



2013/2014

ANNUAL REPORT

PREPARED BY THE LAW SOCIETY
OF WESTERN AUSTRALIA

lawsocietywa.asn.au

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Western Australia**

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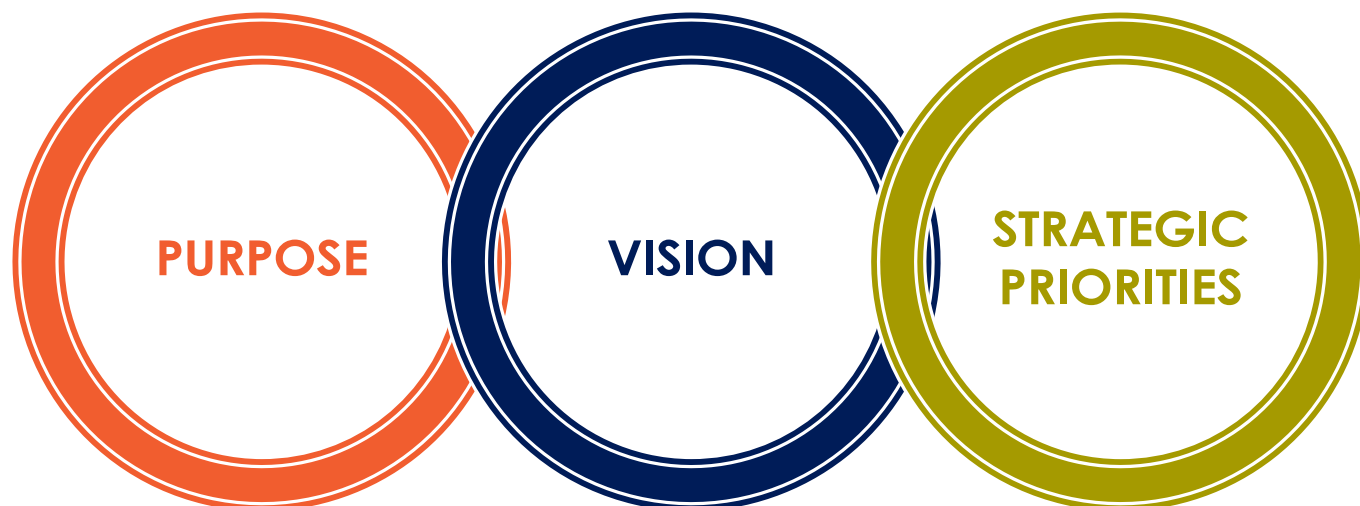
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STRONG ADVOCACY

The Society is respected as the voice of the legal profession. It proactively engages key stakeholders on key issues and facilitates rational analysis to adopt sensible positions that are sought after by members, Law Council of Australia, government and media representatives. The Society's views are considered to be well researched, measured, reasonable and representative. Members are highly engaged in committees and working groups. The Society is not afraid to speak on controversial issues, but it 'picks its battles'. It is transparent about why and how decisions have been made. Opinions are easy to access and well promoted via spokespeople, press releases, the website and ecommunications.

The Society plays a pivotal role in improving access to justice by enhancing its Law Access service, encouraging an increasing number of lawyers to provide pro bono services and driving a range of public education initiatives. This contributes to improved public perceptions of the legal profession.

HIGH VALUE SERVICES

The Society stays in touch with members' needs and responds with a range of desirable, value adding services and benefits, covering:

- information services
- referral and support services
- education
- member privileges
- networking and social events
- professional indemnity insurance via Law Mutual (WA)
- mentoring services

The Society utilises modern IT and CRM systems to develop and promote customised services, targeted at various member segments.

ORGANISATIONAL EXCELLENCE

The Society is considered to be forward thinking and financially sustainable with effective systems. The Council offers strong, representative and collaborative leadership. Priorities are aligned across the organisation with resources allocated to areas of greatest need.

There is a strong and compelling value proposition, supported with a clear marketing strategy to retain and attract a growing number of members. This is supported with modern technology and information systems, enabling communication to be responsive, effective and tailored for individual member needs.

Staff, committee members and volunteers have a clear understanding about their role and are motivated to achieve the Society's vision.

SNAPSHOT OF THE YEAR

3,583

**Members of the
Society**

32

**Committees of the
Society**

500

**Members serving on
Society committees**

54

**Submissions made
by the Society**

92

**Schools participated
in the 2014 Mock
Trials Competition**

43

Solicitors and Barristers with Family Law
Accreditation as at 30 June 2014

4,738

Visitors to the Old Court House Law Museum

6,149

Number of young people and members of the
community assisted by the Francis Burt Law
Education Programme (FBLEP)

4,611

Students participated in the Francis Burt Law
Education Programme (FBLEP)

64

Face-to-face CPD seminars

933

Students took part in the 2013 Mock Trials
Competition

48

Number of events held during Law Week

48

Firms accredited with the Quality Practice
Standard (QPS) as at 30 June 2014

27

QPS firms achieved 10 years of accreditation

552

Participants in online learning

3,017

Participants in CPD seminars

233

Law Summer School attendees

39

Graduates of The Essential Legal Assistants course

\$2,242,705

Grants approved from the Public Purposes Trust

EXECUTIVE



Craig Slater
President
(Francis Burt Chambers)



Konrad de Kerloy
Senior Vice President
(Herbert Smith Freehills)



Matthew Keogh
Vice President
(Herbert Smith Freehills)



Elizabeth Needham
Treasurer
(Francis Burt Chambers)

The Council of the Law Society of Western Australia for 2013:

ORDINARY MEMBERS

Brendan Ashdown	(John Toohey Chambers)
Hayley Cormann	(Clayton Utz)
Pamela Hass	(Department of State Development)
Dr Eric Heenan	(Francis Burt Chambers)
Anthony Kay	(Anthony Kay)
Belinda Lonsdale	(Albert Wolff Chambers)
Greg McIntyre SC	(John Toohey Chambers)
Denis McLeod	(McLeods)
Alain Musikanth	(Francis Burt Chambers)
Elizabeth Needham	(Francis Burt Chambers)
Clinton Russell	(King & Wood Mallesons)
Nicholas van Hattem	(State Solicitor's Office)

COUNTRY MEMBER

Mike Hayter	(Mid West Lawyers)
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JUNIOR MEMBERS

Emma Cavanagh	(HopgoodGanim)
Adam Ebell	(Office of the Director of Public Prosecutions)
Hayley Ellison	(Culshaw Miller)

IMMEDIATE PAST PRESIDENT

Dr Christopher Kendall	(John Toohey Chambers)
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COUNCIL 2014

EXECUTIVE



Konrad de Kerloy
President
(Herbert Smith Freehills)



Matthew Keogh
Senior Vice President
(Herbert Smith Freehills)



Elizabeth Needham
Vice President
(Francis Burt Chambers)



Alain Musikanth
Treasurer
(Francis Burt Chambers)

The Council of the Law Society of Western Australia for 2014:

ORDINARY MEMBERS

Brendan Ashdown	(John Toohey Chambers)
Marie Botsis	(DLA Piper)
Hayley Cormann	(Clayton Utz)
Brahma Dharmananda SC	(Francis Burt Chambers)
Nathan Ebbs	(Bennett + Co)
Adam Ebell	(Office of the Director of Public Prosecutions)
Pamela Hass	(Department of State Development)
Nicholas van Hattem	(State Solicitor's Office)
Greg McIntyre SC	(John Toohey Chambers)
Denis McLeod	(McLeods)
Clinton Russell	(Francis Burt Chambers)

COUNTRY MEMBER

Cameron Syme	(Latro Lawyers)
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JUNIOR MEMBERS

Emma Cavanagh	(HopgoodGanim)
Hayley Ellison	(Culshaw Miller)
Rosie Hill	(State Solicitor's Office)

IMMEDIATE PAST PRESIDENT

Craig Slater	(Francis Burt Chambers)
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Konrad de Kerlo
President

The Society has continued to be the voice of the legal profession advocating, in a measured but determined way, on behalf of and in the interests of its members and the legal profession as a whole.

The Society finished the financial year in a strong financial position with a membership of over 3,500 members.

Some of the highlights of the year are noted below.

National Legal Profession Reform

Late last year, the Victorian and New South Wales governments agreed on a uniform scheme for regulation of the legal profession in their two States. The uniform scheme is expected to come into force in Victoria and New South Wales early next year.

During the course of this year the Society has been reviewing the uniform scheme and considering whether it would be appropriate for Western Australia.

The Society has produced a detailed report entitled *Review of the Legal Profession Uniform Law*.

A discussion draft of the report was widely circulated to members of the Western Australian legal profession and to other stakeholders. The responses which were received have been taken into account in the final report. All of the responses received are annexed to the report.

The primary purpose of the report was to consider whether, and to what extent, enacting legislation to apply the Uniform Law in Western Australia would:

- (a) address the concerns expressed by the Attorney-General of Western Australia in a speech which he delivered in November 2011; and
- (b) be consistent with the 13 points articulated in the Law Society's National Regulatory Framework Policy Positions (LSPPs).

The report has concluded that uniform scheme could be enacted in Western Australia in such a way to address those concerns and that the uniform scheme meets most of the 13 points.

The Society considers that the uniform scheme has many features that will benefit the profession in Western Australia. In particular the uniform scheme contains provisions which will result in:

- (a) a structure for the regulation of the profession which respects the primacy of the Supreme Court of a State in relation to the admission to and removal from the roll and the role of local regulatory authorities in relation to discipline;
- (b) uniform admission criteria;
- (c) a uniform code of conduct;
- (d) uniform disclosure obligations in relation to costs;
- (e) uniform continuing professional development rules; and
- (f) a more liberal regime for the admission of foreign lawyers.

Importantly, the objectionable elements of the original Commonwealth proposal have been dealt with or removed in the uniform scheme.

The Society considers that the introduction of the uniform scheme into Western Australia is supported by its members and the Western Australian profession as a whole.

At its meeting on 26 August 2014, the Council of the Society unanimously resolved to adopt the report and to accept the recommendation contained in it which is in the following terms:

That the Law Society of Western Australia recommends to the Attorney General of Western Australia the adoption of the Uniform Law as a law of Western Australia with the following variations:

- *the entrenchment of a Western Australian representative on the national Legal Services Council;*
- *the continuation of a local regulatory body that is run by representatives of the legal profession and that is independent of government; and*
- *maintenance of the following aspects of the Western Australian legal costs*

regime:

- *a legal costs committee with the power to determine cost scales*
- *the power of courts to make special cost orders*
- *that cost agreements that are not compliant with disclosure obligations are voidable but not automatically void*

New Strategic Plan

In May 2014, the Society adopted a new Strategic Plan which took effect from July 2014. The plan outlines strategic and operational priorities to determine three key outcomes for the Society over the next four years. The Society will continue to work to 'Deliver the Vision' and the key strategic priorities of:

- Strong Advocacy;
- High Value Services; and
- Organisational Excellence.

The Strategic Plan is available on the Society's website for members who would like more information.

Limitation of Liability Scheme

On 1 July this year, the Society launched its Limitation of Liability for the benefit of its members. The scheme mirrors the offering of other Law Society's around the country and caps occupational liability of Participating Members to an amount of \$1.5 million, \$5 million or \$10 million depending on the insurance policies and total annual fee income of the law practice. The Society joins a number of other associations with such schemes including the Western Australian Bar Association, the Institute of Chartered Accounts, CPA Australia, and Engineers Australia.

