberra Community Law that provides outreach legal services for people who are experiencing, or are at risk of, homelessness. She regularly appears in the ACT Magistrates Court for Street Law in criminal cases, and she has developed new outreach legal services for the most marginalised and disadvantaged members of our community to complement Street Law's existing services.

In October 2018, she established Street Law's health justice partnership with the Junction Youth Health Service. She has worked alongside health practitioners and youth work staff to address the unmet legal needs of young people experiencing, or at risk of, homelessness.

Earlier this year, Farzana established the Women in Prison Legal Empowerment Sessions (WIPLES), a series of legal education seminars and advice clinics with the goal of supporting and empowering women in prison.

As well as her work with Street Law, Farzana volunteers with several community organisations. She is a volunteer with the Night Time Legal Advice Service. She researched, edited, and co-authored a book on the history of Australia's oldest women's refuge, Beryl Women Inc, which is sold to generate funds for the refuge's child and youth programs. She is also Chair of the Board of Directors for the Women's Centre for Health Matters, Chair of the Management Committee of Beryl Women Inc, and serves on the organising committees of Homeless Connect Canberra and the International Tenants' Day.

Farzana has contributed to law reform in relation to public space offences that impact marginalised groups, and she has spoken to the media about access to justice for people in poverty. She has written articles on youth homelessness and health justice, and the impact of public space laws on people experiencing homelessness. She also coordinated the ACT arm of the Australian Research Council's national study into the criminalisation of poverty and homelessness in Australia.

For the past three years Farzana has been co-convenor of the National Association of Community Legal Centres' National Human Rights Network, working with legal services across Australia to develop and implement national policy on human rights violations confronting individuals facing poverty and disadvantage. She is also a member of the Law Society's Inclusion and Diversity Committee, and was elected to Council in September 2018.

ACT Young Lawyer of the Year Farzana Choudhury with Chris Donohue, and chair of the judging panel, the Hon Chrissa Loukas-Karlsson.



Farzana Choudhury with some of the Canberra Community Law team.



Farzana was shortlisted for the Churchill Fellowship for her ground-breaking project on 'empowering people facing poverty through social and housing status rights-based models'.

Particularly impressive is Farzana's drive to use the law to improve the lives of members of our community facing significant disadvantage. She is doing this through a multifaceted approach, including the practice of law, law reform, community engagement, and innovation. She is an impressive young lawyer with an arsenal of self-driven and impactful accomplishments spanning the course of her relatively short career.

### Government Law Award

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

The President of the ACT Law Society, Chris Donohue, and Chair of the Government Law Committee, Peter Cain, awarded the 2019 Government Law Award to Michael Deasey.

Michael Deasey is Special Counsel at the ACT Government Solicitor's Office (ACTGS), managing the property and commercial section of the office. Since joining the ACTGS in 2005, he has worked on a range of complex legal matters, often associated with a high level of public interest or political sensitivity.

He was the lawyer in charge of advising the Territory on the property aspects of the Mr Fluffy legacy, developing an equitable response to affected homeowners that was both community-focussed and compassionate.

Michael has served 26 years on the Law Society's Professional Conduct Committee (formerly the Complaints Committee), and also volunteers with the Society's Legal Advice Bureau, giving free short legal consultations to members of the public. He also volunteers at the Canberra City Uniting Church Early Morning Centre, helping to serve breakfast to Canberra's homeless once a week before work for the past five years.

Michael's knowledge and practical and legal experience are an invaluable resource for his colleagues and the ACTGS office as a whole. His willingness to assist despite his own heavy workload, are recognised and appreciated by staff and clients at all levels.

He is an outstanding solicitor and role model, an invaluable and integral part of ACTGS, and a worthy recipient of the 2019 Government Law Award.

### Pro Bono Service Law Award

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

The Award Panel recognised Canberra firms Proximity and King & Wood Mallesons Canberra with a 'Highly Commended' certificate, for their outstanding pro bono work.

The ACT Attorney-General, Gordon Ramsay MLA, awarded the 2019 Pro Bono Service Award to Vanessa Parkins.

Vanessa is a Senior Associate at Sparke Helmore Lawyers, working in the area of CTP insurance. She also volunteers as the Canberra office's pro bono coordinator, championing pro bono culture to her

Government Law Award winner Michael Deaseys with Chair of the Government Law Committee Peter Cain and Chris Donohue.



ACT Pro Bono Service Award winner Vanessa Parkins.



colleagues and sourcing pro bono opportunities in the local community.

In the year that Vanessa has been coordinating Sparke Helmore's local pro bono activities, she has achieved 705 hours of total pro bono legal work at the firm (equivalent to 23.4 hours per FTE lawyer). This is on top of her considerable personal pro bono work, where she has completed 132.5 hours (worth \$42,618), in addition to her regular duties.

She regularly volunteers her time to the Women's Legal Service Divorce Clinic, and coordinates other lawyers' involvement at the clinic. Her team provide pro bono assistance to unrepresented applicants in the Family Court for lodgement of a divorce application. These clients are mainly disadvantaged women who may be experiencing family violence issues, and who often do not speak English as a first language. The social impact of this clinic is significant, as it allows disadvantaged women the legal help required to be granted a divorce through the Federal Court. In the last year, as a result of Vanessa's coordination and championing of the clinic, lawyers from Sparke Helmore's Canberra office have contributed more than 220 hours of pro bono legal assistance through this clinic, with Vanessa alone responsible for 78 of those hours.

Another significant project in which Vanessa has played an integral role in Sparke Helmore's Aboriginal Wills Clinics, through which the firm aims to make a positive impact on Indigenous communities through the provision of culturally appropriate wills clinics in regional and remote communities throughout Australia.

Her passion for pro bono work and the commitment and energy she brings to this aspect of her professional life is not only a great reflection of her own values but equally of the values Sparke Helmore seeks to instil in all their staff.

### Highly Commended

The Award Panel also recognised Canberra firms Proximity and King & Wood Mallesons Canberra for their outstanding pro bono work, awarding them with a 'Highly Commended' certificate.

### 40 years' service

The Law Society recognises the contribution of Canberra members who have practised for forty-plus years. In 2014, the Society produced a commemorative lapel pin to congratulate members who had completed forty years' service to the legal profession. Pins are given out at the Society's Annual Dinner in late August each year. Recipients in 2019 were:

- / Wayne Arthur
- / Uwe Boettcher
- / Richard Calver
- / Magistrate Beth Campbell
- / Barbara Deegan
- / Mary Toohey

Representatives of King & Wood Mallesons Canberra and Proximity accept their commendations from Chris Donohue and Attorney-General Gordon Ramsay MLA.



Uwe Boettcher and Wayne Arthur receive their 40 Years' Service pins from Law Society President, Chris Donohue (he received his pin in 2018).



## Ethos Journal

*Ethos* is the ACT Law Society's journal. Published quarterly and distributed to all members, *Ethos* keeps our practitioners up to date. *Ethos* includes articles on recent legislative changes or topical legal issues, particularly those that impact on the practice of law in the ACT, topics of general interest to lawyers, such as mental health or practice management, and news of members or firms participating in pro bono work or charity events, or winning awards.

The Society actively seeks article contributions from members. The following members contributed articles during the 2019-20 financial year:

- / Arthur Marusevich, 'The ACT cannabis bill: A half-baked approach to green day', *Ethos* Winter 2019.
- / Dr John Boersig, 'Pursuing the Justice Project: Access to justice in the legal assistance sector', *Ethos* Winter 2019.
- / Parastou Hatami, 'Housing is a human right: Exiting prison into homelessness', *Ethos* Winter 2019.
- / Industrial Relations Committee, 'Changes to the Legal Services Award: Another headache for law firms?', *Ethos* Winter 2019.
- / Arthur Marusevich, 'CTP reforms pass ACT Assembly without a roadworthy', *Ethos* Spring 2019.
- / Mike Rosalky, 'Deserving of rights: Legal personhood and animal law', *Ethos* Spring 2019.
- / Suzanne Howarth and Lynette Molloy, 'The Philip C Jessup International Law Moot Court Competition', *Ethos* Spring 2019.
- / John Wilson and Kieran Pender, 'Whistleblower protections: Recent developments', *Ethos* Summer 2019.
- / Parastou Hatami, 'Housing is a human right: Aboriginal children and overcrowding', *Ethos* Summer 2019.
- / Phil Schubert, 'Special report: The new *Motor Accident Injuries Act 2019*', *Ethos* Autumn 2020.
- / Amy Burns, 'Cyber protection: Advising clients on cyber risk insurance', *Ethos* Autumn 2020.
- / John Wilson and Kieran Pender, 'Free speech at work: *Folau, Banerji*, and beyond?', *Ethos* Autumn 2020.
- / Claire Naidu, 'Establishing the ADR Committee', *Ethos* Autumn 2020.
- / Debra Parker, 'International Law Update: International commercial surrogacy', *Ethos* Autumn 2020.

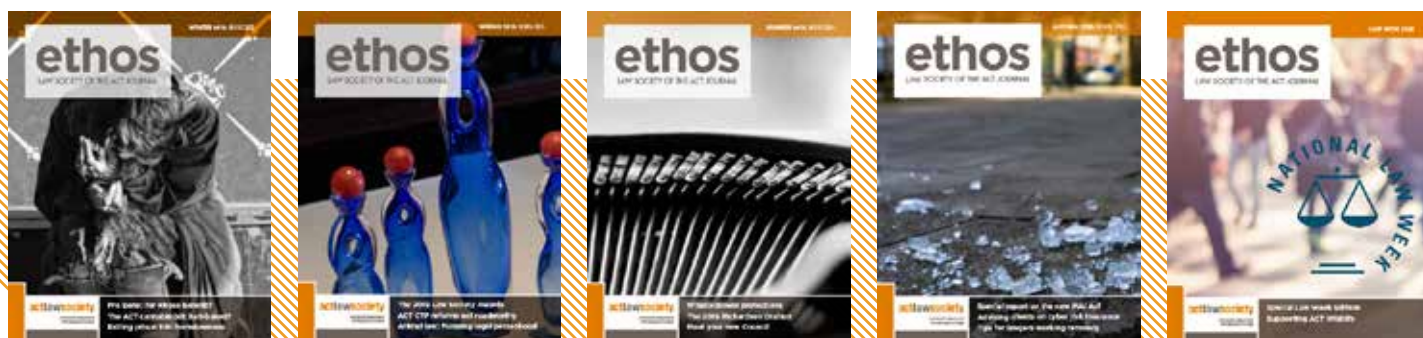
### *Ethos* Law Week 2020 special edition

The Society was very disappointed to have to cancel Law Week due to the Covid-19 emergency.

In light of the cancellation, we asked our event organisers if, instead of running an event, they'd like to participate in a special 'Electronic Law Week' edition of our magazine.

The following members contributed articles to the special edition:

- / Brice Hamack, Jodie Campbell, and Joyce Yang, 'Updates to the *Residential Tenancies Act 1997* (ACT) since November 2019'.
- / Natalie Vella, Meghan Malone, and Angela Lauman, 'Protecting the environment and fostering financial fairness: recovering from the 19/20 bushfires'.
- / Declan Norrie, 'Community links: Why corporate social responsibility is good for business'.
- / Tara Ward, 'What can lawyers do to protect our native wildlife?'.
- / Andrew Fraser, 'Court nostalgia: The ghosts around the atrium'.



## Social events

### Functions & Law Week Committee report

I would like to thank the committee members for their work over the last year, organising social functions and the many events planned for Law Week 2020. Unfortunately, most Law Week events had to be cancelled due to Covid-19, while some events were able to continue online. This was a disappointing, if unavoidable, outcome for all involved.

Quarterly members lunches were held in September and December 2019 and March 2020, continuing the policy of alternating lunches between the north and south sides of the lake. These lunches continue to be well attended and we have been able to continue the discount for young lawyers, introduced last year with great success. All functions, including regular sporting events and the Annual Dinner, were suspended until social distancing regulations permit, but the committee is hopeful that the already planned September and December lunches will be able to proceed.

In November, the committee held its planning session to review the functions and Law Week program, to ensure the events remain relevant to members, and to fix the calendar of events for 2020.

I would like to thank the committee members for their ongoing work organising social events and Law Week activities. The committee represents a broad cross-section of the Society's membership (including representatives of the Young Lawyers Committee). The committee has shrunk over the last couple of years and we would welcome new members who have an interest in participating in the committee's activities. I particularly want to thank Nicole Karman (Communications Officer) for her participation in the committee, and for doing so much of the legwork in ensuring the success of the many functions held.

*David Metcalf*

CHAIR

### Committee members

- / David Metcalf (Chair)
- / Paul Armarego
- / Rod Barnett
- / Anna Reynhout
- / Laura Zubreckyj (from August to November)
- / Kahlia Jenkins\* (Young Lawyers Committee)
- / Mitchell Wright\* (Young Lawyers Committee)
- / Staff: Nicole Karman (Communications Officer)
- / Staff: Tanya Holt (Committee Administrator)

\*Shared membership



### Gala events

DATE	EVENT	VENUE
30 August 2019	Annual Dinner & Awards Night	The Boathouse By The Lake
12 October 2019	Young Lawyers Spring Wine Tasting Day	Shaw Vineyard
22 November 2019	Young Lawyers Christmas Garden Party	House of Reps Rose Garden

### Collegiate and networking events

DATE	EVENT	VENUE
11 July 2019	July 2019 Members' Lunch	Molto
8 August 2019	Young Professionals Speed Networking/Friending	Highball Express
23 August 2019	Young Lawyers' Networking Drinks	Ostani Bar
12 September 2019	Government Law Drinks: Peter Garrisson AM SC "The Evolution of a Trusted Advisor"	ACT Legislative Assembly
19 September 2019	September 2019 Members' Lunch	Briscola
15 October 2019	Meet a Greyhound	ACT Law Society
25 October 2019	Young Lawyers' Networking Drinks	Ostani Bar
7 November 2019	Government Law Drinks: Jackie Davis "On leadership"	Meyer Vandenberg
6 December 2019	Christmas 2019 Members' Lunch	Chairman & Yip
20 December 2019	Young Lawyers' Networking Drinks	Momodá
6 February 2020	Government Law Drinks: Annette Musolino "The view from the other side"	Sparke Helmore
13 February 2020	Launch of the Alternative Dispute Resolution Committee	Momodá
21 February 2020	Young Lawyers Networking Drinks	Momodá
5 March 2020	March Member's Lunch	Briscola

### Lectures and forums

DATE	EVENT	VENUE
9 September 2019	The Jack Richardson Oration 2019: The Hon Virginia Bell AC	Hotel Realm
10 February 2020	Young Lawyers Mentor Program Information Night	ACT Law Society

### Sporting events

DATE	EVENT	VENUE
25 July 2019	Winter Netball Competition	ACT Netball Centre
11 October 2019	Touch Football Afternoon	Willows Oval, ANU
30 January 2020	Launch of the Legal Year Lawn Bowls	The RUC





# OPERATIONS

## Submissions

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

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

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

The list below sets out some of the submissions made by the Law Society in the 2019-20 financial year. Consultation-in-confidence correspondence and submissions are not included.