Submissions

The Society has made a total of 54 submissions to various State and Federal government departments and the Law Council of Australia on topics including:

- Use of Technology in District Court
- Review of the *Native Title Act 1993*

- Productivity Commission Interim Report on Access to Justice April 2014
- Statutory Review of *The Prohibited Behaviour Orders Act 2010*
- Review of Continuing Professional Development Scheme by Legal Practice Board of Western Australia
- The Law Council of Australia's National Attrition and Re-engagement Study
- PI Insurance for Pro Bono Legal Work - Legal Practice Board of WA

Thank you to all members who dedicate their time to sit on the Society's Committees. Your tireless work in providing comment and strategies for improvement to the profession is greatly appreciated.

Executive Meetings

The Society has held a number of Executive meetings with government and the judiciary on a variety of important matters, including:

- Federal Attorney General George Brandis QC
- Attorney General of Western Australia, the Hon Michael Mischin MLC
- The Hon Wayne Martin AC, Chief Justice of Western Australia
- Legal Aid Western Australia
- The Deans of Law Schools
- Western Australian Bar Association
- Family Court Judges and the Family Law Practitioners Association
- President Elect and Secretary General of the Law Council of Australia
- The Department of the Attorney General
- Representatives of the Large Law Firm Group

Summer School 2014

This year's Summer School was an outstanding success. The breadth of topics and the quality of speakers were remarkable. The Society owes a significant debt of gratitude to the Organising Committee and in particular to the Committee's Conveners, Justice James Edelman and Dr Christopher Kendall.

Law Week 2014

I am pleased to note that the Society completed another successful Law Week in 2014 and I would like to thank our members for their support during this year's Law Week programme. Law Week consisted of 48 events for the profession and the community, held with the assistance of 50 organisations.

Congratulations to this year's recipients of the Law Society Law Week Lawyer of the Year awards:

- Melanie Cave, Herbert Smith Freehills, received the Lawyer of the Year with more than five years' experience; and
- Stephanie Puris and Jessica Bowman, both from King & Wood Mallesons, were this year's joint winners of Lawyer of the Year with less than five years' experience
- Elspeth Hensler, Francis Burt Chambers, was awarded the Attorney General's Community Service Law Award

Law Council of Australia

This year, the Society featured more prominently than usual with the Law Council of Australia. Dr Christopher Kendall was elected to the Law Council Executive and Society Life Member and Past President Mrs Elizabeth Heenan was awarded the prestigious Law Council of Australia President's Medal. The award recognises Elizabeth's outstanding contribution to the legal profession, in particular, her lifelong commitment to advancing the interests of women in the profession.

Thank You

I would like to thank the Council members for their contributions to and support of the Society.

I would also like to acknowledge the hard work and dedication of the Executive Director, David Price and all of the Law Society staff whose contribution has helped make 2014 another successful year.

Konrad de Kerloy
President



David Price
Executive Director

It is my pleasure to report that this year, the Society has again continued to work hard in its role as the representative body for the legal profession in Western Australia through providing high value membership, delivering an exceptional professional development programme, being the voice of the legal profession in Western Australia, promoting access to justice and striving to be a best practice professional association.

Strategic Plan

A new Law Society Strategic Plan was adopted by Council in April:

1. Our Purpose

The Law Society of Western Australia exists to be the voice of the legal profession in Western Australia.

2. Our Vision

By 2018, we want to be the essential membership for the legal profession.

3. Our Strategic Priorities

So how are we going to be the 'vision' of being essential membership for the legal profession? We will achieve this by focusing now on three strategic priorities:

- strong advocacy
- high value services
- organisational excellence

The Voice of the Legal Profession in Western Australia

The Society has been active in its role as the voice of the legal profession in Western Australia in many ways over the last 12 months. We have spoken out in the media; our committees have worked tirelessly in responding to issues and requests to review and comment on matters affecting the law both at a local level and at a national level via Law Council of Australia.

Membership

This year the Society achieved another record membership number reaching 3,583 members. To achieve this, our focus

has been about connecting, supporting, learning, value and influence.

The bi-annual membership survey was completed and the results reflected that the Society is performing well with members having a clear understanding of the Society's role and purpose. Overall satisfaction ratings have increased by 21 percent over the past 5 years, while ratings for high value membership have increased by 17 percent.

The Limited Liability Scheme was approved by the PSC in early 2014 and commenced on 1 July 2014.

The production of *Brief* was also successfully brought in-house. Its re-design has allowed the journal to speak to a clearly defined audience, encourage dialogue and has become a commercial product.

Professional Development

The Society's Compulsory Professional Development (CPD) programme successfully re-launched its eLearning platform, which allows members of the profession to access CPD anytime, anywhere. CPD delivered 64 face-to-face seminars and 12 interactive seminars via the eLearning platform. There were 3,017 participants in CPD seminars at the Law Society, indicating a 6 percent increase in participation from the previous year.

Community Services

This year's Law Week was a huge success. It was pleasing to see members of the profession getting involved in the various activities. It was also pleasing



EXECUTIVE DIRECTOR'S REPORT

to see that Law Week gained extensive media coverage this year, not only within metropolitan Perth, but also within regional areas of Western Australia.

The Old Court House Law Museum had a total of 4,738 visitors, compared to last year's total of 3,441.

Council received the *Doing the Public Good* feasibility study of pro bono models for Western Australia in November 2013 and approved the recommendations which included that an enhanced Law Access business plan be prepared and released for consultation. The draft business plan has now been prepared and approved and is currently out for consultation.

Law Mutual (WA)

Over the last 12 months, Law Mutual (WA) has increased the amount of time and resources allocated to risk management activities and services. Law Mutual's focus has been on developing a range of services available to practitioners and firms. These services and activities have been designed to reflect the different levels of expertise providing practical and useful information to minimise the risk of claims-prone situations arising and improve the way Insured practitioners handle these situations if they do arise.

Looking Forward

Looking forward, 2014/2015 will be another challenging and busy year. The Society has identified that currently there are many 'spinning plates' across the organisation and that in order to better meet members' needs this needs to be reviewed and reprioritised. This review which I mentioned at the staff launch of the Strategic Plan will be done by an external consultant and their job will be to look at best practice service delivery options in similar professional and not for profit associations and make sound sustainable recommendations which will enable the Society to best meet the needs of its members in an environment where

budget and price sensitivities exist.

The review will look at the current organisational structure/resources and work loadings based on current service deliveries and provide commentary and recommendations on identified opportunities to improve or discontinue the delivery of services and activities based on our members' expectations. It is expected that as part of being able to meet this requirement consultation will be done with the Council members, Executive members, members, Executive managers and staff to identify and validate resourcing requirements to determine: what they believe are key areas the Society should be servicing in the next three, five and ten years; what they believe are not key areas that the Society currently provides and how they would suggest any new initiatives are paid for and delivered.

Thank you

I would like to record my sincere appreciation to the Immediate Past President, Craig Slater, our current President, Konrad de Kerloy, and their Executive teams in 2013/2014. Their support and commitment to the Society, its members, our staff and myself has been exceptional.

Thank you also to the Law Society Council members' of 2013 and 2014 and our many Committee members, all of whom volunteer many hours of their time to enable to Society to do the very important work that it does.

Finally I would like to particularly acknowledge and thank all of the Society staff who have yet again worked tirelessly in 2013/2014 to deliver a very successful year. Many thanks to each and every one of you.

David Price
Executive Director

Annual General Meeting

The Society's Annual General Meeting was held on Tuesday, 29 October 2013

Council

Councillor Meeting Attendance
1 July 2013 to 31 December 2013

Member	Total Council meetings attended (Total 5)
Craig Slater	5
Konrad de Kerloy	5
Matthew Keogh	5
Elizabeth Needham	3
Brendan Ashdown	5
Hayley Cormann	3
Pamela Hass	4
Dr Eric Heenan	4
Anthony Kay (Resigned October 2013)	1
Dr Christopher Kendall	1
Belinda Lonsdale	1
Greg McIntyre SC	5
Denis McLeod	4
Alain Musikanth	5
Clinton Russell	4
Nicholas van Hattem	3
Mike Hayter	3
Emma Cavanagh	3
Adam Ebell	2
Hayley Ellison	2

Executive

The Executive, consisting of the President, Senior Vice President, Vice President, Treasurer and Co-opted Council members met nine times during the year.

Council

Councillor Meeting Attendance
1 January 2014 to 30 June 2014

Member	Total Council meetings attended including 1 Special Council Meeting (Total 6)
Konrad de Kerloy	6
Matthew Keogh	6
Elizabeth Needham	4
Alain Musikanth	5
Brendan Ashdown	5
Marie Botsis	6
Hayley Cormann	6
Brahma Dharmananda SC	5
Nathan Ebbs	5
Adam Ebell	6
Pamela Hass	2
Greg McIntyre SC	6
Denis McLeod	5
Clinton Russell	3
Craig Slater	5
Nicholas van Hattem	6
Cameron Syme	1
Emma Cavanagh	5
Hayley Ellison	3
Rosie Hill	5

Co-opted Councillors 2013/2014

Adam Ebell – May to Aug 2013
Hayley Cormann – Sept to Dec 2013
Clinton Russell – Jan to Apr 2014
Denis McLeod – May to Aug 2014

Council as Trustee of Law Mutual Fund

Councillor Meeting Attendance as Trustee of the Law Mutual Fund 1 July 2013 to 31 December 2013

Member	Total Council meetings attended (Total 1)
Craig Slater	1
Konrad de Kerloy	1
Matthew Keogh	1
Elizabeth Needham	1
Brendan Ashdown	1
Hayley Cormann	1
Pamela Hass	1
Dr Eric Heenan	1
Dr Christopher Kendall	0
Belinda Lonsdale	0
Greg McIntyre SC	1
Denis McLeod	1
Alain Musikanth	1
Clinton Russell	0
Nicholas van Hattem	1
Mike Hayter	0
Emma Cavanagh	1
Adam Ebell	0
Hayley Ellison	1

Council as Trustee of Law Mutual Fund

Councillor Meeting Attendance as Trustee of the Law Mutual Fund 1 January 2014 to 30 June 2014

Member	Total Council meetings attended (Total 2)
Konrad de Kerloy	2
Matthew Keogh	2
Elizabeth Needham	2
Alain Musikanth	2
Brendan Ashdown	1
Marie Botsis	2
Hayley Cormann	2
Brahma Dharmananda SC	1
Nathan Ebbs	1
Adam Ebell	2
Pamela Hass	0
Greg McIntyre SC	2
Denis McLeod	2
Clinton Russell	1
Craig Slater	2
Nicholas van Hattem	2
Cameron Syme	0
Emma Cavanagh	2
Hayley Ellison	2
Rosie Hill	2

Council Attendance as Trustee of the Public Purposes Trust

Councillor Meeting Attendance as Trustee of the Public Purposes Trust 1 July 2013 to 31 December 2013

Member	Total Council meetings attended (Total 4)
Craig Slater	2 *
Konrad de Kerloy	2 *
Matthew Keogh	2 *
Elizabeth Needham	2
Brendan Ashdown	4
Hayley Cormann	2 *
Pamela Hass	3
Dr Eric Heenan	3
Anthony Kay (Resigned October 2013)	1
Dr Christopher Kendall	1
Belinda Lonsdale	2
Greg McIntyre SC	4
Denis McLeod	3
Alain Musikanth	4
Clinton Russell	2 *
Nicholas van Hattem	2
Mike Hayter	2
Emma Cavanagh	2 *
Adam Ebell	2
Hayley Ellison	2