DATE	SUBJECT OF SUBMISSION / CORRESPONDENCE	RECIPIENT
20 March 2019	Submission to the Inquiry into Drugs of Dependence (Personal Cannabis Use) Amendment Bill	Standing Committee on Health, Ageing and Community Services
11 June 2019	Comments on proposed amendments to Part 2 and Part 4 of the <i>Bail Act 1992</i> (ACT)	ACT Attorney-General
28 June 2019	Submission to Consultation on the discussion paper 'Review of child protection decisions in the ACT'	Justice and Community Safety Directorate
24 July 2019	Comments on the <i>Crimes Legislation Amendment Bill 2019</i> (ACT)	ACT Attorney-General
26 July 2019	Comments on the definition of 'legal practitioner' in the Legal Profession Act and the Legislation Act	ACT Attorney-General
16 August 2019	Comments on the Combatting Child Sexual Exploitation Legislation Amendment Bill 2019	Senate Legal and Constitutional Affairs Legislation Committee
20 September 2019	Submission to the Inquiry into Child and Youth Protection Services (Part 2)—Information Sharing under the Care and Protection System	Standing Committee on Health, Ageing and Community Services
3 October 2019	Comments on changes to robing requirements for solicitors	Registrar, ACT Supreme Court
13 November 2019	Submission to the Inquiry into the Building and Construction Legislation Amendment Bill 2019	Standing Committee on Economic Development and Tourism
21 November 2019	Comments on the Crimes (Disrupting Criminal Gangs) Legislation amendment Bill 2019 (ACT)	Justice and Community Safety Directorate
6 December 2019	Comments on the ACT Magistrate Court Practice Direction Criminal 1 (Adult criminal matters)	Acting Chief Magistrate, ACT Magistrates Court
17 March 2020	Comments on the Crimes (Offences Against Vulnerable People) Legislation Amendment Bill 2020	Justice and Community Safety Directorate
24 March 2020	Comments on the necessity of introducing amendments to allow for an election for Judge Alone Trials to deal with COVID-19	ACT Attorney-General
1 April 2020	Comments objecting to overreach in respect of 'Judge Alone Trial Reforms - Fundamental Rights at Stake'	ACT Attorney-General
22 April 2020	Comments on Covid-19 and AV links from the Magistrates Court	ACT Minister for Corrections
20 May 2020	Comments on the land tax treatment of testamentary trusts under the <i>Land Tax Act 2004</i> (ACT)	ACT Attorney-General
22 May 2020	Comments on the registration of Revocations of Powers of Attorney and aliases in Powers of Attorney	ACT Registrar-General, Access Canberra

## Continuing Professional Development

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

CPD TYPE	EVENTS	ATTENDEES
Seminar (1-2 hours)	15	352
Workshop (3+ hours)	8	163
Themed afternoon	6	264
Full day conference	1	92
Two-day Intensive	1	150
Multi-day workshop	15	14
Webinars	2	32
<b>Total</b>	<b>48</b>	<b>1067</b>

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

### Covid-19 restrictions

With the introduction of COVID restrictions, the CPD program pivoted to online delivery for the comfort and safety of our members. As restrictions eased, some sessions were held in person within strict health guidelines, and some were offered with an option to attend either in person or virtually. Members embraced the new format, and we expect to continue offering fully virtual CPD sessions in future.

### Speakers

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

We thank everyone who contributed to our program during 2019-20. Members who presented, or were part of a panel, in 2019-20 were:

- / Anya Aidman (Elringtons)
- / Sarah Avery (Sarah Avery Legal Practice)
- / Bill Baker (Baker Deane & Nutt)
- / Laura Beacroft (ACT Civil and Administrative Tribunal)
- / Katie Binstock (McInnes Wilson Lawyers)
- / Kristie Burt (Master Builders Association ACT)
- / Sarah Byrne (Proximity)
- / Jane Campbell (Legal Aid ACT)

- / Bernard Collaery (Collaery Lawyers)
- / Anca Costin (Blackburn Chambers)
- / Alfonso del Rio (Clayton Utz)
- / Sonia Di Mezza (ACT Disability, Aged and Carer Advocacy Service)
- / Julie Dobinson (DDCS Lawyers)
- / Kirsty Easdale (Minter Ellison)
- / Paul Edmonds (Canberra Criminal Lawyers)
- / Juliette Ford (Farrar Gesini Dunn)
- / Lisa Gooneratne (HWL Ebsworth Lawyers)
- / Duncan Harrington (Harrington Hall Lawyers)
- / Walter Hawkins (Maurice Blackburn Lawyers)
- / Tanya Herbertson (Meyer Vandenberg Lawyers)
- / Michael James (Trinity Law)
- / Andrew Klein (Mills Oakley)
- / Michael Kukulies-Smith (Kamy Saeedi Law)
- / Mark Love (Bradley Allen Love)
- / Don Malcolmson (Malcolmson Lawyers)
- / Linda McGregor (Legal Aid ACT)
- / Tim Morton (Farrar Gesini Dunn)
- / Anne Northcote (Farrer Gesini Dunn)
- / Pria O'Sullivan (Maddocks)
- / Debra Parker (Watts McCray Lawyers)
- / Adam Peppinck (Mills Oakley)
- / David Reynolds (Damian Lawyers)
- / Jacob Robertson (Sharman Robertson Solicitors)
- / Pheobe Ryan (Legal Aid ACT)
- / Bronwyn Shelley (IP Australia)
- / John Solomon (Moray & Agnew)
- / Rebecca Tetlow (DDCS Lawyers)
- / Angus Tye (IP Australia)
- / John Wilson (Bradley Allen Love)

We also acknowledge the contribution made by Law Society staff members who presented at CPD events during the year:

- / Rob Reis (Professional Standards Manager)
- / Lea McLean (Finance & Business Services Manager)

### CPD Program sponsor

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



## List of live CPD events run in 2019-20

DATE	PRESENTATION TITLE
5, 12 & 19 July 2019	Legal Practice Management Workshop
24 July 2019	Developments in the law on institutional abuse claims (with ACT Bar Association)
1 August 2019	Case management by the courts and the interpretation of parties' rights and obligations
5 August 2019	Bullying and Sexual Harassment in the Legal Profession (with International Bar Association)
8 August 2019	Challenges for lawyers proceeding against self-represented clients
2 September 2019	Sharing knowledge: The small business roadshow by ASIC
4 September 2019	Young Lawyers Advocacy Afternoon
4 September 2019	The Children's Court
9 September 2019	Conscientious objection and the workplace: legal issues post-Banerji
11 September 2019	Employee or Contractor – What does it matter?
11 September 2019	International Commercial Surrogacy issues and laws
12 September 2019	RUOK Day Seminar 2019
12 September 2019	Trust Accounting
19 September 2019	Advocacy for women lawyers
26 September 2019	6th ACT Wills and Estates Conference
8 October 2019	Mental Health Week Seminar: Mindfulness for legal professionals
10 October 2019	Mental Health Week Seminar: Stress management and building resilience
17 October 2019	Parole process and proceedings
18 October 2019	Protection against burnout, vicarious trauma, and compassion fatigue
31 October 2019	Government Law Afternoon
5 November 2019	The essentials of wills and estate planning
6 November 2019	Briefing barristers: Lessons from Netflix (with ACT Bar Association)
7 November 2019	ACT's first Drug and Alcohol Court
12 - 14 November 2019	Legal Practice Management Workshop
29 November 2019	New Lawyers Workshop
6 December 2019	ACT Intermediary Program
29 January 2020	CTP changes
30 January 2020	Courageous conversations
12 - 13 February 2020	Intensive Series 2020
28 February 2020	Protection against burnout, vicarious trauma, and compassion fatigue
4 March 2020	Australia's new foreign interference laws
11 March 2020	Young Lawyers Afternoon
12 March 2020	Property Law Afternoon

### List of CPD webinars run in 2019-20

DATE	PRESENTATION TITLE
17 October 2019	Parole process, mock hearings and research findings
7 April 2020	Managing matters and staff in a virtual world
9 April 2020	Remote working: How to keep it happy, healthy and productive
16 April 2020	Cyber security: How to reduce risks associated with working remotely
21 April 2020	Business survival strategies for extreme economic turbulent times
21 April 2020	Short term business actions during a crisis
22 April 2020	Jeff Goldberger: Update on recent contract law cases
23 April 2020	Managing stakeholders while working remotely
29 April 2020	Professional conduct between solicitors
7 May 2020	Balancing family and clients while working from home
21 May 2020	Successful career planning while working remotely
28 May 2020	Resilience, self-care, and thriving through uncertainty and change
4 June 2020	Keeping motivated, engaged, and connected in a virtual world
18 June 2020	Property law and the effects of Covid-19

At the Legal Practice Management Workshop



## Professional Standards

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

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

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

Complaints are handled through the Law Society's Professional Standards Committee.

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

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

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

## Professional Standards Committee report

The preceding 12 months of the work of the committee has been relatively undisrupted in terms of its membership. The only significant change has been to the Chair position. Ross Reid, who has faithfully served in that role for the last 6 years, passed the baton on to me this year. Ross continues to be a valued member of the committee.

The committee dealt with 83 formal complaints this year, 26 fewer than last year.

The following analysis shows the type of conduct raised in complaints, and the major areas of law and concern.

CONDUCT RAISED IN COMPLAINT	QTY
Costs	20
Communication and services (failure to carry out instructions, acting without instructions, bullying, delay, discourtesy, lack of competence and diligence, lack of communication)	38
Trust account matters	4
Personal conduct (negligence, misleading behaviour, conflict of interest)	25
Non-compliance	12
Other (general conduct)	12

AREA OF LAW / CONCERN	QTY
Family Law	21
Property	15
Civil Litigation	12
Criminal Law	4
Compensation (Personal Injuries/Medical Negligence/Worker's Compensation)	13
Estate matters	7
Employment	2
Migration	2
Other	7

During the reporting period, 36 complaints were dismissed pursuant to section 399 without requiring an investigation (compared to 51 from the last period), 23 were dismissed pursuant to section 399 following an investigation (compared to 19 from the last period), and 17 were dismissed pursuant to section 412 (compared to 7 from the last period) following the completion of an investigation.

Four complaints were withdrawn following the cooperation of practitioners to redress complainants' concerns. Three matters were summarily concluded pursuant to section 413. One of these was appealed by the solicitor and the ACAT upheld the Society's decision.

Matters referred to ACAT are not always concluded during the reporting year. This year, Council resolved to refer six complaints to the ACAT with four of those matters involving the same solicitor.

ACAT made adverse orders against four solicitors (including one solicitor in two separate matters). The orders included five findings of professional misconduct and one finding of unsatisfactory professional conduct. Sanctions included: one practitioner rendered unable to apply for an unrestricted practising certificate for 5 years or a restricted practising certificate for 1 year (the Society has appealed the lack of severity of this sanction), one practitioner ordered to have his firm supervised for 18 months, the imposition of fines which ranged from \$1,500 to \$15,000, and several requirements to complete further education.

The ACT Supreme Court ordered that two practitioner's names be removed from the Roll during the reporting period. Unprecedentedly, one of the practitioners was removed from the roll for a second time.

The committee is well-placed to contribute to the Society's Continuing Professional Development program by identifying and facilitating topics that will assist members in developing and maintaining practices that significantly reduce the risk of attracting complaints about conduct.

A formal complaint against a solicitor is no trite matter, often resulting in time-consuming distraction from the core work of a legal practitioner, not to mention the genuine stress, anxiety, and pressure members encounter when dealing with a complaint. The Society

has a range of free confidential services available to assist through this difficult time including 3 hours consultation with a Members' Adviser and up to three sessions of counselling with Acacia Connections.

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

*Ann Northcote*

CHAIR

#### **Committee members**

- / Ann Northcote (Chair since January 2020)
- / Ross Reid (Chair until December 2019)
- / Allan Bedford
- / Sarah Boxall
- / Mary Burgess
- / Amy Burr
- / Sally Campbell
- / Linda Crebbin
- / Julie Dobinson
- / Maurice Falcetta
- / Bridie Harders
- / Vivien Holmes
- / Gavin Howard
- / Sally McGuinness
- / Linda McGregor
- / Scott Pearsall
- / Darryl Perkins
- / John Solomon
- / Alisa Taylor
- / Mark Tigwell
- / Staff: Rob Reis (Professional Standards Manager)
- / Staff: Linda Mackay (Professional Standards Committee Secretary)

# COMMITTEES

The Law Society operates a range of committees providing specialist services to our members and to the broader community. Within their area of expertise, our committees work with the Secretariat to pursue law reform, liaise with relevant organisations, organise legal education seminars, and seek to educate the community.

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

## Access to Justice & Human Rights

The Access to Justice & Human Rights Committee has three areas of focus: human rights, Aboriginal and Torres Strait Islander access to justice, and pro bono in government and private industry.

The committee has been fortunate to recruit a number of new committee members. In particular, our targeted recruiting of ATSI-identifying practitioners (in the context of dual objectives of both affirmative action and self-determination) bore fruit.

In the past 12 months we have re-designed and invigorated an Aboriginal and Torres Strait Islander Access to Justice Subcommittee. Within this subcommittee, submissions have been drafted to government and assistance has been provided to the Society in relation to matters of proper and meaningful recognition of First Nations people.

It is the position of the committee that more can and should be done by the Society to be a leader in relation to appropriate recognition of, and support to, First Nations people both within the Society and in the access to justice space. The subcommittee has met with the President on multiple occasions and we feel that this voice and perspective is important to the work of the Society as a whole.

We now have a number of vibrant subcommittees including our human rights subcommittee and our legislative subcommittee.

Our committee members have organised and curated CPD in the areas of human rights and residential tenancies. We have also been able to contribute to Society submissions, including in the areas of raising the age of criminal responsibility, and in relation to the review of the ACT care and protection system. We have been fortunate to have the involvement and support of the Society's President.

We have sadly farewelled some talented and generous contributors and mentors over the year. We lost Sean Costello of the Human Rights Commission to a new role in Queensland, and Walter Hawkins, a bastion of knowledge and support in the access to justice space, retired from the committee after many years of service. These are just to name a few. Our heartfelt thanks go to those who have volunteered their time to serve the Society and our community.

We look forward to continuing to develop greater operational strength within our subcommittees. We continue to seek out new talent for our membership, to enable the committee to be agile and active.

It has been an absolute pleasure to support the work of the committee and to see it grow in impact over the last twelve months. I look forward to reporting on more achievements in the year to come.

*Anya Aidman*  
CHAIR

### Committee Members

- / Anya Aidman (Chair)
- / Alexandra Barry
- / Rachael Clark (from August)
- / Naomi Gould
- / Parastou Hatami
- / Walter Hawkins (to June)
- / Rosemary Listing (to February)
- / Ben Mason
- / Natalija Nikolic
- / Tich Pasipanodya
- / Kath Taplin
- / Adam Thompson
- / Emma Towney
- / Kate Waterford
- / Deb Peppin
- / Rosemary Budavari\* (ACT Human Rights Commission, from January)
- / Sean Costello\* (ACT Human Right Commission, to November)
- / Brice Hamack\* Legal Aid ACT
- / Simon Henderson\* (Law Council of Australia, to December)
- / Helen Watchirs\* (ACT Human Rights Commission, from January)
- / Justice and Community Safety Directorate Representative\*
- / Staff: Tanya Holt (Committee Administrator)

\* regular guests/representatives



## Alternative Dispute Resolution

The Alternative Dispute Resolution (ADR) Committee is focused on educating the profession and the community about the various forms of mediation and arbitration available in the legal process.

In 2019-20 the committee continued to develop and implement its various projects.

The committee held an official launch on 13 February 2020, where Justice David Mossop of the ACT Supreme Court and Registrar Matthew Kamarul from the ACT Magistrates Court spoke about their experiences with ADR in their jurisdictions. Justice Mossop's speech, along with an introduction by committee member Claire Naidu, was subsequently published in *Ethos*.

The committee continues to pursue the preparation of a consolidated list of mediators and arbitrators to be hosted on the Society's website. The project is currently investigating ways to overcome several privacy and criteria hurdles, and we hope to have a list available to members, and the general public, as soon as these issues can be overcome.

Our subcommittee on pro bono services has been working with the President and the Executive to set up a panel of mediators to work pro bono. Consultants engaged by the Society recently reported back on the proposed project, and the committee is preparing a response.

Committee members Debra Parker and Claire Naidu arranged to publish an article in *Ethos* about the new arbitration system introduced in family law matters, including that family law matters may now be referred to a national list of mediators. This is an important development because arbitration has not previously been very successful in family law.

The committee continues to educate the profession about ADR. Subcommittee members Kyle August and Natalija Nikolic have organised an event planned for September 2020. A panel of medical practitioners and first responders will discuss how to effectively communicate in situations of high stress, high conflict and high stakes. The panel will share their insights on how to best use motivational interviewing techniques to clarify a person's positions and interests. A question and answer session will close the event.

As a result of Covid-19, it may be difficult to run this function as intended, and the committee will consider alternative methods to deliver it, including by writing articles and blogs to be published on the Society's website and in *Ethos*.

*Carlos Turini*

CHAIR

### Committee Members

- / Carlos Turini (Chair)
- / Anya Aidman
- / Kyle August
- / Rahul Bedi
- / Peter Cain
- / Anca Costin (excluding September to January)
- / Ken Hubert
- / Ben Mason
- / Claire Naidu
- / Natalija Nikolic
- / Debra Parker
- / Robert Routh
- / Phillipa Spence
- / Staff: Tanya Holt (Committee Administrator)

At the information session on the ACT Intermediary Program.



## Civil Litigation

The Civil Litigation Committee focuses on civil law such as personal injury.

The committee has continued to meet monthly. There have been some change in the membership, but the committee continues to include the registrars of the Supreme and Magistrates Courts, as well as senior representatives of the ACAT. Their inclusion enables us to receive information about changes in rules and procedures in a timely fashion. It also provides the opportunity for committee members to raise concerns or issues in relation to civil litigation.

Some committee members continued to be involved in the Society working group dealing with the CTP legislation. Unfortunately, despite significant efforts by members of that group, it did not result in any major change to the legislation which was passed and came into operation from 1 February 2020. The committee is continuing to monitor the progress of the legislation since its introduction.

One of the major issues for those of us working in civil litigation has been the chronic delays in the Department of Human Services, in particular with Centrelink clearances. In some cases it has been taking two or three months to get Centrelink clearances following personal injury settlements, which has led to significant financial hardship for many injured people and delays for law firms acting both for injured people and for insurance companies. The Society is continuing to make representations about this.

The arrival of Covid-19 led to an immediate interruption to civil procedure in our courts and the introduction, much sooner than had been anticipated, of electronic filing. The court staff have been very helpful in assisting members of the profession in adapting to electronic lodgement. It is anticipated that a further CPD session about electronic arrangements at the courts will take place in the near future. Due to the Covid emergency, the courts closed their doors to some extent, which led to a change of procedures in relation to mediations and other processes. It has been very helpful for the committee to have up-to-date information about those matters from the court registrars.

As Chair of the committee, I continue to represent the Society on the Joint Rules Advisory Committee, which is currently considering some changes to rules, suggested by our own committee members. It is hoped that those changes will be implemented over the next couple of months. A restructure of the cost provisions in the rules was finalised during the last 12 months and has been implemented.

Once again, I express my thanks to the committee members for their support and input and I look forward to continuing to work with them.

*Richard Faulks*

CHAIR

### Committee Members

- / Richard Faulks (Chair)
- / Charlene Barriga
- / Richard Garnett (to September)
- / Walter Hawkins
- / John Henry
- / Jesse Illiopoulos (from February)
- / Benjamin Jullienne
- / Sarah McJannett
- / John McPherson (to April)
- / Ellen Teys
- / James Treloar
- / Nikolas Willing (to January)
- / Alyssa Dunn\* (Young Lawyers Committee, to January)
- / Annie Glover\* (ACT Supreme Court, to November)
- / Kahlia Jenkins\* (Young Lawyers Committee, from January)
- / Jayne Reece\* (ACT Magistrates Court)
- / Amanda Nuttall\* (ACT Supreme Court, from November)
- / Karl Pattenden\* (ACT Bar Association)
- / Laura Pierce\* (Young Lawyers Committee, from January)
- / Kristy Soper\* (ACT Civil and Administrative Tribunal)
- / Elissa Steel\* (ACT Law Courts and Tribunals)
- / Staff: Tanya Holt (Committee Administrator)

\* regular guests/representatives

## Criminal Law

The Criminal Law Committee's role is to stay on top of large volumes of legislative reform in criminal law and attempt to sift through those which are reactive and those that promote positive social change.

At this point of 2020 It is becoming a cliché that events before Covid-19 can barely be remembered. However, there was a significant amount of work done by the committee in the latter part of 2019.

There was much media attention on the changes made to possession of cannabis in the ACT and the conflicts with Commonwealth legislation, as well as a great deal of work going into liaising with the courts in relation to changes to court practice. The committee acknowledges the openness of both the Supreme Court

and Magistrates Court to working with members in this regard. Providing input to the Magistrates Court in respect of the welcome consolidation of criminal practice directions was a focus of November and December 2019.

Over the last 12 months the committee made consistent calls for reform to the *Bail Act 1992* (ACT), in particular those sections which provide for presumptions against bail. It is now ten years since Justice Penfold handed down the declaration of incompatibility with the Human Rights Act in respect of such provisions of the Bail Act in the case of *Islam*. In those ten years there has been no meaningful reconsideration of any aspects of the Bail Act since that decision. This is despite ongoing criticism of such provisions in reports completed by law reform commissions in both New South Wales and Victoria. While other jurisdictions have modernised their bail acts, the ACT has held on to an outdated and rigid approach to the consideration of bail. Lack of changes to the Bail Act stand in stark contrast to the many reforms aimed at changing the experiences of victims within the criminal justice system.

Shortly after Covid-19 arrived, and as the courts initially slowed down in response, we saw the introduction of judge-alone laws in the ACT, which enabled the imposition of a judge-alone trial against the will of a defendant. This resulted in the derogation of defendants' centuries-old right to trial by a jury of their peers. Inevitably, and as predicted by members of the committee, as soon as these laws were used it led to a High Court challenge. Ultimately that challenge did not need to be determined, as the legislation was revoked, jury trials resumed and the Supreme Court revisited its own decisions in respect of those matters, citing a lack of ongoing need for the orders that had been made.

There is a need to remain vigilant in the months ahead. As Covid-19 related changes and restrictions are imposed the committee will continue to consider if they are legally proportionate to the challenges the global pandemic presents. The committee remains committed to working on assessing laws as they are proposed and providing feedback both to and on behalf of the Society in this regard.

I want to thank all members of the committee for their continued dedication and for the work they have done in turning around responses to government law changes, often in unreasonably short timeframes. I extend special thanks to Paul Edmonds and Adrian McKenna, both of whom have deputised for me as Chair, often at short notice, at times when I have been unavailable to meet short deadlines or chair meetings due to court commitments.

*Michael Kukulies-Smith*

CHAIR

### Committee Members

- / Michael Kukulies-Smith (Chair)
- / Sarah Boxall
- / Jane Campbell
- / Paul Edmonds
- / Charlene Harris
- / Taden Kelliher
- / Adrian McKenna
- / Jacob Robertson
- / Todd Trotter
- / Lorana Bartels\* (Australian National University)
- / Joel Hiscox\* (ACT Director of Public Prosecutions)
- / Keegan Lee\* (ACT Director of Public Prosecutions, to September)
- / Amanda Nuttall\* (ACT Supreme Court)
- / Ashan Ponniah\* (ACT Corrective Services)
- / Jayne Reece\* (ACT Magistrates Court)
- / Phillipa Spence\* (ACT Drug and Alcohol Court)
- / Imogen Thomas\* (Commonwealth Director of Public Prosecutions)
- / Staff: Tien Pham (Research Officer)
- / Staff: Tanya Holt (Committee Administrator)

\* regular guests/representatives

### Elder Law & Succession Law

The Elder Law & Succession Law Committee focuses on law reform, education, and community engagement in legal matters relating to elder law and succession law, including wills and estates, and powers of attorney.

The areas of elder law and succession law continue to receive attention from policy makers, media and the public. In the 2019-20 period, the committee contributed to a number of law reform projects, including:

- / submissions to the ACT Attorney-General in relation to the land tax treatment of testamentary trusts
- / submissions to the ACT Registrar-General in relation to the registration of Revocations of Powers of Attorney and aliases in Powers of Attorney
- / submissions in response to the Crimes (Offences Against Vulnerable People) Amendment Bill 2020
- / forum on Attorneys' powers in relation to Medical Research Matters.

The committee has also published guidance notes on witnessing documents during Covid-19 and is also working on best practice guidelines for lawyers performing estate planning and for remote witnessing of Wills and Powers of Attorney.

The committee is still progressing projects initiated in previous years, including:

- / submissions to the ACT Attorney-General in relation to expanding ACAT's powers to award compensation for breaches by attorneys and financial managers
- / submissions to the ACT Attorney-General in relation to Enduring Powers of Attorney in the ACT and bringing them into line with the recommendations made in the ALRC Elder Abuse report
- / submissions to the ACT Attorney-General in relation to eligible beneficiaries under the *Family Provisions Act 1969* (ACT)
- / working group for the review of the *Retirement Villages Act 2012* (ACT)
- / introduction of electronic Probate notices.

Law reform projects pursued by the committee from previous years have resulted in changes, including approval of a Public Notice to Distribute a Deceased Estate under the *Administration and Probate Act 1929* (ACT), and amendments to the *Powers of Attorney Act 2006* (ACT) in the Covid-19 Emergency Response Legislation Amendment Bill 2020 (ACT) in relation to record keeping by attorneys.

The committee continues to welcome opportunities to engage with and provide education to members of the general public on matters related to elder law and succession law.

The committee recognises that elder law and succession law is an area of practice that requires a high degree of professional expertise and we seek to provide opportunities to local practitioners to enhance their technical knowledge and practical skills. A highlight of the CPD calendar continues to be the annual ACT Wills & Estates Conference held in September each year. In

2019, attendees enjoyed an engaging and informative day, with a combination of local and interstate speakers, including an afternoon panel on elder abuse. The 2020 Conference promises to be another fantastic experience.

This year we welcomed some new members to the committee. I am grateful to the news committee members for their enthusiasm and to the ongoing committee members for their continued dedication and expertise.

*Katie Binstock*

CHAIR

#### Committee Members

- / Katie Binstock (Chair)
- / Glenda Bloomfield
- / Emma Bragg
- / Kerstin Glomb (from August)
- / Mabel Lim
- / Tim Morton
- / Helen Phelps (from August)
- / Elizabeth Samra
- / Rebecca Tetlow
- / David Toole (from August)
- / Gregory Burn\* (Public Trustee and Guardian)
- / Wilhelmena Corby\* (ACT Civil and Administrative Tribunal)
- / Grant Kennealy\* (ACT Supreme Court)
- / Beng Chang Tan\* (Justice and Community Safety Directorate)
- / Fergus Thomson\* (Council of the Aging)
- / Staff: Tanya Holt (Committee Administrator)

\* regular guests/representatives

At the Sixth ACT Wills and Estates Conference, held in September 2019 at the Boat House by the Lake.



## Family Law

The Family Law Committee seeks to provide relevant information on family law practice and procedure, and networking opportunities for family law practitioners. The committee also provides liaison between the family courts and the profession, and responds to requests for submissions or comment.

The committee met nine times during the 2019-20 financial year. During this time the committee monitored legislative changes affecting families and lawyers practising in the family law space.

The COVID-19 pandemic produced some alternative ways of representing clients and attending court. The introduction of video conferencing has been encouraging for some members and their clients, in particular those living in remote areas. The committee is hoping that some of this use of technology will remain in a post-COVID environment, to enable practitioners to enhance outcomes for families in more efficient and accessible ways.