Council Attendance as Trustee of the Public Purposes Trust

Councillor Meeting Attendance as Trustee of the Public Purposes Trust 1 January 2014 to 30 June 2014

Member	Total Council meetings attended (Total 2)
Konrad de Kerloy	1 *
Matthew Keogh	2
Elizabeth Needham	1
Alain Musikanth	2
Brendan Ashdown	2
Marie Botsis	2
Hayley Cormann	1 *
Brahma Dharmananda SC	1
Nathan Ebbs	2
Adam Ebell	2
Pamela Hass	2
Greg McIntyre SC	2
Denis McLeod	2
Clinton Russell	1
Craig Slater	1 *
Nicholas van Hattem	2
Cameron Syme	0
Emma Cavanagh	1 *
Hayley Ellison	2
Rosie Hill	1

**Note: Councillors conflicted in items on the PPT Agenda and therefore did not attend the meeting.*

Council Attendance as Trustee of the Chief Justice's Youth Appeal Trust

Councillor Meeting Attendance as Trustee
of the Chief Justice's Youth Appeal Trust
1 July 2013 to 31 December 2013

Member	Total Council meetings attended (Total 1)
Craig Slater	1
Konrad de Kerloy	1
Matthew Keogh	1
Elizabeth Needham	1
Brendan Ashdown	1
Hayley Cormann	1
Pamela Hass	
Dr Eric Heenan	1
Anthony Kay <i>(Resigned October 2013)</i>	1
Dr Christopher Kendall	0
Belinda Lonsdale	0
Greg McIntyre SC	1
Denis McLeod	1
Alain Musikanth	1
Clinton Russell	1
Nicholas van Hattem	0
Mike Hayter	1
Emma Cavanagh	0
Adam Ebell	1
Hayley Ellison	1

Council Attendance as Trustee of the Chief Justice's Youth Appeal Trust

Councillor Meeting Attendance as Trustee
of the Chief Justice's Youth Appeal Trust
1 January 2014 to 30 June 2014

Member	Total Council meetings attended (Total 2)
Konrad de Kerloy	2
Matthew Keogh	2
Elizabeth Needham	2
Alain Musikanth	2
Brendan Ashdown	1
Marie Botsis	2
Hayley Cormann	2
Brahma Dharmananda SC	1
Nathan Ebbs	2
Adam Ebell	2
Pamela Hass	1
Greg McIntyre SC	2
Denis McLeod	1
Clinton Russell	1
Craig Slater	2
Nicholas van Hattem	2
Cameron Syme	0
Emma Cavanagh	2
Hayley Ellison	2
Rosie Hill	1

The Corporate Services team provides financial and administrative support to all LSWA teams, the Legal Contribution Trust and the Public Purposes Trust.

Achievements for 2013/2014 included:

Sage ERP 300 Implementation

A new financial management system, was implemented with improved reporting functionality to support the needs of the Society's Council, Executive and Management. Further work is in progress on purchasing, workflows and business intelligence modules.

CRM Improvements

The team, with the assistance of other Society teams:

- implemented a new membership renewals process for law firms that streamlined the 2014/2015 effort
- developed the Find-a-Lawyer referral service so that it will soon be publicly accessible on the website
- re-designed the Society website home page
- drafted screens to capture information for the Limitation of Liability Scheme
- developed specifications for a member Mypage

Strategic IT Plan

With the assistance of our IT provider, the team was involved in implementing the 2013/14 Strategic IT Plan, working on projects such as the:

- desktop refresh, including the migration to Windows 7 Operating System
- Office 2010 Upgrade
- TrackIT Server Upgrade

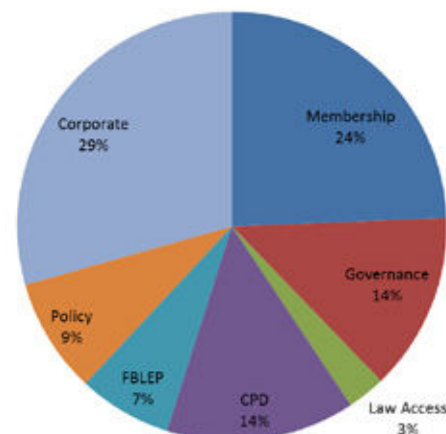
The 2013/2014 financial year result was a surplus of \$58,953.

The Society ended the year with accumulated net assets of \$3,330,873 and cash reserves of \$2,011,373.

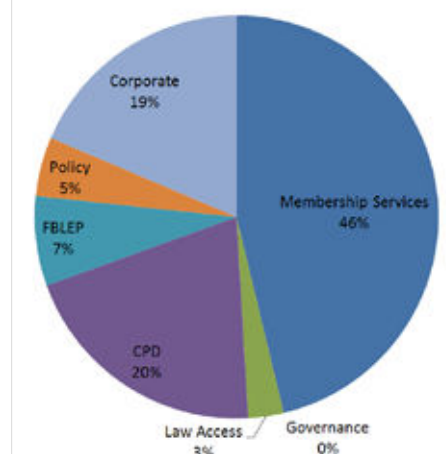
Building Revaluation

A market valuation of LSWA premises was undertaken in May 2014, 2.5 years after the purchase of Level 4 and part of Level 5 at 160 St Georges Terrace. The fair current market value of the premises has been assessed at \$5.675 million.

LSWA Expenditure



LSWA Income

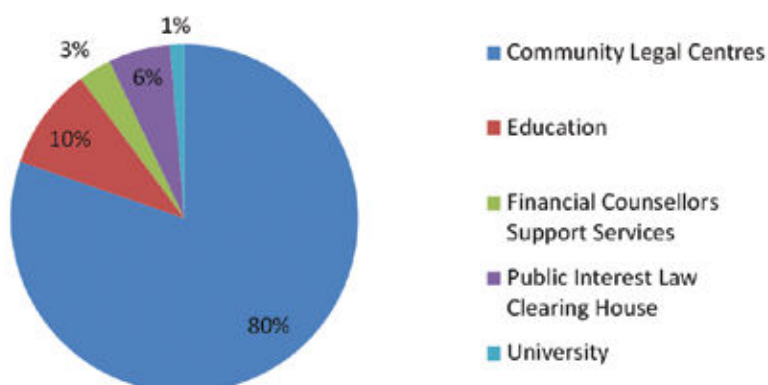


Public Purposes Trust

Public Purposes Trust

The Law Society of Western Australia is the trustee of the Public Purposes Trust. The trust's financial and administrative functions are undertaken by the Corporate Services team with \$1,943,077 being paid out in grants in the 2013/14 financial year. Grants totalling \$2,242,705 have been approved for payment in 2014/2015.

PPT Grants 2013-2014



This year the Community Services Team once again engaged strongly with members of the public and members of the profession through our services.

Law Access

The Law Access Scheme with support from our partners, the Australian Government Solicitor and the Faculty of Business and Law at Edith Cowan University once again increased the number of placements made with 78 pro bono matters placed compared to 61 the previous year (an increase of 28%).

Kalico consulting also completed a feasibility study into the future of pro bono arrangements in WA with the support of a Lotterywest Grant provided to the Community Legal Centres Association of WA. The Report's recommendations were acted upon by the Society leading to the endorsement by Council of a draft business plan to enhance Law Access in June 2014.

Law Access secondees who provided assistance at different stages throughout the year include: Brooke Kowald, Peter Corbould and Teresa Ling of the Australian Government Solicitor. We were also grateful to receive assistance from a number of talented Edith Cowan University law student interns.

The Francis Burt Law Education Programme

The Francis Burt Law Education Programme (FBLEP) assisted 6,179 young people and members of the community - a slight decrease of 2.3% compared to the previous financial year. Visitors to the Old Court House Law Museum continued to increase with 4,738 visitors this year compared to 3,441 last year, an increase of 38%.

The FBLEP co-ordinated the annual The Sir Ronald Wilson Lecture Delivered by Associate Professor Mary Anne Kenny Director of the Curtin University Centre for Human Rights, the lecture was well

attended and was also filmed due to an ongoing sponsorship arrangement with Murdoch University.

The programme also launched the WA Clued up Kids Competition as part of Law Week in May 2014.

Mock Trials Competition

The Mock Trials Competition was fortunate to receive a further three year sponsorship agreement from the Department of the Attorney General in October 2013 and further support from the Supreme Court in the form of a venue for the competition. The support received has assisted the competition to go from strength to strength. In 2014 we had 933 students registered from 40 schools. This equates to an increase in student participation of 23% compared to 761 students registered from 38 schools in 2013.

During the Mock Trial Grand Final in October 2013, Mount Lawley Senior High School became the first Year 10 team to win the competition since its inception in 1987. The Society thanks the Supreme Court, the Department of the Attorney General, plus the 80 lawyers and law students who all volunteered as judges and coaches.

Particular highlights for the year included:

- Law Week 2013 was held from 12 May to 16 May. It featured 48 events held across Perth, Albany, Peel, Kalgoorlie, and Geraldton.
- The Old Court House Law Museum installed a temporary display on the Lawyers of the Light Horse to commemorate the centenary of World War 1.
- The establishment by FBLEP of a Steering Group, made up of Aboriginal Peoples and representatives from Aboriginal organisations, to provide advice concerning the planning,

development and implementation of a programme to better engage Aboriginal youth in our civics education programme.

- The announcement of a \$50,000 Lotterywest grant by the Hon Albert Paul Jacob MLA, Minister for Environment and Heritage, towards completing stages 2 and 3 of the redesign of the Museum. The grant was complemented by the more than \$2,000 raised so far from generous donations to our National Trust Heritage Appeal from Society members.

Thanks are extended to our dedicated volunteer Committee members and to the funding bodies without whom we would not be able to operate:

- The Public Purposes Trust
- The Department of Education
- The Department of the Attorney General
- Lotterywest

Membership Survey 2013

This year saw the Society conduct its biennial member survey; employing external consultancy firm, Catalyse to engage our members by way of electronic survey, focus groups and member workshops once again.

Although we received a similar response rate to the 2011 survey, overall satisfaction rates continued to trend upwards and we saw a 21% increase in overall member satisfaction in this period. Our members clearly defined our key successes as our *Brief* journal and e-newsletters, our comprehensive CPD programme and the great opportunities provided for legal practitioners to engage and assist the broader community.

Member engagement and support

This year saw the Society support and assist with Law Council's National Attrition and Re-engagement Study. The Society was committed to the priorities outlined in the NARS report and provided members with an array of sporting and social events as well as discussion forums to promote work-life balance in the profession and provide opportunities for practitioners to build a professional and support networks. In total the Society ran 22 social, sporting or forum events with registered attendance in excess of 2,500.

The Society also commenced a partnership with HBF to promote health and wellbeing in the profession. This year we ran five workshops to assist practitioners in the areas of stress management, work life balance, the importance of exercise, managing busy schedules and the tips for restful sleep. In addition the Society ran 10 complementary sessions of yoga. This HBF Wellness programme was well received with over 280 members registering.

Member Value

In the last year the membership team has sourced new membership privilege partners that can offer significant savings

to the running of a law practice. We have secured significant reductions on LexisNexis Practical Guidance software and negotiated an exclusive pricing list from Complete Office Supplies for all Law Society members. We have signed on a quality subscription services provider, DoneitNow, a new business IT service provider; Ascend Business Technology and as part of our HBF partnership; significant discounts on array of insurance products.