*Andrea Evans*  
CHAIR

### Committee Members

- / Andrea Evans (Chair)
- / Stuart Cameron
- / Ron Friesen
- / Averil Foster
- / Kasey Fox
- / Cristina Huesch
- / Claudia Maclean
- / Linda McGregor
- / Kevin Robinson
- / Monica Serci
- / Di Simpson
- / Emily Tighe
- / Anna Wynne
- / Gavin Howard\* (ACT Bar Association)
- / Staff: Tanya Holt (Committee Administrator)

\* representative

## Family Violence & Children's

The Family Violence & Children's Committee focuses on three overlapping areas of focus: family violence, children in need of care and protection, and children in criminal proceedings.

The committee continues to monitor developments in the family violence jurisdiction.

The *Report on Child and Youth Protection Services (Part2)* was released recently. It is pleasing to note

that the issues raised in the written submissions of this committee, together with the representations of members at the public hearing are reflected in the recommendations.

The committee is in the process of formulating a terms of reference to encompass our areas of focus individually and also as they intersect.

We are grateful to the President for his interest and support in this difficult and complex area.

*Lessli Strong*  
CHAIR

### Committee Members

- / Lessli Strong (Chair)
- / Louisa Bartlett
- / Rebecca Casey
- / Adrian Curtis
- / Courtney Donoghoe
- / Rosa Grahame
- / Elizabeth Reardon
- / Margie Rowe
- / Gemma Sutherland (to November)
- / Staff: Tanya Holt (Committee Administrator)

## Government Law

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

During 2019-20 the committee has met 5 times, twice by Zoom, and members have contributed to the presentation of one CPD afternoon, 3 evening drinks functions, and to the Society's consideration of a number of issues concerning government law.

Covid-19 impacted seriously on the committee's usual program, with the cancellation of the Government Law Afternoon on 25 March 2020 and drinks functions planned for 9 April and 18 June.

The committee held a CPD afternoon covering all four CPD areas on 20 November 2019 at The Boathouse. We continued our practice of seeking to provide a variety of topics from local and interstate presenters, with a mixture of government and private practitioners and members of the ACT Bar.

At each of the committee's drinks functions, invited guests spoke about the relevance of their work to the government law area. As Chair, I especially appreciate the generous offers from firms and government agencies to host these networking events. We generally

receive more offers for hosting than are required. The guests and host venues in the last 12 months were:

- / on 12 September 2019, with ACT Solicitor-General Peter Garrison AM SC, hosted at the ACT Legislative Assembly
- / on 9 November 2018, with Jackie Davis from the Department of Health, hosted by Meyer Vandenberg
- / on 6 February 2020 with Annette Musolino from the Department of Human Services, hosted by Sparke Helmore

The committee, on behalf of the Society, continues to administer the Government Law Award, which recognises the outstanding contributions by a practitioner working for or with government. It is hoped that this award will continue to raise the awareness of the substantial contribution that government law practitioners make to the legal profession and to the community. It was a pleasure to acknowledge the winner of the 2019 award, Michael Deasey from the ACT Government Solicitor, at the Annual Dinner in August.

The committee continues to facilitate the approval by Council of practising certificates with respect to the Pilot Reciprocal Secondment Program. This program, an initiative of the Office of Legal Services Coordination, Commonwealth Attorney-General's Department, allows government lawyers and private practice lawyers to participate in short term reciprocal secondments. The program is a wonderful development opportunity for participants to strengthen their current legal professional skills as well as build insights and gain new perspectives from other legal practice areas. The committee receives regular updates about pro bono opportunities for government lawyers, specialised government lawyer training and the vital role that lawyers within government play.

I'd like to thank committee members for their enthusiastic support for our agenda and for providing input into Society submissions as requested. Special thanks must also go to Committee Administrator Tanya Holt for supporting the committee with its administration.

*Peter Cain*

CHAIR

#### Committee Members

- / Peter Cain (Chair)
- / Simon Blake (to December)
- / Peter Brooks (to November)
- / Genevieve Butler
- / Sarah Byrne (from January)
- / Athena Cains
- / Elizabeth Carroll
- / Dominic Cookman (to December)
- / Alyssa Dunn (from January)
- / Brian Kildea
- / Holly Matley (to April)
- / Kathleen McCarron
- / Sanaz Mirzabegian
- / Guy O'Brien (to May)
- / Athol Opas (to February)
- / Rebekha Pattison
- / Adam Peppinck
- / Christine Plevey
- / Mark Smith
- / Angus Tye (from February)
- / Mitchell Wright (to December)
- / Staff: Tanya Holt (Committee Administrator)

At the September 2019 Government Law Drinks, hosted at the ACT Legislative Assembly: ACT Attorney-General Gordon Ramsay MLA, Solicitor-General Peter Garrison Am Sc, and Chair of the Law Society's Government Law Committee Peter Cain.



## Inclusion & Diversity

The Inclusion & Diversity Committee is dedicated to promoting diversity, equality, respect, and inclusion in the ACT legal profession. The committee's role is to progress initiatives to ensure inclusion, diversity, and equal opportunity for all members of the ACT legal profession. This work includes facilitating training and social events, and engaging in policy reform related to inclusion and diversity issues affecting the legal profession.

The committee's work over the past 12 months has included:

- / Engaging with similar professional groups, including the Women's Lawyers Association and the Access to Justice Committee to explore areas of mutual interest
- / Finalising our content on the Law Society website, which includes links to resources relating to inclusion and diversity
- / Submitting a proposal to Council on formalising an increased use of acknowledgements of country and welcomes to country
- / Submitting proposed terms of reference for approval
- / Assisting the Asian Lawyers Association with publishing an expression of interest for its planned new ACT Chapter
- / Undertaking a preliminary consideration of whether it would be suitable to recommend affiliation with a new national body for inclusion and diversity
- / Preparatory work on an article on mental health for inclusion in *Ethos*
- / Considering the ACT Disability Justice Strategy for areas of relevance, including potentially holding a seminar on 'Easy English' as part of the CPD program,
- / Collaborating with the Women's Lawyers Association on events
- / Undertaking a preliminary assessment of the CPD program and exploring options for increasing diversity across the offerings (in terms of speakers, topics and perspectives).

The emergence of the Covid-19 pandemic, and fluctuations in the committee membership have impacted on the progress of a number of the above initiatives. However, the committee hopes to further build on the above initiatives in the next financial year.

The committee is very appreciative of the support provided by the Secretariat and Council over the past year, particularly Tanya Holt, Chris Donohue, Dianne O'Hara, and Simone Carton.

I thank the committee for their contributions over the past 12 months.

*Veena Bedekar*

CHAIR

### Committee Members

- / Veena Bedekar (Chair)
- / Avinesh Chand (to October)
- / Farzana Choudhury
- / Dominic Cookman
- / Walter Hawkins (to June)
- / Kahlia Jenkins
- / Petrina Schiavi
- / Kath Taplin
- / Senzeni Zambezi
- / Staff: Tanya Holt (Committee Administrator)

## Industrial Relations

The Industrial Relations Committee meets to consider industrial relations and employment issues relevant to the profession in the ACT and, through the Society, to advise members of developments in this area where appropriate.

This year, issues that the committee has dealt with include:

- / the Human Rights (Workers Rights) Amendment Bill 2019 (ACT)
- / the Courts Legislation Amendment Bill 2019
- / the role of the Commonwealth Integrity Commission
- / proposals for a modern award covering early career lawyers in private practice
- / the law concerning volunteers.

The committee has also delivered CPD seminars on employment, independent contracting, and bullying, harassment and sexual harassment.

The committee is also preparing an article for *Ethos* on employment issues at overseas diplomatic missions in Australia.

*John Wilson*

CHAIR

### Committee Members

- / John Wilson (Chair)
- / Allison Ballard
- / Ashlee Berry
- / Kirsty Easdale
- / Andrew Klein
- / Deborah Mackenzie

- / Jasmine Millar
- / Belinda Miller
- / Gabrielle Sullivan
- / Jamie Ronald
- / Rebekah Smith
- / Staff: Tanya Holt (Committee Administrator)

## International Lawyers

The International Lawyers Committee represents and supports the interests of lawyers with regard to the practise, knowledge, and understanding of law in the context of an international community.

The committee continues to communicate and promote international law items of interest through its LinkedIn group and in *Hearsay*.

The committee supported the Jessup International Law Moot Competition at the ANU, with four committee members (Suzanne Howarth, Mark Goyne, Dr Sascha Dov Bachmann and Tiru Vallal) volunteered to judge Jessup competition memorials. Suzanne Howarth was also involved in preparing the ANU team for the Jessup Moot.

The committee also provided notes for a submission to be made by the Society to the Senate Legal and Constitutional Affairs Reference Committee's Inquiry into nationhood, national identity and democracy.

The committee submitted articles and links for inclusion on the Society's website, including International law and cases, treaties, United Nations Resolutions, and research tools and publications. It is expected that these resources will be reviewed from time to time.

Two articles written by committee members were published in *Ethos*: 'The Philip C Jessup International

Law Moot Court Competition', written by Suzanne Howarth and Lynette Molloy, and an International Law Update written by Debra Parker, on a seminar hosted by the committee on international commercial surrogacy, issues and laws.

The committee's CPD seminar on 'International Adoption and Adoption in the ACT', scheduled for 2 April 2020, was cancelled due to Covid-19.

The committee is currently working on a list of international law resources designed to assist members with international law research, and a compendium of cases before the International Court of Justice and the International Criminal Court.

*Tiru Vallal*  
CHAIR

### Committee Members

- / Tiru Vallal (Chair)
- / Bechor Aharoni (to October)
- / Mark Goyne
- / Suzanne Howarth
- / Lynette Molloy
- / Debra Parker
- / Barbara Pearson
- / Jason Solderblom
- / Dr Sascha Dov Bachmann\* (University of Canberra, from January)
- / Rosemary Budavari\* (ACT Human Rights Commission, from February)
- / Andrew Chakrabarty\* (Young Lawyers Committee, from February)
- / Adrienne Davis\* (Young Lawyers Committee, to January)
- / Jessica Giovanelli\* (Department of Foreign Affairs & Trade, from February)

At the Government Law Drinks in November 2019, hosted by Meyer Vandenberg Lawyers.





- / Ravi Kewalram\* (Department of Foreign Affairs & Trade, to January)
- / Dr Imogen Saunders\* (ANU College of Law)
- / Paul Schofield\* (Department of Foreign Affairs & Trade, to January)
- / Helen Watchirs\* (ACT Human Rights Commission, to January)
- / Dene Yeaman\* (Department of Foreign Affairs & Trade, from February)
- / Staff: Tanya Holt (Committee Administrator)

\* regular guests/representatives

## Legal Profession Act & Ethics

The Legal Profession Act & Ethics Committee meets to address a wide range of issues relating to the application of the Legal Profession Act, legal ethics, and professional standards. Matters are either referred to it by the Executive or brought by other committees.

The committee met formally on six occasions throughout the financial year. The committee also dealt with a number of other matters out of session.

This year, the need to meet out of session was spurred by government policy responses to Covid-19. The situation continues to fundamentally disrupt all aspects of society, including the manner by which law can be practiced and how the law applies.

We all became well versed in Zoom and the demands of remote operation. A fundamental change is sweeping through how the business of law is practiced. The new normal of remote court, online meetings, electronic documentation, and off-site employment will likely drive many issues to our door in the forthcoming years.

Matters addressed by the committee covered a broad range of topics, including:

- / witnessing and execution of documents in 'lockdown'
- / requirements for the supervision of staff working remotely
- / the requirements of the Legal Profession Act s.223 directions to deal with trust funds.

Questions to the committee continue to reveal the importance of practitioner record-keeping, and the scope of works and authorities defined by retainers. These matters, and remote operation issues, will be the focus of our CPD seminars in the year to come.

Although the committee receives many questions from members, the committee's role is not to assess the application of the Rules on a given matter, but to guide practitioners, where appropriate, to the factors they should consider when determining their next steps. This can include helping practitioners to identify when they

should engage an independent legal adviser, rather than seeking the views or judgement of the committee.

Considerable work has been undertaken by committee members, in often challenging circumstances, with excellent papers prepared. I would like to extend my thanks to the members of the committee for their hard work, intellectual drive, and good humour through the year. Particular thanks goes to Tanya Holt for her continuing support and of course to Rob Reis for his efforts in distilling matters for us and his practical perspectives.

*Mark Love*

CHAIR

### Committee Members

- / Mark Love (Chair)
- / Paul Armarego
- / Rahul Bedi
- / John Buxton
- / Owen Harris
- / Athol Opas
- / Anna Reynhout
- / Gerald Santucci
- / Dianne Simpson
- / Ross Watch
- / Staff: Rob Reis (Professional Standards Manager)

## Military Law

The Military Law Committee monitors and considers matters of relevance to military law, military service, and veterans' advocacy in the ACT.

Members of the committee include Australian Defence Force legal officers, both regular and reserve, private practitioners, academics, and government lawyers. The committee is well placed to provide advice and comment to the President on military law issues. Such issues impact on Society members, the Defence community, and the wider public.

Through the President, the committee provided comment to the ACT Attorney-General and Justice and Community Safety Directorate in relation to legislative matters in the military law area. This included requesting an amendment to the *Legal Profession Regulation 2007 (ACT)* to clarify the circumstances in which a person is permitted to engage in legal practice in the ACT where the person is a member of an organisation representing veterans in relation to claims and proceedings under prescribed Commonwealth veterans' entitlements legislation. The amendment was made by the *Statute Law Amendment Act 2019 (ACT)* effective from 14 November 2019.

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

*James King*

CHAIR

### Committee Members

- / James King (Chair)
- / Genevieve Butler
- / David Letts
- / Jeremy Leyland
- / Eva Logan
- / Don Malcolmson
- / Ben Mason
- / Andrew Paterson
- / Matthew Punter (July to November)
- / Peter Sutherland
- / Michael Webster
- / Staff: Tanya Holt (Committee Administrator)

## Property Law

The Property Law Committee focuses on issues relating to property law. They regularly answer questions from members regarding property law matters, and publish articles on changes to legislation, case law, and ACT and Commonwealth Government policy.

The committee had an extremely busy 2019-20 year. We continue to meet monthly, and have some sub-committees that meet in addition to the monthly meetings.

The committee regularly liaises with various government agencies on topics of interest, including the Directorate of Chief Minister, Treasury and Economic Development Directorate (CMTEDD), the ACT Revenue Office, the Environment, Planning and Sustainable Development Directorate (EPSDD), the Justice and Community Services Directorate (JACS), and the Australian Taxation Office.

Some of the projects worked on by the committee this financial year include:

- / consultation on draft legislation for reform of the Land Titles Act to modernise the ACT land titles system, including the introduction of eConveyancing in the ACT
- / the introduction of PEXA (eConveyancing) capability for ACT property transactions (currently scheduled to commence in August 2020)

- / participation in stakeholder consultation meetings and consultation on draft legislation in relation to strata reform
- / the introduction of changes to ACT land tax and related issues
- / consultation in relation to the draft policy for the ACT's implementation of the Commonwealth Government's HomeBuilder scheme
- / consultation in relation to the draft legislation to introduce changes to the Lease Variation Charge
- / the introduction of changes to the collection of GST by the ATO in relation to the sale of certain new residential property and vacant land (GST residential withholding measures)
- / the introduction of changes to foreign investment laws, including participating in a series of stakeholder consultation meetings
- / consultation in relation to the draft legislation in relation to residential tenancies reform
- / in response to Covid-19, the introduction of social distancing measures in the Settlements Office, and the consideration of possible workarounds if the Office needed to close
- / consultation in relation to the draft legislation introducing changes to residential tenancies legislation in response to Covid-19
- / consultation on the draft legislation in relation to the ACT implementation of the National Cabinet's Commercial Tenancies Code (Covid-19 commercial tenancies reform)

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

The electronic Contract for Sale was launched this year, and the committee is in the process of redrafting the standard contract to address further legislative changes in relation to GST, land tax, and the introduction of eConveyancing in the ACT.

The committee has contributed to the Society's CPD program, with a very well attended Property Law Afternoon on 12 March 2020, and a webinar in relation to Covid-19 changes to ACT property law and procedures on 18 June 2020.

The committee published various *Hearsay* articles on changes to legislation, case law, and local and national government property policy.

The committee also regularly answers questions from members regarding property law matters.

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

*Adam Peppinck*

CHAIR

### Committee Members

- / Adam Peppinck (Chair)
- / Ed Campbell
- / John Chamberlain
- / David Claxton
- / Peter Dascarolis
- / Alfonso del Rio
- / Geoff Hay (to October)
- / Mussa Hijazi
- / Michael James
- / Roberta McRae (to August)
- / Shelley Mulherin
- / Christine Murray
- / Pria O'Sullivan
- / Helen Rodriguez
- / Peter Waight (to May)
- / Chris Wheeler
- / Fred Arugay\* (Access Canberra)
- / Zoe Hutchinson\* (Justice and Community Safety Directorate)
- / Rhys Mitchell (Young Lawyers Committee)
- / Brett Phillips\* (Environment, Planning and Sustainable Development Directorate)
- / Kate Smyth\* (Justice and Community Safety Directorate)
- / Staff: Tanya Holt (Committee Administrator)

\* regular guests/representatives

## Young Lawyers

The Young Lawyers Committee seeks to further the interests of young and new lawyers by helping them establish themselves within the legal profession.

The committee meets once a month with a view to facilitating a positive and collegiate young lawyers' community through social events, CPD seminars, networking events, and a mentor program. We enjoy a strong reputation in the legal community for being a very active and engaged committee.

This year has presented significant challenges for our committee, with the cancellation of several of our traditional program of events.

In January, we held our Launch of the Legal Year event, a lawn bowling function at the RUC in Turner. This event was proudly sponsored by Lawyerbank. Although the weather was warm, this was a relaxed social event, with tasty canapes and bevies. Special thanks to Lawyerbank for providing goodie bags to each attendee.

Due to Covid-19, several of our normal events were cancelled, so the committee looked to online means of delivery of programs and events. We introduced fortnightly coffee catch ups on Zoom, allowing young lawyers to continue networking in small groups.

Throughout the year, Sarah Wetton of our committee has assisted with the provision of moving counsel to new lawyers for their admission ceremonies. The committee thanks the members of the ACT Bar who have assisted us throughout the year, particularly Lachlan Edwards and Josie Dempster.

Our CPD program is ably coordinated by Angela Li, Alyssa Dunn, Adrien Hearne and Andrew Giddings. We held our Young Lawyers Autumn CPD afternoon

At the Young Lawyers Touch Football Competition.



in March 2020, which featured Lisa Gooneratne presenting on disciplinary jurisdiction over a lawyer's private life. This annual session closes with a panel session, allowing young lawyers to ask questions in order to assist their career development.

I would like to thank all members of the committee for their ongoing dedication and hard work to making the ACT a great place to be a young lawyer, as well as all the people who attend our events (both on line and in person). I would also like to thank the Secretariat and the Council for their continued support.

### Young Lawyers Charity

Each year the committee chooses a local charity to support. In 2019, our charity was Hands Across Canberra. We raised \$4,000 through the generous support of young lawyers and other members of the community.

This year we are supporting Batyr, which is a preventative mental health organisation created and driven by young people, for young people. This has particularly resonated due to the events of this year.

*Alyssa Dunn*

CHAIR

### Committee Members

- / Alyssa Dunn (Chair)
- / Laura Pierce (Vice Chair)
- / Andrew Chakrabarty (Secretary)
- / Rahul Bedi (Treasurer)
- / Emily Bowler
- / Adrienne Davis
- / Sinead de Sousa
- / Andrew Giddings
- / Adrian Hearne
- / Kahlia Jenkins
- / Angela Li
- / Steven McMahon
- / Rhys Mitchell
- / Sebastian Alonso Marquez Musso
- / Kumu Samarakoon
- / Monica Serci
- / Mariah Tennant
- / Sarah Wetton
- / Mitchell Wright

### Committees listed elsewhere

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

At the Young Lawyers Launch of the Legal Year Lawn Bowls.



# FINANCIAL STATEMENTS

# AIR

# TREASURER'S REPORT



I am pleased to present the Annual Report on the Society's Accounts for 2019/20.

## **Overview of accounts**

The **General Account** covers the income and expenditure relating to the general operations of the Society.

The **Statutory Deposits Trust Account** comprises deposits of solicitors' trust moneys lodged with the Society to earn interest which is paid into the Statutory Interest Account.

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

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

## **General Account**

The General Account recorded a surplus of \$385,794 which increased the Society's accumulated funds to \$3,261,858 as at 30 June 2020.

The surplus was higher than budgeted due to a number of unusual factors affecting the second half of the financial year results brought about by Covid-19. While the majority of the Society's income from Practising Certificate fees is received in the first half of the financial year, any lower than expected income lines were offset by the Society receiving the ATO's cash boost payment. Also, a number of expense lines

were substantially lower than expected in the period February 2020 – June 2020 due to the absence of face-to-face meetings, functions, travel and training.

The Society is expecting to record a small surplus for the 2020/21 financial year.

#### **Statutory Deposits Trust Account**

Total deposits at 30 June 2020 amounted to \$62,934,577 which is a 3% increase on deposits held in the previous year.

Interest earned on statutory deposit funds invested in term deposits is an important revenue component for the Statutory Interest Account. The Society continues to pursue attractive investment rates where possible through a number of avenues. It is expected that the considerably lower interest rates on term deposits will continue to impact the revenue for the Statutory Interest Account in the 2020/21 year.

#### **Statutory Interest Account**

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

Revenue received of \$2,373,802 was a 31% decrease on the previous year. The decrease was predominantly due to a substantial decrease on the return paid by banks on solicitor trust account balances.

Although revenue was lower, surplus funds available for disbursement to Legal Aid and other community legal centres were boosted by a lower level of disciplinary expenses. This is in part due to some long running disciplinary matters nearing a conclusion as well as the streamlined disciplinary process keeping costs steady.

For the 2019/20 financial year Council agreed that \$1,360,147 will be disbursed to the Legal Aid

Commission and other community legal centres. It is also intended that part of the disbursement will be paid to the Fidelity Fund to ensure retained earnings of the Fidelity Fund are at an appropriate level.

Given the long-term outlook for reduced revenue from balances held in solicitor trust accounts as well as lower returns from the investment of Statutory Deposit funds, it is possible that the 2020/21 disbursement available for grants will be lower than that paid from 2019/20.

#### **Solicitors' Fidelity Fund**

The accumulated funds of the Fidelity Fund increased by \$99,417 to a total of \$5,583,615 as at 30 June 2020. This result includes the disbursement of \$106,023 paid out of the Statutory Interest Account from the 2018/19 financial year.

Costs for investigations and management appointments were lower than last year. The Society is still waiting to recover some costs from 2017/18. If the recovery is not successful it will impact the 2020/21 result.

The last actuarial assessment of the Fidelity Fund was conducted in 2017 and it was determined that the Fidelity Fund balance should increase. In recent years there have been higher balances held in solicitor trust accounts, along with the increase in law firm numbers and employee numbers, requiring a continued need to manage any exposure to risk. The current balance is at the lower level recommended in 2017 however this has only been achieved by disbursements paid out of the Statutory Interest Account to the Fidelity Fund. An updated actuarial assessment is expected to be completed through-out 2020/21 which will provide further guidance to the Society regarding the balance of the Fidelity Fund.

*Sama Kahn*  
TREASURER

# GENERAL ACCOUNT

## The Law Society of the ACT – General Account

### Statement of Comprehensive Income

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue	2	3,021,155	2,911,892
Amortisation of right-of-use assets		(171,453)	-
Audit fees	13	(17,145)	(16,120)
Capitation fees		(278,220)	(258,789)
Cleaning, outgoing and car park expenses		(35,139)	(203,216)
Committee and executive working lunches		(17,513)	(21,223)
Consultancy fees		(42,196)	(21,000)
CTP Fair Comp campaign		-	(25,000)
Depreciation expense	8	(67,118)	(67,156)
Employee benefits expense		(1,228,385)	(1,236,351)
Ethos magazine expenses		(18,044)	(36,161)
Functions		(67,366)	(115,336)
Insurances		(32,538)	(31,323)
IT maintenance and services		(96,174)	(64,007)
Lease interest expense		(84,984)	-
Membership services		(34,577)	(32,348)
Postage and couriers		(35,110)	(38,113)
President's allowance		(118,971)	(114,302)
Printing and stationery		(19,286)	(26,440)
Seminars		(128,980)	(140,912)
Travel and accommodation		(6,301)	(8,964)
Other expenses		(135,861)	(130,810)
Profit for the year		385,794	324,321
<b>Total comprehensive income</b>		<b>385,794</b>	<b>324,321</b>



## Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	4	2,246,521	2,096,283
Investments	5	2,800,000	2,700,000
Trade and other receivables	6	275,076	354,217
Inventory	7	125	452
Prepayments		71,249	58,705
<b>Total current assets</b>		<b>5,392,971</b>	<b>5,209,657</b>
<b>Non-current assets</b>			
Lease right-of-use asset	9	1,643,091	-
Office furniture and equipment	8	483,316	392,593
Rental bond		54,287	54,287
<b>Total non-current assets</b>		<b>2,180,694</b>	<b>446,880</b>
<b>Total assets</b>		<b>7,573,665</b>	<b>5,656,537</b>
<b>Current liabilities</b>			
Trade and other payables	10	2,056,709	2,152,980
Provisions	11	207,587	234,169
Lease liability	9	152,554	-
<b>Total current liabilities</b>		<b>2,416,850</b>	<b>2,387,149</b>
<b>Non-current liabilities</b>			
Trade and other payables	10	-	372,945
Provisions	11	-	20,379
Lease liability	9	1,894,957	-
<b>Total non-current liabilities</b>		<b>1,894,957</b>	<b>393,324</b>
<b>Total liabilities</b>		<b>4,311,807</b>	<b>2,780,473</b>
<b>Net assets</b>		<b>3,261,858</b>	<b>2,876,064</b>
<b>Equity</b>			
Accumulated funds		3,261,858	2,876,064
<b>Total equity</b>		<b>3,261,858</b>	<b>2,876,064</b>

## Statement of Changes in Equity

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Accumulated Funds</b>			
Balance at the beginning of the financial year		2,876,064	2,551,743
Total comprehensive income for the year		385,794	324,321
<b>Balance at the end of the financial year</b>		<b>3,261,858</b>	<b>2,876,064</b>

## Statement of Cash Flows

For the year ended 30 June 2020

<b>Cash flows from operating activities</b>			
Receipts from members and others		2,567,892	3,139,573
Payments to suppliers and employees		(2,019,196)	(2,734,593)
Interest received		84,345	49,380
Net cash inflow/(outflow) from operating activities		633,041	454,360
<b>Cash flows from investing activities</b>			
Receipts/(payments) for investments		(100,000)	(1,250,000)
Payments for office furniture and equipment		(157,841)	(40,699)
Net cash inflow/(outflow) from investing activities		(257,841)	(1,290,699)
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(224,962)	-
Net cash inflow/(outflow) from investing activities		(224,962)	-
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>150,238</b>	<b>(836,339)</b>
Cash and cash equivalents at the beginning of the financial year		2,096,283	2,932,622
<b>Cash and cash equivalents at the end of the financial year</b>	<b>4</b>	<b>2,246,521</b>	<b>2,096,283</b>

## Notes to the Financial Statements

For the year ended 30 June 2020

### Note 1: Summary of Significant Accounting Policies

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

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

#### Basis of Preparation

##### Reporting Basis and Conventions

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

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

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

#### Accounting Policies

##### (a) New, revised or amended accounting standards adopted

The Society has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

For the year ended 30 June 2020, the Society has adopted the following new Accounting Standards (and their relevant amending standards issued by the AASB):

- / AASB 15: Revenue from Contracts with Customers
- / AASB 1058: Income of Not-for-Profit Entities
- / AASB 16: Leases

The effect of adopting these accounting standards and interpretations is described below.

##### **AASB 15: Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The mandatory date of adoption for AASB 15 and AASB 1058 for the Society was 1 July 2019. The Society has elected to apply the modified retrospective approach allowable under the Standard, reflecting the cumulative impact arising from adoption (if any) as

an adjustment to opening retained earnings at 1 July 2019. As a result, comparative financial information has not been restated.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 – Identify the contract with the customer,
- Step 2 – Identify the sufficiently specific performance obligations to be satisfied,
- Step 3 – Measure the expected consideration,
- Step 4 – Allocate that consideration to each of the performance obligations in the contract,
- Step 5 – Recognise revenue.

The Society has described its new accounting policy below in Note 1(k). The Society has elected to adopt the practical expedient whereby contracts that are considered to be 'complete' (where revenue has been fully recognised in accordance with previous standards) are not adjusted upon the adoption of the new standards.