A long time membership benefit is our referral database for firms with 50% or more of their legal staff being Society members. This year has seen the service well used by the public with in excess of 20,000 referrals given out.

Membership initiatives

The Society introduced a new membership category to financially assist legal trainees; who are yet to secure employment.

Law Students were given two membership options, standard or premium, where they could opt out of certain member benefits for a reduced rate. The splitting of the law student membership categories last year has resulted in an increase of 45% to this group, in this last twelve month; now making up 10% of the Society membership base, compared to 6% last financial year.

Society Communications and Media

After many years of outsourcing the design, advertising and printing of our key publication; *Brief*, we brought both its production and advertising management inhouse. The feedback we have received from both our long-time advertisers and our members has been very positive.

This has also opened up an array of business development opportunities for the Society and for the first time we were able to offer the Society's existing commercial supporters a complete branding package inclusive of print advertising, event sponsorship and electronic advertising through our website

and e-newsletters. The ability to do this has resulted in increased interest from current partners as well as generating new business. These new revenue streams have been, and will continue to be, reinvested in new communications platforms and member initiatives. Two of these initiatives are well into development and include an upgrade of our CRM system to assist in providing targeted communications to members in areas in which they express interest and secondly, in the development of the *Society App* to be ready for download in late 2014.

Our media and communications team have continued to grow the Society's brand perceptions and organisational reputation seeing an increase of 12% in brand positivity since the last survey. This year we have been increasing our focus on our LinkedIn and Young Lawyers Facebook social media platforms to drive our brand awareness and credibility. Our LinkedIn page membership grew by 72% in 2013/2014 and now has 393 followers which facilitated 75 meaningful discussions on the issues affecting the practice of law. The Young Lawyers Facebook page audience grew significantly this year by 108% to 755 individuals seeing the best results since the pages inception in 2008.

During the year the Society provided 26 media comments and the Society produced 14 media releases on diverse topics including mandatory sentencing, Supreme Court resourcing, LegalAid funding crisis and the Old Court House & Museum's Lotterywest funding.

SOCIETY EVENTS



YLC Ball



YLC Ball



Law Summer School 2014



High Court Dinner



Law Summer School 2014



Lawyer of the Year



Law Summer School 2014



Executive Lunch



Law Week
Luncheon



Executive Lunch



YLC Careers Uncut



End of Year Celebrations

The Professional Development Team (PD) delivered continuing professional development all year round during 2013/2014 with 64 face-to-face seminars and 12 interactive seminars on its new online learning platform eLearning. There were 3,569 registrations at Law Society CPD seminars indicating a 6% increase in participation from the previous year. These outputs helped the Society achieve some very important outcomes namely:

- providing targeted learning for young lawyers;
- increasing flexible learning opportunities for all practitioners;
- improved access to CPD for metropolitan and regional practitioners via provision of online learning;
- providing access to knowledge from international and national presenters; and
- facilitating networking opportunities for practitioners.

This was the first year of a new three-year business plan for PD which allowed critical analysis of how we do business. The strategy for year one of the business plan was consolidation, focusing upon improved educational design and delivery, revision and improvement of operations and greater engagement with our stakeholders internally and externally.

A highlight of improved educational design and delivery was the launch in November 2013 of online learning through the Society's new eLearning platform. Ten interactive CPD seminars were created specifically for online learning resulting in a total of 12.5 CPD points to provide a complete CPD solution for legal professionals, including many who had never undertaken online learning previously. CPD Active members also had access to online learning for a small fee as part of their membership. The take up of online learning exceeded expectations and most importantly it was rewarding to be able to offer regional practitioners an additional solution in addition to face-to-face seminars and the South West Regional Conference delivered in November 2013.

PD continued working at the strategic

level through the Learning & Development Forum with invited professionals from major and medium sized law firms to take part in focused discussions on the L&D environment, current and future issues. In May 2014 the Society provided a response into a review of continuing professional development scheme by the Legal Practice Board Western Australia into areas that are working well as well as areas where change or improvement would be welcome.

Highlights for the year include:

Law Summer School 2014 where 250 solicitors and barristers, legal academics and judges came together under the banner of global, connected, informed, to discuss topics jurisprudential, challenge established orthodoxies and stimulate critical thinking. A highlight was the ground breaking lecture on *Sex Trafficking, Prostitution and Inequality* by keynote Speaker Professor Catharine A MacKinnon, the Elizabeth A Long Professor of Law at the University of Michigan. Feedback from delegates promoted 2014 as a shining light in the history of Law Summer School.

The Society's tailored intensive advocacy training was again highly sought after with both weekends attracting the highest demand for places yet. Presenters commitment, dynamic engagement, high level expertise and passion for sharing case studies and experience with the next generation of practitioners are the key success factors that make this educational activity a standout for the Society.

Ethics on Friday with lunch series were constantly sold out and a popular way to ensure the profession had substantial opportunities to explore ethics topics, network and meet colleagues.

A Focus on Sole Practitioners and Small Firms was the Society's strategic platform for promoting the business of law as an essential area of expertise in the practitioner's skills toolkit. Seminars in this area reinforced the Legal Practice Board's position on ensuring practitioners obtain CPD within Competency 1. They brought a new dimension to CPD offered by the Society, with high calibre speakers with

legal industry experience and expertise, previously only accessible to practitioners in large firms, now presenting for the Society in this area. The Society worked closely with this target audience to ensure topics covered were of interest and highly relevant to the business of law.

Finally, this year's process of working with the Education Committee has been especially interesting. A new collaborative process working with the Committee to engage with external stakeholders has resulted in raising the quality of programming, content development and the provision of legal education. We thank all those who supported the work of the PD team throughout the year including Law Society Committees, presenters who generously give their time, our sponsor legalsuper, and our members.

The Society's Committee Standing Orders identify four categories of committees:

- standing committees - created for continuing consideration and reporting on law reform, professional conduct and ethical issues, and professional development
- ad hoc committees - created to report on finite projects
- council committees - created to consider matters pertaining to administrative responsibilities of the council
- statutory committees - eg *Law Society Public Purposes Trust Act 1985*

The Policy and Professional Services team supports 22 standing committees (and ad hoc committees from time to time). These are the committees that report on legislative reform, practice and procedure, professional and ethical issues, mental health and wellbeing initiatives and represent special interest groups - the Aboriginal Lawyers, Joint Law Society/Women Lawyers and In-house and Government Lawyers Committee. The team also supports the council in considering matters relating to the regulation of the profession and the preparation of guidelines and other resource material for the benefit of members.

The substantial work carried out by these committees in 2013/2014 is demonstrated by the list of 54 submissions and the individual committee reports elsewhere in this Annual Report.

Biennial Review of Committee members

A review of members of the Society's standing committees was conducted in late 2013. These reviews are conducted biennially (pursuant to the Committee Standing Orders) after calling for expressions of interest from current and prospective members. Committee members who have served a four year term are eligible for re-appointment. When appointing members to committees, the council takes into account, as far as is possible, a balance of relevant knowledge and experience, gender, and the introduction of new and young members.

Following the 2013 review, 66 members joined committees for the first time. In 2013/2014 there were approximately 500 members across the Society's various committees. Without this enormous voluntary contribution the Society could not achieve its role as the voice of the legal profession in Western Australia.

Professional Standards Scheme

In 2013/2014 the Society's application to the Professional Standards Council for a Limitation of Liability Scheme was approved with a commencement date of 1 July 2014.

The Limitation of Liability Scheme is available to Australian legal practitioners and Incorporated Legal Practice members of the Society and caps occupational liability at an amount of \$1.5 million, \$5 million or \$10 million depending on the insurance policies and total annual fee income of the law practice. Details of the Limitation of Liability Scheme and all relevant forms are available on the Society's website.

In April 2014 a Limitation of Liability Coordinator was appointed and joined the Policy and Professional Services team.

Reconciliation Action Plan

In April 2014 a Reconciliation Action Plan (RAP) working group was established to progress the Society's RAP. The working group comprises members of the council, members of the Aboriginal Lawyers Committee, and staff members representing each of the Society's teams.

It is intended to submit the RAP to Reconciliation Australia for endorsement and that over the next 12 months that the Society will be well positioned to implement effective initiatives.

Mentoring Programmes

The Society conducts two structured mentoring programmes each year. The first is for practitioners admitted for less than five years and the second is for Aboriginal and Torres Strait Islander law students. Both programmes are coordinated by a trained external facilitator who conducts information sessions for both mentors and mentees and

oversees the programme to ensure that the matches are working satisfactorily. Both programmes are generously sponsored by the members of the Corporate Law Firms Association Perth (CLAP) and would not be possible without the voluntary contribution of the mentors who give so much of their time, knowledge and experience to these programmes.

Members Advice Referral Service and Senior Advisors Panel

Two other programmes that have been ongoing for some time but which warrant acknowledgement in this report are the Members Advice Referral Service and the Senior Advisors Panel.

The Members Advice Referral Service resulted from recommendations in the Society's 2011 *Report on Psychological Distress and Depression in the Legal Profession*. Recognising that the making of a complaint about a practitioner to the Legal Profession Complaints Committee and involvement in subsequent proceedings can be a source of stress and anxiety, the Western Australian Bar Association will, in appropriate cases, endeavour to facilitate the provision of advice to, and where appropriate, representation for members of the profession by a barrister, senior counsel or a senior junior. This scheme is administered by the Vice President of the Bar Association who may be contacted through the Executive Officer.

The Senior Advisors Panel was established a decade ago as a member service. The Senior Advisors Panel provides practitioners with access to experienced colleagues. Members of the Senior Advisors Panel, many of whom are senior counsel, give of their time and expertise to discuss professional conduct and ethical issues.

Without the voluntary contribution of members of the Western Australian Bar Association and senior practitioners, neither of these valuable initiatives would be possible.



The Law Mutual contribution rate for 2014/2015 remained the same as the previous year. Although insurance costs have increased, Law Mutual was able to absorb this increase without passing the cost onto insureds.

The Law Mutual 2014/2017 Business Plan identifies the purpose of Law Mutual:

To provide professional indemnity cover and effective risk and claims management solutions for the Western Australian legal profession while recognising the public interest.

Over the last 12 months, Law Mutual has increased the amount of time and resources allocated to risk management activities and services. Law Mutual's focus has been on developing a range of risk management services available to practitioners and firms. These services and activities have been designed to reflect the different levels of expertise providing practical and useful information to minimise the risk of claims-prone situations arising and improve the way Insured practitioners handle these situations if they do arise.

As part of the restructure, Law Mutual has dedicated personnel for each of the core functional areas of insurance services, finance, risk management and claims to address service and customer needs.

The Professional Indemnity Insurance Management Committee (PIIMC), was established pursuant to section 331 of the *Legal Profession Act 2008 (WA)*. The PIIMC oversees the Law Mutual internal control, risk management, financial reporting and compliance monitoring processes associated with the making of the insurance arrangements for the legal profession in Western Australia. The PIIMC is governed by terms of reference which were adopted by the Law Society Council in 2009. The PIIMC is chaired by Dudley Stow and comprises seven members, of which four

members are members of the Law Society Council.

Each year PIIMC publishes a very informative booklet which details the structure of Law Mutual and gives general information on claims, what risks are covered and importantly detailed information on exclusions, discounts, low fee earner rates, retirement from practice and practitioners moving practice. The booklet, published for 2014/2015 financial year, has been distributed and is available on the Law Mutual website.