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the Society to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- / AASB 15: Revenue from Contracts with Customers,
- / AASB 16: Leases,
- / AASB 1004: Contributions,
- / AASB 137: Provisions, Contingent Liabilities & Contingent Assets,
- / AASB 9: Financial Instruments.

A transfer that requires the Society to use those funds to acquire or construct a recognisable non-financial asset to identified specifications; does not require the Society to transfer the non-financial asset to the transferor or other parties; and occurs under an enforceable agreement is recognised as income when (or as) the Society satisfies its obligations under the transfer.

Any donations, bequests or grants not recognised as described above are recognised as income when the Society obtains control of those funds.

The adoption of AASB 15 and AASB 1058 has not resulted in any material impact on the financial performance or position of the Society in either the current or prior financial reporting periods.

### **AASB 16: Leases**

AASB 16 replaces AASB 117 Leases and has been applied for the first time from 1 July 2019. The accounting policy adopted by the Society from that date is described in Note 1(o). In the previous financial year, lease rentals payable on operating leases were recognised as an expense on a straight-line basis over the lease term.

On initial application of AASB 16, the Society has elected to adopt the modified retrospective approach, whereby the lease liability is measured at the present value of the remaining lease payments, discounted using the Society's incremental borrowing rate at 1 July 2019. The Society's incremental borrowing rate was 4%. The right of use asset has been recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments at the transition date. As a result, comparative financial information has not been restated.

Upon initial application of the Standard, the following amounts were recognised as at 1 July 2019:

/ Right-of-use Asset	\$1,814,544
/ Lease Liability	\$2,187,489

### **(b) Income Tax**

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

### **(c) Inventory**

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

### **(d) Office Furniture and Equipment**

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

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

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

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses

are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### **(e) Depreciation**

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

- / Office furniture and equipment 3-15 years.

### **(f) Financial Instruments**

#### **Initial recognition and measurement**

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

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

#### **Classification and subsequent measurement**

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

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

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

#### **Financial assets**

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

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

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

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

- / the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

#### **Financial liabilities**

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

#### **Impairment of financial assets**

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

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

#### **(g) Investments**

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

#### **(h) Cash and Cash Equivalents**

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

#### **(i) Trade and Other Receivables**

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

#### **(j) Trade and Other Payables**

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

#### **(k) Revenue**

In the previous financial year, revenue recognised in accordance with AASB 118 Revenue was measured at the fair value of the consideration received or receivable. The Society recognised revenue when the amount of revenue could be reliably measured, it was probable that future economic benefits would flow to the Society and specific criteria were met for each of the Society's activities.

Revenue recognised under AASB 15 is measured at the amount which the Society expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied.

Where consideration comprises variable components, the amount recognised as revenue is constrained to that amount that would not result in a significant reversal of the cumulative revenue recognised when that uncertainty is resolved.

#### **Timing of Revenue Recognition**

Revenue is recognised either at a point in time or over time, when (or as) the Society satisfies performance obligations by transferring the promised goods or services to its customers.

If the Society satisfies a performance obligation before it receives the consideration, the Society recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

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

The Society has elected not to recognise volunteer services as revenue.

#### **Sales of Goods and Services**

Revenue from the sale of goods and the rendering of services is brought to account as income when the performance obligation has been satisfied, which is when the related goods or services have been provided.

#### **Government Assistance**

Government assistance has been received during the year under the Cash Flow Boost program. Payments under this program is recognised as revenue once the entity is entitled to receive the payments. A receivable is recognised at year end for any payments that the entity is entitled to that have not been received.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

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

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

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

#### **(l) Goods and Services Tax (GST)**

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

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

#### **(m) Employee Benefits**

Provision is made for the liability for employee benefits arising from services rendered by employees to balance date. The benefits due to be settled within one year to employees for their entitlements have been measured at the amounts expected to be paid including on-costs and are disclosed as current liabilities. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made in respect of those benefits. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data.

#### **(n) Provisions**

Provisions are recognised when the Society has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will result and that the outflow can be reliably measured.

#### **(o) Leases**

At inception of a contract, the Society assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the Society recognises a right-of-use asset (lease asset) and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Society is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as an expense as incurred in the statement of comprehensive income.

#### **(p) Comparative Figures**

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

### **Critical Accounting Estimates and Judgements**

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

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

	2020	2019
	\$	\$
<b>Note 2: Revenue</b>		
<b>Revenue from operating activities</b>		
Practising certificate fees	1,750,150	1,619,110
Members' subscriptions	20,014	19,596
Capitation fees	279,975	259,783
Certificates of good standing	9,591	12,900
Ethos advertising and subscriptions	8,509	6,473
Functions	48,772	102,761
Profit on standard forms	69,842	94,916
Reimbursement of expenses		
Statutory Interest Account - administration*	89,674	93,137
Statutory Interest Account - Legal Advice Bureau*	42,245	41,418
Statutory Interest Account - professional standards*	121,897	121,790
Solicitors' Fidelity Fund of the Australian Capital Territory - administration*	55,118	54,074
Settlements Office contributions	75,196	71,476
Seminar income		
Continuing Professional Development	191,518	208,781
Practice management courses	61,851	77,071
	<b>2,824,352</b>	<b>2,783,286</b>
<b>Revenue from outside the operating activities</b>		
Interest	60,062	77,486
Miscellaneous income	106,443	19,223
Sponsorship	30,298	31,897
	<b>196,803</b>	<b>128,606</b>
	<b>3,021,155</b>	<b>2,911,892</b>

### Note 3: Profit for the Year

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

Superannuation contributions	(117,365)	(112,076)
------------------------------	-----------	-----------

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

	2020	2019
	\$	\$
<b>Note 4: Cash and Cash Equivalents</b>		
Cash on hand	120	300
Cash at bank — Law Society General Acc	2,237,431	2,093,908
Undeposited funds	8,303	2,029
	<b>2,245,854</b>	<b>2,096,237</b>
<hr/>		
Cash at bank — Compensation Rights Acc	667	46
	<b>2,246,521</b>	<b>2,096,283</b>

## Note 5: Investments

Term deposits*	2,800,000	2,700,000
	<b>2,800,000</b>	<b>2,700,000</b>

## Note 6: Trade and Other Receivables

Trade debtors	138,006	248,079
Deposits paid	10,578	7,981
Accrued interest receivable	30,234	54,517
Other accrued income	80,904	30,700
GST refund receivable	15,354	12,940
	<b>275,076</b>	<b>354,217</b>

## Note 7: Inventory

Contracts for sale	125	452
	<b>125</b>	<b>452</b>

\* A number of term deposits are held with maturities of 4 - 18 months from the date of deposit.



2020

\$

2019

\$

## Note 8: Office Furniture and Equipment

### Office furniture and equipment

At cost	871,508	709,892
Less: accumulated depreciation	(388,192)	(349,174)
<b>Total office furniture and equipment</b>	<b>483,316</b>	<b>360,718</b>
Computer database development in progress	-	31,875
	<b>483,316</b>	<b>392,593</b>

### Reconciliation

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

### Office furniture and equipment

Carrying amount at the beginning of the year	392,593	419,050
Additions incl. database now operational	190,256	8,824
Computer database development in progress	(31,875)	31,875
Disposal of asset	(540)	-
Depreciation expense	(67,118)	(67,156)
<b>Carrying amount at the end of the year</b>	<b>483,316</b>	<b>392,593</b>

## Note 9: Lease Assets and Liabilities

### Right of use assets and lease liabilities

	2020 \$	2019 \$
Right-of-use assets - Office	1,814,544	-
At cost	(171,453)	-
<b>Accumulated amortisation</b>	<b>1,643,091</b>	<b>-</b>

### Movement in the carrying amounts for each class of right of use assets between the beginning and the end of the current financial year:

	Right of use assets - Office \$	Total \$
Year ended 30 June 2020		
Balance at the beginning of the year	-	-
Amount recognised on adoption of AASB 16	1,814,544	1,814,544
Amortisation	(171,453)	(171,453)
<b>Balance at the end of the year</b>	<b>1,643,091</b>	<b>1,643,091</b>

	2020 \$	2019 \$
Lease Liabilities		
Current	152,554	-
Non current	1,894,957	-
	<b>2,047,511</b>	<b>-</b>

### Movement of lease liabilities during the year

Balance at 1 July 2019	-	-
Amount recognised on adoption of AASB 16	2,187,489	-
Lease payments	(224,962)	-
Interest expense	84,984	-
<b>Balance at the end of the year</b>	<b>2,047,511</b>	<b>-</b>

The amount expensed in the statement of profit or loss and other comprehensive income in relation to short term and low value leases was \$0 (2019: N/A).

The Society's leases relate primarily to office space for operational purposes. The Society has various options to extend lease terms which the Society is reasonably certain to exercise. The options to extend the leases have been included in the measurement of lease liabilities.

	2020	2019
	\$	\$
<b>Note 10: Trade and Other Payables</b>		
<b>Current</b>		
Subscriptions and other income in advance	1,644,267	1,972,654
Accruals	32,371	41,921
Payable – Solicitors’ Fidelity Fund of the Australian Capital Territory	74,858	67,188
Payable – Statutory Interest Account	196,368	-
Fair Comp Compensation Rights account	667	46
Young Lawyers funds	14,452	17,140
Trade creditors	93,726	54,031
	<b>2,056,709</b>	<b>2,152,980</b>
<b>Non-Current</b>		
Lease incentive liability	-	372,945
	<b>2,056,709</b>	<b>2,525,925</b>

## Note 11: Provisions

<b>Current</b>		
Provision for annual leave	63,911	100,542
Provision for long service leave*	143,676	133,627
	<b>207,587</b>	<b>234,169</b>
<b>Non-Current</b>		
<b>Provision for long service leave</b>	<b>-</b>	<b>20,379</b>

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

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

Notes	2020	2019
	\$	\$

## Note 12: Financial Risk Management

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

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

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

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

### Financial Assets at amortised cost

Cash and cash equivalents	4	2,246,521	2,096,283
Term deposit investments	5	2,800,000	2,700,000
Trade and other receivables	6	275,076	354,217
<b>Total Financial Assets</b>		<b>5,321,597</b>	<b>5,150,500</b>

### Financial Liabilities at amortised cost

Lease liabilities	9	2,047,511	-
Trade and other payables	10	2,056,709	2,152,980
<b>Total Financial Liabilities</b>		<b>4,104,422</b>	<b>2,152,980</b>

### Net Fair Values

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

## Note 13: Remuneration of Auditors

Audit of the Society's financial statements	11,540	11,175
Audit of Statutory Deposits Trust Account	1,890	1,830
Audit of Statutory Interest Account	3,215	3,115
	<b>16,645</b>	<b>16,120</b>
Audit of Solicitors' Fidelity Fund	3,215	3,115
Assistance with implementation of new accounting standards and updating of disclosures	500	-
	<b>20,360</b>	<b>19,235</b>

No other benefits were received by the auditors.

	Notes	2020	2019
		\$	\$

## Note 14: Compensation Rights Account

Funds are held in a separate cheque account. These funds are held by the Society on behalf of the contributing legal practices and disbursed under the direction of the CTP Committee. The Society does not separately record revenues or expenses in its statement of comprehensive income in relation to these funds. Funds received are held as a liability to meet future expenses.

Assets and liabilities relating to the Fair Comp Campaign are as follows:

### Financial Assets at amortised cost

Cash and cash equivalents: Compensation Rights Account	4	667	46
<b>Total Financial Assets</b>		<b>667</b>	<b>46</b>

### Financial Liabilities at amortised cost

Trade and other payables	10	667	46
<b>Total Financial Liabilities</b>		<b>667</b>	<b>46</b>

### Receipts and payments relating to the Fair Comp Campaign during the year were as follows:

Receipts		836	121,984
Payments		(215)	(144,853)
<b>Net receipts/(payments)</b>		<b>621</b>	<b>(22,869)</b>

### Reconciliation

A reconciliation of the unexpended funds held at the beginning and end of the current financial year is set out below.

Unexpended Funds			
Carrying amount at the beginning of the year		46	22,915
Net receipts/(payments) during the year		621	(22,869)
<b>Carrying amount at the end of the year</b>		<b>667</b>	<b>46</b>

## Note 15: Related Parties

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

- / Mr C Donohue—President
- / Ms S Avery—Immediate Past President
- / Mr G Marques—Secretary
- / Mr P Cain—Vice President
- / Ms E Carroll—Vice President
- / Ms S Khan—Treasurer
- / Mr M Tigwell
- / Mr G Lee
- / Ms S Leslie
- / Ms S Platis
- / Mr R Bedi
- / Ms F Choudhury
- / Mr A Hill
- / Mr T Dingwall—from 19 September 2019
- / Ms R Andric—from 19 September 2019
- / Mr A Tye—from 19 September 2019
- / Ms I Moyse—to 19 September 2019
- / Mr C Deans—to 19 September 2019
- / Mr P Edmonds—to 19 September 2019

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

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

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

During the year the Society paid \$6,289 (2019: \$5,517) in premiums for Councillors and Officers liability insurance.

## Note 16: Key Management Personnel Compensation

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

	2020	2019
	\$	\$
Total key management personnel compensation	395,898	338,640

## Note 17: Events After the Balance Date

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

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

## Note 18: Contingent Liabilities and Contingent Assets

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

## Note 19: Legislation

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

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

## Councillors' Declaration

*For the year ended 30 June 2020*

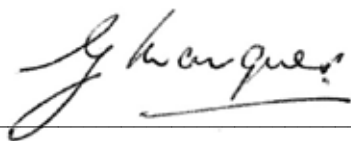
The Councillors declare that the financial statements and notes set out on pages 4 to 19:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2020 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Councillors.