Annually Law Mutual arrangements continue to provide professional insurance cover for a claim arising after retirement from practice where the cause arose was the subject of the Law Mutual arrangement.

Part of the work of PIIMC is to monitor the cause, type, nature and size of claims.

As part of the role PIIMC reviews in detail with Law Mutual's brokers (Marsh) and its actuary claims and trends as well as proposal put to underwriters for cover not carried by Law Mutual. The committee is exceptionally pleased with the service and result achieved by Marsh.

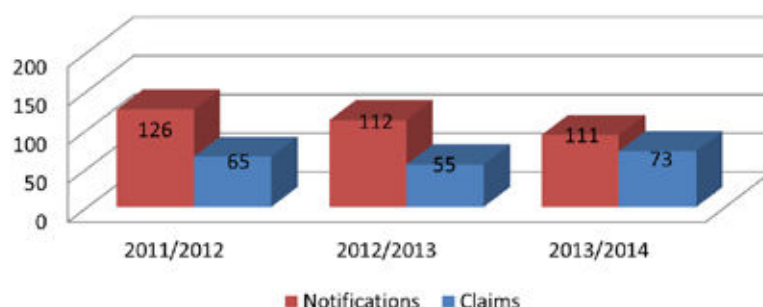
Law Mutual has been able to absorb the increase without passing the cost on to insureds.

As visible from the accounts Law Mutual has very substantial reserves and it is the view of PIIMC, our auditors and in particular our actuary that it is in a very sound financial position.

For the 2014/2015 year, Law Mutual placed the professional indemnity insurance arrangements with:

- QBE Insurance (Australia) Ltd (50%)
- Vero (25%)
- Amlin (Lloyds Syndicate) (25%)

Number of Notifications & Claims



The above graph depicts the number of claims and notifications received over the last three years by Law Mutual. Although there has been an increase in the number of claims for the 2013/2014 policy period,

ABORIGINAL LAWYERS COMMITTEE

Krista McMeekan Convenor

The Aboriginal Lawyers Committee is currently comprised of four law graduates and three law students. In 2013/2014 the committee farewelled resigning member Nicole Casley (former Convenor) and thanks her for her invaluable contribution to the committee both as a member and as Convenor.

The committee continues to assist the Society towards the finalisation of a Reconciliation Action Plan for the Society, which it envisages will incorporate a formal policy concerning Welcomes to Country and acknowledgements of traditional owners.

The Law Society Mentoring Programme for Indigenous law students is currently in its fourth year since being resurrected. The mentoring programme includes Aboriginal and Torres Strait Islander students in any year of their law degree and four students are currently being mentored.

The committee continues to work closely with the Francis Burt Legal Education Programme (FBLEP) to provide input and advice in relation to programmes and initiatives being developed by the FBLEP. This includes a new programme concerning the colonisation of Western Australia and the impact of British law on Aboriginal Peoples, in line with the new Australian Curriculum for History and English, and a 'People and the Law' exhibition at the Old Courthouse Museum examining legal issues in the first 50 years of the Swan River Colony.

Another exciting project that the committee is assisting with and led by FBLEP is

the 'Know Your Rights' educational campaign targeting Aboriginal youth in both metropolitan and regional Western Australia and providing education about legal rights and responsibilities to school and community groups. The programme is likely to involve the development of a series of culturally appropriate short films targeting Aboriginal youth contact with the police as well as a social media programme and two-way learning model between the target audience and WA Police.

The committee is also continuing to develop its relationships with key stakeholders and has met with Ken Wyatt to discuss the constitutional recognition of Aboriginal and Torres Strait Islander Australians and will be meeting with the Hon Michael Mischin MLC, Attorney General, to discuss current practical and policy issues relating to the treatment of Aboriginal and Torres Strait Islander peoples in Western Australia. The committee is also developing its understanding of the role and function of similar bodies such as Ngalaya Aboriginal Corporation in NSW and Tarwirri Inc in Victoria.

The committee has also maintained its commitment to communicating on issues of importance to Aboriginal and Torres Strait Islander peoples by providing a submission to the Law Council of Australia in relation to the proposed changes to the *Racial Discrimination Act* and contributing to the statutory review of the *Native Title Act*.

Rick Cullen Convenor

Law Access is a pro bono clearing house of last resort for applicants with meritorious matters who have not been assisted by Legal Aid or community legal centres.

In 2013/2014 the committee continued to play a central role in overseeing the Law Access Pro Bono Referral Scheme (referral scheme) by supporting the Executive Manager Community Services and the Law Access Co-ordinator, by acting as the assessment panel for applications.

Partnerships with the Australian Government Solicitor and the Edith Cowan University Faculty of Business and Law continued to provide secondees to Law Access enabling the referral scheme to increase its placements.

Law Access responded to 457 general inquiries compared to 426 in 2012/2013. 207 applications were received, a 59 percent increase from last year, demonstrating that the referral scheme's profile and reputation continues to grow. The referral scheme is especially important with continued cuts to Legal Aid funding.

A total of 78 matters were placed with pro bono providers in 2013/2014 with 17 of these matters placed with Legal Aid WA, a community legal centre or a private solicitor for minor assistance such as one-off advice. This compares to 61 matters placed in 2012/2013 (including five matters placed for minor assistance) and 27 matters placed in 2011/2012. 77 matters lacked merit, 21 meritorious matters were unable to be placed. At 30 June 2014, seven meritorious

matters were awaiting placement while seven matters were open for investigation or awaiting more information from the applicant.

In 2013/2014 the committee assisted the Society to develop a staged business plan to enhance Law Access over the next three years. The plan proposes that the service be expanded to more than triple its current resources and to modify the service structure to generate further efficiencies. The additional resources would enable Law Access to drive further improvements to pro bono coordination and pro bono service delivery in Western Australia.

The Committee also undertook policy related activities, including input to the Society's submission to the Law Council of Australia for a response to the Productivity Commission Inquiry into Access to Justice Arrangements.

The Access to Justice Committee wishes to take this opportunity to thank our partners, the Australian Government Solicitor, the Faculty of Business and Law at Edith Cowan University and members of the profession for their generous support. Matters have been placed with sole practitioners, small firms, large firms, specialist community legal centres and the new Legal Aid Social Inclusion Programme as well as with barristers through WABA. A number of firms and practitioners were particularly generous, taking on multiple matters this year.

ACCREDITATION COMMITTEE

Trevor O'Sullivan
Convenor

The Accreditation Committee advises the Council of the Law Society on the rules and regulations that govern the granting of accreditation by the Society. In a secondary capacity the committee acts as the advisory board for family law accreditation, the only area of specialist practice in which Society members can currently be accredited.

Notwithstanding the example set by the Law Societies or Institutes in NSW, Victoria and Queensland, there remains no apparent interest in broadening of specialist accreditation areas in Western Australia beyond the area of family law.

The primary tasks for the committee this year were considering and allocating points for various CPD events considered to be of a sufficient standard to attract points for the purpose of specialist accreditation and undertaking the audit for reaccreditation of existing accredited practitioners.

The Convenor and the Committee Secretary attend monthly meetings of the National Family Law Steering Committee conducted by teleconference.

The Committee Secretary also attended a face to face meeting of the National Family Law Steering Committee in Brisbane in March 2014, at which a review of the 2013 assessment programme was undertaken in order to improve the same for 2015.

As a result of this meeting the Committee Secretary compiled a comparative analysis report making a number of recommendations to the Accreditation Committee for improvement and streamlining of the programme in Western Australia. These recommendations have been adopted by the Accreditation Committee and approved by the Council of the Law Society.

There are currently 43 accredited family law specialists in Western Australia.

ADMINISTRATIVE, CONSTITUTIONAL AND MIGRATION LAW COMMITTEE

Greg McIntyre SC
Convenor

In 2013/2014 a face to face meeting was held with the National President, Chief Executive Officer and WA President of the Migration Institute of Australia, Ms Angela Chan, Ms Lily Chen and Mr Kevin Lane. Mr Wayne Parcell, Independent Director and Partner of Ernst and Young also attended. The meeting allowed members of both organisations to discuss partnering opportunities and ideas to provide increased services to practitioners in this field. The committee also connected with the Constitutional Law Centre of Western Australia to increase involvement and participation in events which may be relevant to the committee.

The Federal Circuit Court and State Administrative Tribunal were approached regarding the establishment of user groups to facilitate and encourage communication between practitioners in the field and the courts.

Issues considered by the committee included:

- Delay in the delivery of decisions in the Federal Circuit Court with an approach made to the court for statistical data on the case load carried by the West Australian Registry
- The proposal for mandatory pre-litigation dispute resolution procedure in Western Australia to ensure that parties undertake genuine and reasonable steps to resolve a matter

Members of the committee continued to attend the Migration Review Tribunal/ Refugee Review Tribunal meetings to discuss up-to-date migration law issues and in 2013/2014 a committee member attended a meeting of the Department of Immigration and Citizenship Client Reference Group, attendees at which were predominantly from community legal centres or practising in refugee matters.

ALTERNATIVE DISPUTE RESOLUTION COMMITTEE

Laurie James
Convenor

The committee's activities during the year included the following:

- Following the proclamation of the *Commercial Arbitration Act 2012*, the committee recommended a seminar be presented, which proposal was approved by the Education Committee. The seminar was held on 20 March 2014, chaired by Mr Castledine. The Convenor, Mr Ellis and Mr Simon Davis of the Bar were speakers.
- On the recommendation of the committee, the council of the Society appointed Vidal Hockless and Stanley Kawalsky as additional members of the Committee and were welcomed to their first committee meeting on 18 June 2014.
- The committee noted with pleasure the appointment of Professor Philip Evans of Curtin University to review the *Construction Contracts Act 2004*. The review has been long awaited and its undertaking was urged by the Society at the recommendation of the Committee in the previous year.
- The committee has under consideration inviting Professor Evans to attend a forum at which members of the committee and other lawyers within the profession interested in adjudication can hold an informal discussion with Dr Evans and put forward their concerns. Alternatively, Professor Evans might be invited to a committee meeting, with some selected members from the legal profession, for the same purpose. This will be progressed in the forthcoming year.
- The Law Society has maintained its registration as a Recognised Mediator Accreditation Body under the auspices of the Mediator Standards Board.

BRIEF EDITORIAL COMMITTEE

Rebecca Lee
Convenor

The committee meets monthly to discuss article submissions for each issue of *Brief*. Committee members consist of barristers, government and corporate solicitors and young lawyers in an endeavour to reflect the demographics of the profession, in terms of areas of practice and years' post admission. During the financial year, 11 issues of *Brief* were produced.

In 2014, the decision to bring the design of *Brief* in-house was made by the Society. *Brief* now has a modern, professional look and feel. It is now also produced in a tablet-friendly version, available to members.

Editorial material for the journal continues to be sourced from members of the legal profession, mostly from within Western Australia but also from interstate and overseas. Material is either voluntarily

submitted for publication or written at the suggestion of the Brief Editorial Committee.

Committee members number among the authors, although a decision to publish an item is based on the merits of the article. *Brief* continues to publish articles on topics of interest relevant to Society members.

Committee members also play an important role when it comes to editing and advising the authors on style and consistency. As *Brief* is the official journal of the Law Society, the committee not only strives to source and publish the highest quality articles and images, it also maintains the Law Society's standards and culture. The Brief Editorial Committee thanks all of its authors, past and present, for their valued contributions.

CLEAR WRITING COMMITTEE

Professor Neil McLeod
Convenor

2014 is the 17th year of the Law Society of Western Australia's plain English drafting competition for law students. The purpose of the competition is to emphasise to law students that it is vital that legal practitioners write clearly and precisely.

The competition is now a regular part of life as a Western Australian law student. The 2014 competition attracted 327 entries and since its inception approximately 2,000 students have competed.

One of the six prizes awarded each year is reserved for a student in his or her first year of study towards a law degree. The remaining five prizes go to students in any year of the study of law including first year.

The winning students in 2014 were Nicole Ng, a first year student at Curtin University, and students at the University of Western Australia, Elisha Butt, Arohi Kaila, Lucius Moser, Isobel Rosenstreich and Susanah Vindedzis.

Each winner receives a cash prize of \$150 and a winner's certificate thanks to the competition's sponsors, Herbert Smith Freehills, Jackson McDonald, Norton Rose Australia, Tottle Partners, Ashurst Australia and Irdi Legal.

COMMERCIAL LAW COMMITTEE

Rachel Webber
Convenor

The committee's role is to report and make recommendations to the council on commercial issues of significance to the Society and its members.

The committee has representatives on a number of liaison groups:

- State Revenue
- Consumer Protection
- ASIC Regional Liaison Group
- Law Council of Australia, Business Law Section, Corporations Law Committee

Between 1 July 2013 and 30 June 2014, the committee considered a wide range of commercial issues and monitored legal developments and the progress of new legislation in relation to a number of different subject areas including the Legal Profession Amendments Regulations 2009, *Consumer Credit and Corporations Legislation Amendment (Enhancements) Bill 2011* (Cth).

The committee contributed to submissions or responses from the Society in relation to the following:

- *The Associations Incorporation Act*
- Proposed reforms to the *Limited Partnerships Act*
- The implementation in Western Australia of the COAG initiatives in relation to directors' liability for corporate fault
- ASIC deregulation initiatives

Members of the committee attended meetings and invited guests to attend committee meetings in order to obtain information and to provide feedback on behalf of the Society, on various topics including the *Fair Trading Amendment Act*, the *Limited Partnerships Act*, Financial Planning reform and the handling of confidential information by listed companies.

COSTS COMMITTEE

Stewart Forbes Convenor

One of the primary roles of the Costs Committee is to make recommendations to the Society's council in relation to reviews conducted by the statutory Legal Costs Committee.

In 2013/2014, the Society made detailed submissions in relation to reviews of the scales of costs in relation to both litigious and non-litigious matters.

The Society conducted a survey in relation to hourly rates charged by barristers as compared with small law practices, including consideration of the overhead structures of barristers and small law practices.

Most of the submissions made by the Society were accepted by the Legal Costs Committee in the Courts' Determinations which came into effect on 1 July 2014.

The Costs Committee instigated a proposal to have judgments delivered by the Supreme Court Registrars published. This proposal has now been approved to the

extent that some decisions by Supreme Court Registrars are published.

Other matters considered by the committee in 2013/2014 included:

- costs law reform, and particularly alternatives to time billing and investigating contingency fees
- the effects of the *Legal Profession Act* on solicitor/client costs and keeping members informed about important case law in this regard
- revisions to the Society's standard costs agreement
- revisions to federal scales of costs
- amendments to the Supreme Court fee regulations
- billing issues, identified by Philippa Rezos who kindly attends meetings on behalf of the Legal Profession Complaints Committee, and educating members in this regard

COUNTRY PRACTITIONERS COMMITTEE

Cameron Syme Convenor

During the 2013/2014 period the committee dealt with various issues, some of which were:

Regional Lawyers Salary Supplementation Scheme

Consideration given to the Scheme's terms and conditions as used by the Law Society of Tasmania.

RRR Law

Consideration given to the important area of recruitment and retention of rural, remote and regional lawyers and securing advertising within *Brief* magazine for this project.

Southwest Professional Development Conference

Successfully conducted on 14 November 2013 in Bunbury. The seminar was attended by members of the committee to show support and connect with other country practitioners.

Awareness Raising of Country Practitioner Issues

The committee have worked to provide content for *Brief* magazine related to country practitioners issues to raise overall awareness of these issues. Awareness raising on other platforms include, LinkedIn posts, Facebook posts and involvement with the Sole Practitioner and Boutique Firm Forum.

Country Member on Council

The committee has been successful in changing the Society's Constitution to allow a two year term for an elected county member on council; this is on par with an ordinary member on council.

COURTS COMMITTEE

John Fiocco
Convenor

The Courts Committee continues to provide a regular point of contact between the Society, the Federal Court, Supreme Court, Family Court, State Administrative Tribunal, District Court and Magistrates Court. The open dialogue that the committee enjoys with these courts and the State Administrative Tribunal continues to mean that the Society's voice is heard by them on a regular basis and, likewise, they are able to keep the Society informed on a regular basis and seek the Society's views as and when required.

In this regard, as in prior years, the contributions of District Registrar Martin Jan, Principal Registrar Michael

Gething, the Hon Justice Simon Moncrieff, Magistrate Kevin Tavener, Registrar George Kingsley and Tim Carey of the State Administrative Tribunal are acknowledged and much appreciated.

In 2013/2014, the committee has commented upon various reforms and rule changes proposed by the Federal Court, Supreme Court, District Court, Magistrates Court, State Administrative Tribunal and Law Council of Australia, as well as many other matters relating to the practice and procedure of courts and tribunals exercising jurisdiction in Western Australia.

David Davidson Convenor

2013/2014 was a very busy year for the Criminal Law Committee the membership of which comprises practitioners working in private practice, at the Bar, with the DPP State and Commonwealth, the State Solicitor and Legal Aid WA. The committee was delighted that Karen Farley SC, who has served on the committee for many years, was appointed Senior Counsel in December 2013.

The committee's objective is to ensure a clear voice to government that laws to be amended or created are fair and just and that procedures and rules are practical and workable.

At the recommendation of the committee, the Society made numerous submissions on substantial issues in the last financial year including:

- *Restraining Orders Act 1997* – To the Attorney General recommending amendment to section 294 and sub-section 304(2) of the Criminal Code to have the meaning of violent personal offence in sub-section 63A(5).
- Ongoing Management of Remand Prisoners - To the Assistant Commissioner setting out a number of the difficulties experienced by criminal lawyers when attending clients or attempting to contact clients in Hakea Prison and the overall unsatisfactory conditions to consult prisoners at Bandyup Prison.
- Proposed reforms to provisions relating to measures to protect children and other vulnerable witnesses - To Court and Tribunal Services, Department of the Attorney General, identifying problems with visually recorded interviews.
- Sentencing of individuals with foetal alcohol spectrum disorder and other cognitive disorders – To the Attorney General urging sentencing options and

more programmes for persons with these disorders. The Attorney General has advised that these issues will be considered in a review of the *Criminal Law (Mentally Impaired Accused) Act 1996*.

- Use of technology in Hearings – To the District Court.
- Enhancing Laws Concerning Family and Domestic Violence Discussion Paper – To the Law Reform Commission of Western Australia.
- Statutory reviews of the operation and effectiveness made by the *Criminal Law Amendment (Homicide) Act 2008*, the *Criminal Appeals Act 2004* made by Part 4 of the *Criminal Law and Evidence Amendment Act 2008*, and the *Prohibited Behaviour Orders Act 2010*.
- Review of Legal Aid WA private practitioner panels for legal services.

On 9 April 2014 the President expressed the Society's opposition to mandatory sentencing, and in particular the *Criminal Law Amendment (Home Burglary and Other Offences) Bill 2014* in a letter to the Attorney General Hon Michael Mischin MLC, the Premier Hon Colin Barnett MLA, the Minister for Police Hon Liza Harvey MLA, the Leader of the Opposition Hon Mark McGowan MLA and the Shadow Attorney General Hon John Quigley MLA. The letter was published in the April 2014 edition of *Brief* magazine. The committee and the Society continue to voice opposition to mandatory sentencing.

During the course of the year, committee members participated in CPD activity concerning and considered and submitted to the Education Committee topics for the Law Society's CPD programme.

EDUCATION COMMITTEE

**Dr Christopher Kendall
and Paul Tottle**
Co-Convenors

In 2013/2014 the Society continued to provide a comprehensive CPD education programme of short seminars and full day conferences. Highlights of the year were the very successful Ethics on Friday lunch-time series, Law Summer School 2014 and the annual intensive residential Practical Advocacy Weekend.

A highlight for the Education Committee was the introduction of eLearning, the Society's online interactive learning platform which gave practitioners greater scope to achieve CPD points during the year. eLearning offers flexibility to undertake CPD via smart phone, tablet, or laptop and in doing so creates the opportunity to undertake CPD any place, any time. A total of 12 seminars

were available online allowing practitioners to complete all their mandatory CPD through this medium. The take up and feedback from practitioners exceeded Society expectations. The platform also catered for regional practitioners by providing more options to access CPD.

During the year Paul Tottle, Partner, Tottle Partners joined Dr Christopher Kendall as Co-convenor of the Education Committee. Both brought complementing skills and energy to further develop the CPD education programme and maintain its relevance to the profession. The committee is committed to striving for best practice in education and learning.

ELDER LAW AND SUCCESSION COMMITTEE

Elizabeth Heenan
Convenor

The Elder Law and Succession Committee's particular areas of interest are:

- power of attorney reform, including interstate mutual recognition
- legislative progress in succession law
- probate practice
- the *Family Provision Act 1972 (WA)*

The committee liaises with the Law Council of Australia National Elder Law and Succession Committee (of which Mrs Heenan is also Convenor) and with the Supreme Court of Western Australia Probate Committee on which committee members represent the Society.

In the past year the committee has made submissions in relation to the following:

- Statutory review of the *Guardianship and Administration Act 1990 (WA)*
- Noting the recent retirement villages' case *Retirement Care Australia (Hollywood) Pty Ltd v Commissioner*

for Consumer Protection [2013] WASC 219. The decision protects the contractual rights of residents, no partial removal of memorials

- Making representations on the Department of Transport requirements regarding motor vehicle transfer (noting that the Department is still insisting on a grant before allowing a transfer)
- Reseal of grants required by banks for accounts in different states
- The Committee noted the decision in *The Public Trustee v Royal Perth Medical Research Foundation Inc* [2014] WASC 17 (Heenan J) in relation to the question of testamentary capacity
- Considered questions associated with restrictions on access to the Australian Electoral Roll where the search is necessary for legal claims.

Julian Sher Convenor

In 2013/2014 the Ethics Committee made:

A submission to the Legal Profession Complaints Committee's in relation to proposed 'Guidelines for the use of the terms 'specialist' and 'expert' in advertisements'. Rule 45(2) of the Legal Profession Conduct Rules 2010 provides that a practitioner must not convey or advertise a false or misleading impression of specialist expertise or imply that a practitioner is accredited in an area of legal practice, unless so accredited.

The purpose of the guidelines, which were issued by the Legal Profession Complaints Committee in March 2014, is to set out for the assistance of legal practitioners, the Legal Profession Complaints Committee's approach to complaints and conduct investigations concerning advertisements by legal practitioners who make claims to being a 'specialist' or an 'expert'.