Councillor

18 August 2020



Councillor

18 August 2020



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

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Australian Capital Territory as at 30 June 2020 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

#### **Basis for opinion**

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

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

#### **Responsibilities of the Council for the financial statements**

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

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

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



### **Auditor's responsibility for the audit of the financial statements**

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

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

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



**Nexia Duesburys (Audit)**  
Canberra, 18 August 2020



**Rod Scott**  
**Partner**

# STATUTORY DEPOSITS

## Statutory Deposits Trust Account

### Statement of Comprehensive Income

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue		-	-
Net surplus / (deficit)		-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>

### Statement of Financial Position

As at 30 June 2020

#### Current assets

Cash and cash equivalents	2	31,234,577	14,491,156
Investments	3	31,700,000	46,400,000
Total current assets		62,934,577	60,891,156

<b>Total assets</b>		<b>62,934,577</b>	<b>60,891,156</b>
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#### Current liabilities

Trade and other payables	4	62,934,577	60,891,156
Total current liabilities		62,934,577	60,891,156

<b>Total liabilities</b>		<b>62,934,577</b>	<b>60,891,156</b>
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<b>Net assets</b>		<b>-</b>	<b>-</b>
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#### Equity

Accumulated Funds		-	-
<b>Total equity</b>		<b>-</b>	<b>-</b>

## Statement of Changes in Equity

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Balance at the beginning of the year		-	-
Changes during the year		-	-
<b>Balance at the end of the year</b>		<b>-</b>	<b>-</b>

## Statement of Cash Flows

For the year ended 30 June 2020

### Cash flows from investing activities

Proceeds from investments	29,200,000	23,800,000
Payments for investments	(14,500,000)	(36,100,000)
Net cash inflow/(outflow) from investing activities	14,700,000	(12,300,000)

### Cash flows from financing activities

Proceeds from statutory deposits	23,152,527	17,687,905
Repayments of statutory deposits	(21,109,106)	(5,577,826)
Net cash inflow/(outflow) from financing activities	2,043,421	12,110,079

<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>16,743,421</b>	<b>(189,921)</b>
Cash and cash equivalents at the beginning of the financial year	14,491,156	14,681,077
<b>Cash and cash equivalents at the end of the financial year</b>	<b>2</b> <b>31,234,577</b>	<b>14,491,156</b>

## Notes to the Financial Statements

For the year ended 30 June 2020

### Note 1: Summary of Significant Accounting Policies

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

#### Basis of Preparation

##### Reporting Basis and Conventions

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

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

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

#### Accounting Policies

##### (a) New, revised or amended accounting standards adopted

The entity has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

For the year ended 30 June 2020, the entity has adopted the following new Accounting Standards (and their relevant amending standards issued by the AASB):

- / AASB 15: Revenue from Contracts with Customers
- / AASB 1058: Income of Not-for-Profit Entities
- / AASB 16: Leases

The effect of adopting these accounting standards and interpretations is described below.

##### **AASB 15: Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The mandatory date of adoption for AASB 15 and AASB 1058 for the entity was 1 July 2019. The entity has elected to apply the modified retrospective approach allowable under the Standard, reflecting the cumulative impact arising from adoption (if any) as

an adjustment to opening retained earnings at 1 July 2019. As a result, comparative financial information has not been restated.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 - Identify the contract with the customer,
- Step 2 - Identify the sufficiently specific performance obligations to be satisfied,
- Step 3 - Measure the expected consideration,
- Step 4 - Allocate that consideration to each of the performance obligations in the contract,
- Step 5 - Recognise revenue.

The entity has elected to adopt the practical expedient whereby contracts that are considered to be 'complete' (where revenue has been fully recognised in accordance with previous standards) are not adjusted upon the adoption of the new standards.

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- / AASB 15: Revenue from Contracts with Customers,
- / AASB 16: Leases,
- / AASB 1004: Contributions,
- / AASB 137: Provisions, Contingent Liabilities & Contingent Assets,
- / AASB 9: Financial Instruments.

A transfer that requires the entity to use those funds to acquire or construct a recognisable non-financial asset to identified specifications; does not require the entity to transfer the non-financial asset to the transferor or other parties; and occurs under an enforceable agreement is recognised as income when (or as) the entity satisfies its obligations under the transfer.

Any donations, bequests or grants not recognised as described above are recognised as income when the entity obtains control of those funds.

The adoption of AASB 15 and AASB 1058 has not resulted in any material impact on the financial performance or position of the entity in either the current or prior financial reporting periods.

### **AASB 16: Leases**

AASB 16 replaces AASB 117 Leases and has been applied for the first time from 1 July 2019. The accounting policy adopted by the entity from that date is described in Note 1(g). In the previous financial year, lease rentals payable on operating leases were recognised as an expense on a straight-line basis over the lease term.

On initial application of AASB 16, and throughout the year, the entity did not have any leases.

### **(b) Income Tax**

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

### **(c) Cash and Cash Equivalents**

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

### **(d) Investments**

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

### **(e) Monies Deposited by Solicitors**

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

### **(f) Financial Instruments**

#### **Initial recognition and measurement**

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

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

#### **Classification and subsequent measurement**

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

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

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

#### **Financial assets**

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

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

- / the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- / the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

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

#### **Financial liabilities**

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

#### **Impairment of financial assets**

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

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

#### **(g) Leases**

At inception of a contract, the entity assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the entity recognises a right-of-use asset (lease asset) and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the entity is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as an expense as incurred in the statement of profit or loss.

#### **(h) Comparatives**

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

#### **Critical Accounting Estimates and Judgements**

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

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

	Notes	2020 \$	2019 \$
<b>Note 2: Cash and Cash Equivalents</b>			
Cash at bank		31,034,577	14,291,156
Cash at bank — AMP Saver Account		200,000	200,000
		<b>31,234,577</b>	<b>14,491,156</b>

### Note 3: Investments

Term deposits*		31,700,000	46,400,000
		<b>31,700,000</b>	<b>46,400,000</b>

### Note 4: Trade and Other Payables

Monies deposited by solicitors		62,934,577	60,891,156
		<b>62,934,577</b>	<b>60,891,156</b>

### Note 5: Legislation

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

### Note 6: Remuneration of Auditors

Audit fees of \$1,890 (2019: \$1,830) were ultimately paid by the Statutory Interest Account on behalf of the Statutory Deposits Trust Account.

### Note 7: Financial Risk Management

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

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

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

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

#### Financial Assets

Cash and cash equivalents	2	31,234,577	14,491,156
Held-to-maturity investments	3	31,700,000	46,400,000
<b>Total Financial Assets</b>		<b>62,934,577</b>	<b>60,891,156</b>

#### Financial Liabilities

Trade and other payables	4	62,934,577	60,891,156
<b>Total Financial Liabilities</b>		<b>62,934,577</b>	<b>60,891,156</b>

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

### Net Fair Values

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

## **Note 8: Contingent Liabilities and Contingent Assets**

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

## **Note 9: Events After the Balance Date**

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

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



## Councillors' Declaration

*For the year ended 30 June 2020*

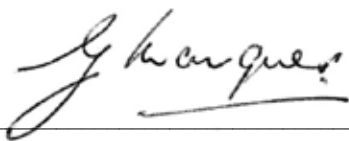
The Councillors declare that the financial statements and notes set out on pages 22 to 28:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2020 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Councillors.



Councillor

18 August 2020



Councillor

18 August 2020



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

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory Statutory Deposits Trust Account which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Australian Capital Territory Statutory Deposits Trust Account as at 30 June 2020 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

#### **Basis for opinion**

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

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

#### **Responsibilities of the Council for the financial statements**

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

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

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

### **Auditor's responsibility for the audit of the financial statements**

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

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

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



**Nexia Duesburys (Audit)**  
Canberra, 18 August 2020



**Rod Scott**  
Partner

# STATUTORY INTEREST

## The Statutory Interest Account

### Statement of Comprehensive Income

For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue	2	2,373,802	3,429,867
<b>Expenses</b>			
Law Society of the Australian Capital Territory – reimbursement of administration expenses		(89,674)	(93,137)
Disciplinary legal costs and other legal costs		(759,687)	(1,055,408)
Legal Advice Bureau operating costs	8	(41,235)	(42,427)
Professional Standards Office costs		(123,057)	(122,930)
Surplus before disbursements		1,360,149	2,115,965
Proposed disbursements under s253		(1,360,147)	(2,106,023)
<b>Surplus/(deficit) for the year</b>		<b>2</b>	<b>9,942</b>
<b>Total comprehensive income</b>		<b>2</b>	<b>9,942</b>

## Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	3	1,732,884	2,142,218
Investments	4	1,150,000	1,100,000
Trade and other receivables	5	548,184	752,520
Total current assets		3,431,068	3,994,738
<b>Non-current assets</b>			
Other receivables	5	3	-
<b>Total assets</b>		<b>3,431,071</b>	<b>3,994,738</b>
<b>Current liabilities</b>			
Trade and other payables	6	184,578	197,871
Provisions	7	1,560,147	2,110,523
Total current liabilities		1,744,725	2,308,394
Total non-current liabilities		-	-
<b>Total liabilities</b>		<b>1,744,725</b>	<b>2,308,394</b>
<b>Net assets</b>		<b>1,686,346</b>	<b>1,686,344</b>
<b>Equity</b>			
Accumulated funds		1,686,346	1,686,344
<b>Total equity</b>		<b>1,686,346</b>	<b>1,686,344</b>

## Statement of Changes in Equity

For the Year Ended 30 June 2020

<b>Accumulated funds</b>			
Balance at the beginning of the financial year		1,686,344	1,676,402
Surplus/(deficit) for the year		2	9,942
<b>Balance at the end of the financial year</b>		<b>1,686,346</b>	<b>1,686,344</b>

## Statement of Cash Flows

For the Year Ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Recovered disciplinary legal costs and fines imposed		223,392	232,457
Miscellaneous receipts & GST refunds		271,046	258,864
Disbursements and other operating payments		(1,284,175)	(1,493,436)
Interest		2,340,926	3,096,818
Net cash inflow/(outflow) from operating activities		1,551,189	2,094,703
<b>Cash flows from investing activities</b>			
Payments for investments		(1,150,000)	-
Receipts from investments		1,100,000	300,000
Net cash inflow/(outflow) from investing activities		(50,000)	300,000
<b>Cash flows from financing activities</b>			
Section 253 disbursements	9	(1,910,523)	(1,472,500)
Net cash inflow/(outflow) from financing activities		(1,910,523)	(1,472,500)
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>(409,334)</b>	<b>922,203</b>
Cash and cash equivalents at the beginning of the financial year		2,142,218	1,220,015
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3</b>	<b>1,732,884</b>	<b>2,142,218</b>

## Notes to the Financial Statements

For the year ended 30 June 2020

### Note 1: Summary of Significant Accounting Policies

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

#### Basis of Preparation

##### Reporting Basis and Conventions

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

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

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

#### Accounting Policies

##### (a) New, revised or amended accounting standards adopted

The entity has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

For the year ended 30 June 2020, the entity has adopted the following new Accounting Standards (and their relevant amending standards issued by the AASB):

- / AASB 15: Revenue from Contracts with Customers
- / AASB 1058: Income of Not-for-Profit Entities
- / AASB 16: Leases

The effect of adopting these accounting standards and interpretations is described below.

##### **AASB 15: Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The mandatory date of adoption for AASB 15 and AASB 1058 for the entity was 1 July 2019. The entity has elected to apply the modified retrospective approach allowable under the Standard, reflecting the cumulative impact arising from adoption (if any) as an adjustment to opening retained earnings at 1 July 2019. As a result, comparative financial information has not been restated.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 - Identify the contract with the customer,
- Step 2 - Identify the sufficiently specific performance obligations to be satisfied,
- Step 3 - Measure the expected consideration,
- Step 4 - Allocate that consideration to each of the performance obligations in the contract,
- Step 5 - Recognise revenue.

The entity has described its new accounting policy below in Note 1(e). The entity has elected to adopt the practical expedient whereby contracts that are considered to be 'complete' (where revenue has been fully recognised in accordance with previous standards) are not adjusted upon the adoption of the new standards.

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- / AASB 15: Revenue from Contracts with Customers,
- / AASB 16: Leases,
- / AASB 1004: Contributions,
- / AASB 137: Provisions, Contingent Liabilities & Contingent Assets,
- / AASB 9: Financial Instruments.

A transfer that requires the entity to use those funds to acquire or construct a recognisable non-financial asset to identified specifications; does not require the entity to transfer the non-financial asset to the transferor or other parties; and occurs under an enforceable agreement is recognised as income when (or as) the entity satisfies its obligations under the transfer.

Any donations, bequests or grants not recognised as described above are recognised as income when the entity obtains control of those funds.

The adoption of AASB 15 and AASB 1058 has not resulted in any material impact on the financial performance or position of the entity in either the current or prior financial reporting periods.

##### **AASB 16: Leases**

AASB 16 replaces AASB 117 Leases and has been applied for the first time from 1 July 2019. The accounting policy adopted by the entity from that date is described in Note 1(h). In the previous

financial year, lease rentals payable on operating leases were recognised as an expense on a straight-line basis over the lease term.

On initial application of AASB 16, and throughout the year, the entity did not have any leases.

#### **(b) Income Tax**

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

#### **(c) Cash and Cash Equivalents**

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

#### **(d) Investments**

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

#### **(e) Revenue Recognition**

In the previous financial year, revenue recognised in accordance with AASB 118 Revenue was measured at the fair value of the consideration received or receivable. The entity recognised revenue when the amount of revenue could be reliably measured, it was probable that future economic benefits would flow to the entity and specific criteria were met for each of the entity's activities.

Revenue recognised under AASB 15 is measured at the amount which the entity expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied.

Where consideration comprises variable components, the amount recognised as revenue is constrained to that amount that would not result in a significant reversal of the cumulative revenue recognised when that uncertainty is resolved.

##### **Timing of Revenue Recognition**

Revenue is recognised either at a point in time or over time, when (or as) the entity satisfies performance obligations by transferring the promised goods or services to its customers.

If the entity satisfies a performance obligation before it receives the consideration, the entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

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

The entity has elected not to recognise volunteer services as revenue.

##### **Recovered disciplinary costs and fines**

Revenue from recovered disciplinary costs and fines are recognised when the receipt of funds become recoverable.

#### **(f) Financial Instruments**

##### **Initial recognition and measurement**

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

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

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

##### **Classification and subsequent measurement**

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

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

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

##### **Financial assets**

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

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

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

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

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

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

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

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

##### **Financial liabilities**

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



### **Impairment of financial assets**

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

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

### **(g) Goods and Services Tax (GST)**

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

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

### **(h) Leases**

At inception of a contract, the entity assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the entity recognises a right-of-use asset (lease asset) and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method

over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the entity is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as an expense as incurred in the statement of profit or loss.