Although referral fees are permitted in other jurisdictions, rule 18(5) of the Legal Profession Conduct Rules 2010 provides that a practitioner must not, in the course of the practitioner's practice, give or receive a fee for introducing or

recommending clients. It was noted that a major online referral service that connect practitioners with persons seeking legal assistance advertised its terms as receiving a percentage of fees paid to practitioners by referred clients. Society members were reminded of rule 18(5) in Friday Facts and the Legal Practice Board was asked to investigate.

In 2013/2014 the online referral service discontinued the 'referral fee' model that was available to practitioners in other states and practitioners now join under a flat-fee subscription model.

During the course of the year, committee members participated in CPD activity concerning ethical practice and the committee considered and submitted to the Education Committee topics for the Law Society's CPD programme. The Society is to be applauded for the introduction of the monthly Ethics on Friday lunch-time series.

Denis McLeod
Convenor

This committee continues to operate with a dependable core of committed members who have special interests in one or more of the committee's three broad reference areas. The primary role of the committee is to monitor on behalf of the Law Society, legislation and government proposals generally likely to affect the interests of Society members, in any of those broad reference areas.

The committee continues to promote reform of the environmental appeals process, including assisting the Society in lobbying the state government where possible. The principal aim is to have environmental appeals determined by the State Administrative Tribunal. The committee will endeavour to ensure that this issue is not forgotten by the State Government.

In December 2013, the committee prepared for the Society a submission on the Department of Planning review of the *Planning and Development Act 2005* (WA). The submission was comprehensive, but specially focused on issues involving injurious affection; the role of region planning schemes; local planning schemes; cash-in-lieu of public open space; subdivision and development control issues; time limits

on endorsement of subdivision plans; enforcement of scheme provisions and legal proceedings generally; public works exemptions for government agencies; and state planning policies.

In February 2014, the committee made a submission on the continuing review of the *Contaminated Sites Act 2003* (WA). Issues addressed included consideration of whether an 'environmental consultant' should have a duty to report under section 11 of the Act, mandatory disclosure requirements and issues associated with the Contaminated Sites Committee such as improved timeframes for decisions and the role of the Contaminated Sites Committee and the State Administrative Tribunal.

The committee has recently finalised details for a CPD presentation on third party involvement in environmental and planning decision-making. The session will look at current practice and possible reforms.

The committee allocates time to discuss and review issues for Law Summer School presentations, and contact is maintained with the Law Council of Australia, Environment and Planning Law Group.

**The Honourable Wayne
Martin AC, Chief Justice
of Western Australia**
Convenor

The committee has continued to oversee the activities of the Francis Burt Law Education Programme and the Old Court House Law Museum.

During the financial year under review, the education programme was delivered to 6,149 participants.

Highlights of the year included the implementation of Australian Curriculum programmes and resources for groups in years 3, 4, 5, 6 and 9, the launch of the Clued up Kids Competition in WA, and the first meeting of a Steering Group appointed to oversee the planning, development and implementation of a programme to better engage Aboriginal youth in the educational programmes offered by the Francis Burt Law Education Programme.

Other highlights included the Sir Ronald Wilson Lecture and a learning event The Role of Specialist Courts in Western Australia for teachers, which was co-presented with Legal Aid WA.

In 2014, 92 teams registered to participate in the Mock Trial Competition - a record

number and an increase of 20 teams from the previous year. The total number of students registered in the 2014 competition rose to 933, an increase of more than 18% on the previous year. Winners of the grand final of the competition in 2013 were the Mount Lawley Senior High School, Year 10 team - runners up were Hale School 'Action' team. The winner of the 2013 Murdoch University Scholarship for the most outstanding Mock Trial student was Heather Costelloe from St Mary's Anglican Girl's School.

During the year under report 4,738 people visited the Old Court House Law Museum - an increase of 38% on the previous year.

Highlights of the year included a grant from Lotterywest of approximately \$50,000 for ongoing redevelopment of the exhibitions. Major projects included the design of a new permanent exhibition 'People and the Law' and the implementation of temporary displays *High Court of Australia*, *Behind the Bench* and *Lawyers of the Light Horse*.

GRADUATE AND ACADEMIC STANDARDS COMMITTEE

A/Prof Jane Power
Convenor

The Graduate and Academic Standards Committee comprises the Deans/Deans' representatives from the University Law Schools of Curtin, ECU, Murdoch, Notre Dame and UWA, together with representatives from the government sector, large and small/medium firms, graduates, the Young Lawyers' Committee and Student Law Societies.

The committee met on an ad hoc basis during 2013/2014 as particular matters arose for discussion and consideration, particularly around the times of graduate placement offers in order to assess the graduate employment trends. The difficulty in collating statistics of graduate placements remains problematic.

During 2013/2014, the committee continued its focus on matters involving the following areas:

- graduate placement research, trends and process (excluding recruitment dates) and the services offered by the Society in the area of graduate placement including Grad Match

- raising awareness of graduate pathways of admission and relevant statistics in relation to those pathways
- graduate and undergraduate law curricula and academic standards
- equity issues for students and graduates

The commencement of Curtin Law School in 2013 has also been a focus of the committee as the number of law students, and hence graduates, increases. Curtin's trimester model of curriculum was also a concern as it clashed with the clerkship dates for law students. The issue was discussed with CLAP representatives and the committee was advised that it was resolved.

GENERAL CONDITIONS FOR THE SALE OF LAND

Gregory Boyle
Convenor

The most recent revision of the Joint Form of General Conditions for the Sale of Land was in 2011. The committee has continued to receive observations from the legal profession, conveyancers, and others, about the practical application of the 2011 revision. These will be reviewed and taken into account in the next revision.

As electronic-conveyancing is becoming a reality the committee has commenced its consideration of amendments necessary to accommodate its introduction. A further revision of the Joint Form of General Conditions for the Sale of Land can be expected to issue in 2015.

Greg McIntyre SC Convenor

In the reporting period a number of submissions were made. In matters of national significance, generally submissions were made to the Law Council of Australia for incorporation into submissions made by the Law Council on behalf of all constituent bodies.

Submissions included the following.

- Inquiry into Legal Barriers for People with Disability – submission to the Australian Law Reform Commission (ALRC). The Issues Paper identified a number of key issues for people with disabilities entering or accessing the justice system in Australia as well as with health, housing and social services. The Convenor and committee member Elizabeth Needham attended meetings of the Law Council of Australia's Access to Justice Working Group, contributing to the Law Council's submission to the ALRC.
- Review of the *Equal Opportunity Act 1984* (EO Act) – submission to the Public Sector Commission. Central to the review was the examination of the role and structure of the Equal Opportunity Commission. The Society supported the continuation of the EOC as a skilled and specialist body providing the public with assistance, education and training and valuable legal assistance for complainants in the State Administrative Tribunal. Acknowledging the role of the AHRC, the Society supported the independence and continuation of both the EOC and AHRC in performing their specific functions.
- Proposal to amend the *Racial Discrimination Act 1975* – Submission was made to the Law Council of Australia opposing the Federal Attorney-General's exposure draft legislation to repeal section 18C and reform sections 18B-18E of the RDA.
- Australian Law Reform Commission Review of Commonwealth Laws for Consistency with Traditional Rights,

Freedoms and Privileges – Submission was made to the Law Council of Australia.

The Law Council of Australia National Human Rights Committee (formerly Human Rights Advocacy Group) has conducted regular teleconferences throughout the year in which the Convenor and Emma Cavanagh participated. Issues discussed have included:

- The Law Council of Australia's Asylum Seeker policy
- Inquiry into the Online Safety of Children
- The National Criminal Law Committee's submission to the Senate on the review of *Telecommunication (Interception Access) Act 1979*
- Australian Human Rights Commission Inquiry into Children in Immigration
- Australian Law Reform Commission Review of Commonwealth Laws for Consistency with Traditional Rights, Freedoms and Privileges
- Policy statement on coercive powers
- Anti-association laws
- Racial vilification and proposed amendments to the *Racial Discrimination Act 1975*

Committee member, Elizabeth Heenan, is a member of the Law Council of Australia's Equalising Opportunities in the Law Committee and reported the following topics discussed at face to face meetings and teleconferences:

- The National Attrition and Re-engagement Study
- The National Diversity Code
- Court Appearance Survey
- The National Productivity Commission Inquiry into childcare debate

Pamela Hass Convenor

The Inhouse Government Lawyers Committee was established in late 2012 to cater for and support the specific needs of inhouse and government lawyers. The committee meets on a monthly basis.

In September 2013, the committee hosted the Society Club networking drinks for inhouse and government lawyers. The event was a huge success with over 100 attendees, ranging from senior and junior practitioners working in Federal and State Government, and private corporations. During the event, the attendees raised interesting matters with committee members, which were then further explored and discussed at the committee meetings.

During the Society's biennial review in December 2013, the committee received a large number of expressions of interests and as a result there is a wide range of Federal and State Government lawyers and inhouse counsel appointed to the committee.

The committee continued to review and consider the issues in relation to the supervision of restricted practitioners by a non-prescribed agency under the *Legal Profession Act 2008*.

The committee has provided extensive ideas and suggestions to the Professional Development Team for the 2014 full-day conference for inhouse and government lawyers. This conference is held every two years and this year the focus will be public private partnerships.

The committee gave consideration to the implications of the budget cuts to various government agencies.

The committee has committed to partnering with other similar organisations to provide additional services and support to inhouse and government lawyers.

INSOLVENCY AND RECONSTRUCTION LAW COMMITTEE

Sam Dundas
Convenor

The Insolvency and Reconstruction Committee is a joint committee of the Society and the Business Law Section of the Law Council of Australia. The Perth committee has grown in size with the inclusion of insolvency practitioners with strong reputations in the area.

The committee has continued its role in liaising with the Federal Attorney General, the Australian Securities and Investments Commission, the Australian Financial Security Authority and the Australian Restructuring Insolvency & Turnaround Association.

The committee contributed by (amongst other things), preparing submissions in relation to:

- the appointment of Bankruptcy Trustees (by way of a draft submission to the Australian Financial Security Authority)
- complaints against insolvency practitioners before the Financial Ombudsman (through preparing a draft submission to the Financial Ombudsman)
- the genuine steps requirements under the *Civil Dispute Resolute Act 2011* and how this interacts with the

statutory demand procedure under the *Corporations Act 2001* (by way of a draft submission to the Federal Attorney General).

Providing comments and contributing to working groups involved in preparing submissions in relation to:

- automatic stays in the event of corporate insolvency events
- amendments to the procedure for voluntary administrations and schemes of arrangement
- the review of the Personal Property Securities Act
- the introduction of safe-harbour provisions to encourage restructuring and turnaround options.

The Personal Properties Securities Act and the potential introduction of safe-harbour provisions to encourage restructuring and turnaround options will likely remain the key areas of focus for the committee in the coming year.

INTELLECTUAL PROPERTY LAW COMMITTEE

Dr David Cox
Convenor

The Intellectual Property Law Committee met on several occasions in 2013/2014.

The committee liaises regularly with IP Australia, the statutory body that administers Intellectual Property laws in Australia.

The committee liaises with the Intellectual Property Society of Australia and New Zealand and the Federal Court of Australia regarding seminars held in Perth. The seminars in the Federal Court of Australia, form part of the long running and well attended Intellectual Property Twilight Symposia programme.

The committee has made contact with the Technology and Intellectual Property Committee of the Law Society of Queensland with a view to establishing dialogue on matters of importance to the Intellectual Property profession.