### **(i) Comparatives**

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

### **Critical Accounting Estimates and Judgements**

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

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

	2020	2019
	\$	\$
<b>Note 2: Revenue</b>		
Interest on investments by the Statutory Interest Account	28,722	56,530
Interest on investments by the Statutory Deposits Account	1,051,359	1,227,531
Interest on Solicitors' Trust Accounts	1,097,315	1,923,722
Recovered disciplinary costs and fines	196,406	222,084
	<b>2,373,802</b>	<b>3,429,867</b>

### Note 3: Cash and Cash Equivalents

Cash at bank	<b>1,732,884</b>	<b>2,142,218</b>
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### Note 4: Investments

Term deposits*	1,150,000	1,100,000
	<b>1,150,000</b>	<b>1,100,000</b>

### Note 5: Trade and Other Receivables

#### Current

Accrued interest		
Investments	308,602	531,410
Solicitors' Trust Accounts	19,658	146,958
Other	196,367	9,789
	<b>524,627</b>	<b>688,157</b>
Debtors	94,720	170,552
Provision for doubtful debts	(94,720)	(143,563)
Prepayments	896	1,160
GST receivable	22,661	36,214
	<b>23,557</b>	<b>64,363</b>

#### Non-current

Debtors	228,889	167,647
Provision for doubtful debts	(228,886)	(167,647)
	<b>3</b>	<b>-</b>
	<b>548,187</b>	<b>752,520</b>

\* A number of term deposits are held with maturities of 8 - 9 months from the date of deposit.

	2020	2019
	\$	\$
<b>Note 6: Trade And Other Payables</b>		
<b>Sundry creditors and accruals</b>	<b>184,578</b>	<b>197,871</b>

## Note 7: Provisions — Current

<b>Proposed disbursements*</b>	<b>1,560,147</b>	<b>2,110,523</b>
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## Note 8: Legal Advice Bureau Operating Costs

Cleaning	956	1,002
Depreciation	1,050	1,155
Electricity	255	283
Insurance	158	125
Publications and subscriptions	-	1,008
Rental of premises	7,682	8,450
Salaries and superannuation	31,134	30,404
	<b>41,235</b>	<b>42,427</b>

## Note 9: Disbursements

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

Canberra Community Law	180,000	135,375
Care Inc (Consumer Law)	50,000	25,180
Environmental Defender's Office	50,000	25,180
Legal Aid Commission (ACT)	1,344,500	1,133,109
Women's Legal Centre	180,000	80,056
	<b>1,804,500</b>	<b>1,398,900</b>
Disbursement to the Solicitor's Fidelity Fund	106,023	73,600
	<b>1,910,523</b>	<b>1,472,500</b>

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

## Note 10: Financial Risk Management

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

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

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

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

	Notes	2020 \$	2019 \$
<b>Financial Assets at Amortised Cost</b>			
Cash and cash equivalents	3	1,732,884	2,142,218
Term deposit investments	4	1,150,000	1,100,000
Trade and other receivables	5	525,523	716,306
<b>Total Financial Assets</b>		<b>3,408,407</b>	<b>3,958,524</b>
<b>Financial Liabilities at Amortised Cost</b>			
Trade and other payables	6	184,578	197,871
<b>Total Financial Liabilities</b>		<b>184,578</b>	<b>197,871</b>

### Net Fair Values

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

## Note 11: Contingent Assets

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

## Note 12: Contingent Liabilities

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

## Note 13: Legislation

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

## Note 14: Remuneration of Auditors

Audit fees of \$3,215 (2019: \$3,115) were ultimately paid by the Statutory Interest Account.

## Note 15: Events After the Balance Date

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

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

## Councillors' Declaration

*For the year ended 30 June 2020*

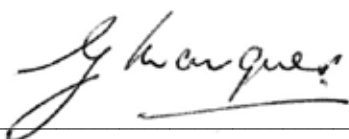
The Councillors declare that the financial statements and notes set out on pages 32 to 41:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2020 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Councillors.



Councillor

18 August 2020



Councillor

19 August 2020



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

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory Statutory Interest Account which comprises the statement of financial position as at 30 June 2020, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Law Society of the Australian Capital Territory Statutory Interest Account as at 30 June 2020 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

#### **Basis for opinion**

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

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

#### **Responsibilities of the Council for the financial statements**

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

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

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

### **Auditor's responsibility for the audit of the financial statements**

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

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

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



**Nexia Duesburys (Audit)**

Canberra, 18 August 2020



**Rod Scott**

**Partner**

# FIDELITY FUND

## The Solicitors' Fidelity Fund of the ACT

### Statement of Comprehensive Income

For the Year Ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue	2	312,370	285,828
Audit fees		(3,215)	(3,115)
Administration expenses		(55,118)	(54,074)
Investigations, examinations, legal and managers' costs		(31,050)	(43,900)
Random inspections expenses		(123,570)	(141,620)
<b>Surplus / (deficit) for the year</b>		<b>99,417</b>	<b>43,119</b>
<b>Total comprehensive income for the year</b>		<b>99,417</b>	<b>43,119</b>



## Statement of Financial Position

As at 30 June 2020

	Notes	2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	3	534,694	448,093
Investments	4	4,910,000	4,902,994
Trade and other receivables	5	237,281	244,557
Total current assets		5,681,975	5,595,644
<b>Total assets</b>		<b>5,681,975</b>	<b>5,595,644</b>
<b>Current liabilities</b>			
Trade and other payables	6	98,360	111,446
Total current liabilities		98,360	111,446
<b>Total liabilities</b>		<b>98,360</b>	<b>111,446</b>
<b>Net assets</b>		<b>5,583,615</b>	<b>5,484,198</b>
<b>Equity</b>			
Accumulated funds		5,583,615	5,484,198
<b>Total equity</b>		<b>5,583,615</b>	<b>5,484,198</b>

## Statement of Changes in Equity

For The Year Ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Accumulated Funds</b>			
Balance at the beginning of the financial year		5,484,198	5,441,079
Total comprehensive income for the year		99,417	43,119
<b>Balance at the end of the financial year</b>		<b>5,583,615</b>	<b>5,484,198</b>

## Statement of Cash Flows

For the Year Ended 30 June 2020

<b>Cash flows from operating activities</b>			
Receipts from contributions		175,990	140,695
Recoveries & GST refunds		23,030	17,773
Payments to suppliers and others		(246,219)	(226,556)
Interest received		140,805	137,025
Net cash inflow/(outflow) from operating activities		93,606	68,937
<b>Cash flows from investing activities</b>			
Payments for investments		(4,877,005)	(1,700,000)
Proceeds from investments		4,870,000	1,700,000
Net cash inflow/(outflow) from investing activities		(7,005)	-
<b>Net increase/(decrease) in cash and cash equivalents held</b>		<b>86,601</b>	<b>68,937</b>
Cash and cash equivalents at the beginning of the financial year		448,093	379,156
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3</b>	<b>534,694</b>	<b>448,093</b>

## Notes to the Financial Statements

For the year ended 30 June 2020

### Note 1: Summary of Significant Accounting Policies

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

#### Basis of Preparation

##### Reporting Basis and Conventions

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

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

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

#### Accounting Policies

##### (a) New, revised or amended accounting standards adopted

The Fund has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

For the year ended 30 June 2020, the entity has adopted the following new Accounting Standards (and their relevant amending standards issued by the AASB):

- / AASB 15: Revenue from Contracts with Customers
- / AASB 1058: Income of Not-for-Profit Entities
- / AASB 16: Leases

The effect of adopting these accounting standards and interpretations is described below.

##### **AASB 15: Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The mandatory date of adoption for AASB 15 and AASB 1058 for the entity was 1 July 2019. The entity has elected to apply the modified retrospective approach allowable under the Standard, reflecting the cumulative impact arising from adoption (if any) as

an adjustment to opening retained earnings at 1 July 2019. As a result, comparative financial information has not been restated.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 – Identify the contract with the customer,
- Step 2 – Identify the sufficiently specific performance obligations to be satisfied,
- Step 3 – Measure the expected consideration,
- Step 4 – Allocate that consideration to each of the performance obligations in the contract,
- Step 5 – Recognise revenue.

The entity has described its new accounting policy below in Note 1(d). The entity has elected to adopt the practical expedient whereby contracts that are considered to be 'complete' (where revenue has been fully recognised in accordance with previous standards) are not adjusted upon the adoption of the new standards.

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- / AASB 15 Revenue from Contracts with Customers,
- / AASB 16 Leases,
- / AASB 1004 Contributions,
- / AASB 137 Provisions, Contingent Liabilities & Contingent Assets,
- / AASB 9 Financial Instruments.

A transfer that requires the entity to use those funds to acquire or construct a recognisable non-financial asset to identified specifications; does not require the entity to transfer the non-financial asset to the transferor or other parties; and occurs under an enforceable agreement is recognised as income when (or as) the entity satisfies its obligations under the transfer.

Any donations, bequests or grants not recognised as described above are recognised as income when the entity obtains control of those funds.

The adoption of AASB 15 and AASB 1058 has not resulted in any material impact on the financial performance or position of the entity in either the current or prior financial reporting periods.

### **AASB 16 Leases**

AASB 16 replaces AASB 117 Leases and has been applied for the first time from 1 July 2019. The accounting policy adopted by the entity from that date is described in Note 1(h). In the previous financial year, lease rentals payable on operating leases were recognised as an expense on a straight-line basis over the lease term.

On initial application of AASB 16, and throughout the year, the entity did not have any leases.

### **(b) Income Tax**

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

### **(c) Cash and Cash Equivalents**

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

### **(d) Revenue Recognition**

In the previous financial year, revenue recognised in accordance with AASB 118 Revenue was measured at the fair value of the consideration received or receivable. The Fund recognised revenue when the amount of revenue could be reliably measured, it was probable that future economic benefits would flow to the Fund and specific criteria were met for each of the entity's activities.

Revenue recognised under AASB 15 is measured at the amount which the Fund expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied.

Where consideration comprises variable components, the amount recognised as revenue is constrained to that amount that would not result in a significant reversal of the cumulative revenue recognised when that uncertainty is resolved.

### **Timing of Revenue Recognition**

Revenue is recognised either at a point in time or over time, when (or as) the entity satisfies performance obligations by transferring the promised goods or services to its customers.

If the Fund satisfies a performance obligation before it receives the consideration, the entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

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

The Fund has elected not to recognise volunteer services as revenue.

### **Contributions**

Revenue from contributions is recognised when the entity obtains control over the contributions.

### **Recovered Investigation/management costs**

Revenue from recovered investigation/management costs are recognised when the receipt of Funds become recoverable.

### **(e) Investments**

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

### **(f) Financial Instruments**

#### **Initial recognition and measurement**

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

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

#### **Classification and subsequent measurement**

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

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

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

#### **Financial assets**

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

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

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

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

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

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

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

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

#### **Financial liabilities**

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

#### **Impairment of financial assets**

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

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

#### **(g) Goods and Services Tax (GST)**

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

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

#### **(h) Leases**

At inception of a contract, the entity assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the entity the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the entity recognises a right-of-use asset (lease asset) and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the entity is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$10,000 or less) are recognised as an expense as incurred in the statement of profit or loss.

#### **(i) Comparatives**

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

### **Critical Accounting Estimates and Judgements**

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

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

2020  
\$

2019  
\$

## Note 2: Revenue

Interest on investments	97,980	145,133
Contributions from levies	69,967	67,095
Recovery of investigations/management costs	38,400	-
Distribution from the Statutory Interest Account	106,023	73,600
	<b>312,370</b>	<b>285,828</b>

## Note 3: Cash and Cash Equivalents

Cash at bank	<b>534,694</b>	<b>448,093</b>
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## Note 4: Investments

Term deposits*	4,910,000	4,902,994
	<b>4,910,000</b>	<b>4,902,994</b>

## Note 5: Trade and Other Receivables

Trade debtors — The Law Society of the Australian Capital Territory	74,858	67,188
Trade debtors — other	194,259	166,380
Provision for doubtful debts	(46,379)	(46,379)
Accrued interest	14,543	57,368
	<b>237,281</b>	<b>244,557</b>

## Note 6: Trade and Other Payables

Trade creditors and accruals	28,701	44,258
Contributions received in advance	69,659	67,188
	<b>98,360</b>	<b>111,446</b>

## Note 7: Legislation

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

\* A number of term deposits are held with maturities of 5 - 13 months from the date of deposit.

	2020	2019
	\$	\$
<b>Note 8: Auditors' Remuneration</b>		
Audit of the Fund's financial statements	3,215	3,115
Conduct of random inspections	54,945	55,000
	<b>58,160</b>	<b>58,115</b>

## Note 9: Financial Risk Management

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

The Fund is not subject to any significant liquidity or credit risk. Interest rate risk is managed by the Fund reviewing the interest rate profile, current rates and the market outlook and taking actions as necessary to ensure that risk levels are maintained at a satisfactory level. A 1% movement in interest rates on term deposits held at year end would have an annual effect of \$49,100 on profit and equity.

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

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

### Financial Assets at amortised cost

Cash and cash equivalents	3	534,694	448,093
Term deposit investments	4	4,910,000	4,902,994
Trade and other receivables	5	237,281	244,557
<b>Total Financial Assets</b>		<b>5,681,975</b>	<b>5,595,644</b>

### Financial Liabilities at amortised cost

Trade and other payables	6	98,360	111,446
<b>Total Financial Liabilities</b>		<b>98,360</b>	<b>111,446</b>

### Net Fair Values

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

### **Note 10: Contingent Liabilities and Contingent Assets**

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

### **Note 11: Events After The Reporting Period**

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

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



## Councillors' Declaration

*For the year ended 30 June 2020*

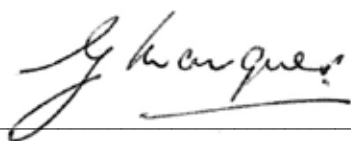
The Councillors declare that the financial statements and notes set out on pages 44 to 52:

- (a) comply with Australian Accounting Standards — Reduced Disclosure Requirements and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2020 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

- (a) the financial statements and notes are in accordance with the requirements of the *Legal Profession Act 2006*; and
- (b) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Councillors.



Councillor

18 August 2020



Councillor

18 August 2020



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

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the Solicitors' Fidelity Fund of the Australian Capital Territory which comprises the statement of financial position as at 30 June 2020, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Solicitors' Fidelity Fund of the Australian Capital Territory as at 30 June 2020 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

#### **Basis for opinion**

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

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

#### **Responsibilities of the Council for the financial statements**

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

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

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

### **Auditor's responsibility for the audit of the financial statements**

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

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

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



**Nexia Duesburys (Audit)**  
Canberra, 18 August 2020



**Rod Scott**  
Partner



**THE LAW SOCIETY OF THE AUSTRALIAN CAPITAL TERRITORY**

A MEMBER OF THE LAW COUNCIL OF AUSTRALIA

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