The committee welcomes opportunities to inform the public on matters relating to Intellectual Property.

Elizabeth Needham Convenor

The Joint Law Society / Women Lawyers Committee is a liaison group between Women Lawyers of Western Australia (Inc.) and the Society. Members include representatives from the Society's Young Lawyers Committee, the Western Australian Bar Association's Council and the Law Council of Australia's Equalising Opportunities in the Law Committee, all of whom report on local and national issues.

In 2013/2014 the committee's activities included the following:

- The Women Lawyers High Tea was held on 7 March 2014 to celebrate and acknowledge International Women's Day. The UN Women theme 'Ending poverty for women and girls through economic empowerment' was spoken to by guest speakers Dr Sue Boyd, Sandra Cook and Elizabeth Heenan. The event was held at the Perth Convention and Exhibition Centre and was well attended.
- Committee member, Elizabeth Heenan was formally recognised by The International Women's Day Collaboration for her contribution to the Western Australian community and inducted into the 2014 WA Women's Hall of Fame. Mrs Heenan was also the recipient of the 2013 Law Council of Australia's President's Medal for her outstanding service to the legal profession nationally.
- The committee ran a very successful panel discussion on flexible work practices and career progression during Law Week 2014. Speakers included Karen Farley SC, Appeals Consultant Criminal Division Legal Aid WA, Charmaine Holyoak-Roberts, Barrister, John Toohey Chambers and Allan Macdonald, Senior Lawyer at the Equal Opportunity Commission of Western Australia.

- The committee hosted Society Club on 25 June at the Rydges Hotel to promote the on-leave membership category and emergency family care service Dial-an-Angel. The Society's flexible work practices protocol was also raised, as well as Law Council's National Attrition and Re-engagement Study Report.
- The committee has contributed to submissions on the review of the organisations under the *Equal Opportunity Act 1984* (WA) and the Australian Human Rights Commission's national review of discrimination in relation to pregnancy at work and return to work after parental leave.
- The committee continues to review and promote the Flexibility Protocol Guide for Flexible Workplace Arrangements (Flexibility Protocol) through articles in *Brief* and items in Friday Facts. The Flexibility Protocol is available to members on the Society's website.
- The committee is currently responding to the Law Council of Australia's National Attrition and Re-engagement Study Report. Following this, the committee will work with the Society's Council and WABA Council representatives to implement strategies and formulate policy in relation to addressing the attrition rate and career progression of female lawyers in Western Australia.

The committee continues to meet monthly and promote the interests of women lawyers in Western Australia.

Corene Baird Convenor

2014 Annual Salary Survey

Survey invitations went to all members, but the surveys could only be completed by Managing Partners and HR Managers, or equivalents. This was the second year that the survey and collation process was done electronically.

Total of 102 responses (last year 115 responses) returned as follows:

- 1-10 fee earners 71 (last year 85)
- 11-20 fee earners 14 (last year 17)
- 21-50 fee earners 15 (last year 13)
- 50+ fee earners 2 (new category)

We have charged member firms and non-member firms different amounts should they contact the Society and request a copy of the survey results if they did not complete the survey. The purpose of this fee is to encourage firms to complete the survey and allow for the provision of more accurate data.

There have so far been 7 (15 last year) requests for a paid copy of the survey results totalling \$1,360.

Position Changes

Kevin Chalklin filled the position of Deputy Convenor as at 27 May 2014. This position became available due to Belinda King's resignation.

Events Held

The following events were held during the period:

- (a) Free Legal Information Online – Tuesday, 16 July 2013 – approximately 45 attendees.
- (b) Mental Health First Aid – held on 12 February 2014 with 12 attendees. Tasha Broomfield from Blooming Minds facilitated the workshop.
- (c) LOM Panel Event - 12 tips to protect your clients' information and your firm's reputation. Held on Wednesday, 4 June 2014 as a breakfast event at Parmelia Hilton. There were 37 attendees and the speakers were:
 - Dr Richard Adams – A/Professor – Centre for Forensic Science – UWA
 - David Atherton-Cooper – Product Manager – LexisNexis
 - Brenton Steenkamp – Partner,

Assurance Services – Ernst & Young

- Jeff Andersen – Director – Office Information Australia
- Corene Baird - Practice Development Manager – Lavan Legal

Upcoming Events

The following events have been scheduled so far for 1 July 2014 – 30 June 2015.

- Law Office Management Convention – scheduled to be held on Tuesday, 14 October 2014
- Outstanding Contribution Award – winner will be announced in October.
- Risk Management for Support Staff – held on 11 July 2014 with 14 attendees

Law Office Managers Directory

This requires updating but concerns have been identified in regards to privacy and also the effort that would be required to undertake this task in respect to competing priorities.

LinkedIn LOM Group

Approximately 40 items were published to the LOM LinkedIn group. The group members have increased over the past year and there are now 39 members in this group.

Computers and the Law Group

Richard Adams who joined the LOM Committee for a brief period in 2013/2014 has a particular interest in computers and the law – specifically forensic technology. As the LOM Committee has a broader brief than just IT he has now formed his own group and will remain in contact with LOM.

Law Council of Australia

Law Management Group – Corene Baird has now joined the Australian Law Management Group (ALMG) and attends monthly teleconference meetings and relays information back to LOM.

David Davidson Convenor

The Mental health and wellbeing Committee was established to implement the recommendations in the Society's 2011 Report on *Psychological Distress and Depression in the Legal Profession*.

In December 2013, David Blades resigned as Convenor. The Society is indebted to Mr Blades for his untiring contribution to the work of the Committee. Fortunately, Mr Blades agreed to remain as a valuable committee member.

This year the Society endorsed the *Tristan Jepson Memorial Foundation Psychological Wellbeing: Best Practice Guidelines for the Legal Profession*. The principles are intended to support the legal profession in raising awareness of mental health issues and understanding the initiatives and methods of management that assist in the creation and maintenance of psychologically healthy and supportive workplaces. The Society encourages all law practices to recognise and implement the principles.

As part of the Society's commitment to the delivery of educational and information strategies, the committee, with the support of Law Mutual and the Society's Professional Development Team, and assisted by Optum (formerly PPC Worldwide), work together to provide free seminars on various mental health issues. The seminars in the last financial year included: managing personal and professional boundaries, ethical

decision-making, and life after retirement. These seminars have also been made available for country practitioners in various regions throughout Western Australia.

In fulfilling one of the recommendations of the report to assist sole practitioners and small firms the Member Services and Marketing Team continues to hold the Sole Practitioner and Boutique Firm Forum. The forums have been very successful with practitioners providing positive feedback. The topics at the forums included:

- five things sole practitioners and boutique firms should do, but don't!
- making the transition from sole practitioner to a small firm
- issues affecting profitability
- succession law
- Practical legal research skills for sole practitioners and small firms

A Mental Health First Aid Seminar for Law Office Managers was held in September 2013 and was aimed at assisting managers and supervisors to support employees with mental illness by identifying signs and symptoms of mental illness and appropriate strategies to deal with the situation.

PERSONAL INJURIES AND WORKERS COMPENSATION COMMITTEE

Gray Porter Convenor

It has been a busy year for the Personal Injuries and Workers Compensation Committee, in particular due to the WorkCover WA review of the *Workers' Compensation Injury Management Act 1981*.

Submissions prepared by the committee in 2013/2014 include:

- To WorkCover WA - Review of *Workers' Compensation Injury Management Act 1981* - in response to both the Consultation Paper that issued in late 2013 and the final list of recommendations that issued in June 2014.
- To WorkCover WA - Workers' Compensation (Legal Practitioners and Registered Agents) Costs Determination.
- To the District Court - complex and catastrophic personal Injuries claims.
- To the Law Council of Australia - Royal Commission into Institutional Responses to Child Sexual Abuse, Issues Paper 7, dealing with criminal injuries compensation laws.

Last year the committee made submissions to the District Court in relation to amending Rule 44G, which allows the dismissal of an action by lapse of time and without any appearance before a court officer. In January 2014, Rule 44G was amended to provide that the Court may, in exceptional circumstances, set aside the dismissal of a case (and cases prior to the amendment).

The committee continued to pursue submission to the Attorney General in relation to section 39 of the *Criminal Injuries Compensation Act 2003*.

Committee members were nominated as Society representatives on the various groups established by WorkCover WA:

- Injury Management Technical Group – the Convenor
- Conciliation and Arbitration Users' Group – Mark Civitella and Mike Lourey
- Biennial Conference 2015 Working Group – the Convenor

The committee's Deputy Convenor, David Bruns, is a member of the Law Council of Australia Personal Injuries Committee and a member of the WorkCover WA Costs Committee.

Dudley Stow Convenor

Since the last Annual Report the Professional Indemnity Insurance Committee (PIIMC) has, as required by the *Legal Profession Act*, made the annual insurance arrangements for the current financial year. As part of that annual process in addition to the regular monthly meetings, meetings were held with Law Mutual's insurer's and any other potential insurer's in September / October / February last year. These meetings are held with and advice is taken from Law Mutual's brokers (Marsh) and a continuing dialogue is maintained with them during the renewal process. Meetings were also held with Law Mutual's Actuary. Law Mutual was particularly pleased with the premium ultimately negotiated due in no small measure due to the very good work of our brokers.

Law Mutual's own statistics reveal that while claim numbers have remained relatively static the average size of claims has risen and further there is some small evidence that with the reductions in the economy there is potentially an increase in claims, particularly in smaller firms and as has been reported in the press insurers have made some very significant payments in respect to professional indemnity claims most, fortunately, have related to financial advisors and D&O but with low returns on investment premiums and the rising cost of claims there is continuing pressure on premiums.

During the year some of the matters and issues PIIMC has considered include; the size of the QPS discount, modernising the risk management seminars and making them better targeted and relevant to different practices (further work is being undertaken in this area), ongoing review of the underlying causes of claims, increasing the current retention amount of each claim that Law Mutual carries (currently \$250,000), review and update of the terms of the master policy and review and update of the annual booklet. Financially Law Mutual is in a very sound position and both the annual audit report and actuarial report are not qualified. Finally I wish to thank PIIMC committee members and Law Mutual staff for their diligence and contribution for what has been a very busy year.

David Clark Convenor

Members of the Property Law Committee represent the Society on the Landgate Land Tenure Group and the Law Council of Australia Legal Practice Section Australian Property Law Group. The Convenor is a very active member of the Law Council of Australia E-Conveyancing Working Group and attends monthly meetings in the eastern states. The E-Conveyancing Working Group regularly liaises with the AIC, the ABA and other Law Societies.

On Thursday, 13 November 2013, a CPD seminar on e-conveyancing was conducted by the Society which included a practical demonstration by Matthew Gillett, PEXA (previously National e-Conveyancing Development Limited). Further demonstrations will be arranged for members.

In 2013 representatives of Landgate met with the committee to discuss proposed legislative amendments to accommodate e-conveyancing. The *Electronic Conveyancing Act* (WA) has been passed and enacts provisions that correspond to the Electronic Conveyancing National Law and makes consequential and other amendments to the *Duties Act 2008*, *Settlements Agents Act 1981*, *Taxation Administration Act 2003* and *Transfer of Land*.

The PEXA e-conveyancing capabilities will be delivered over two main releases. Release 1 allows banks to perform single party transactions such as new mortgages, mortgage discharges and refinancing and

is currently being used by all four major banks. Release 2 introduces Australia's property lawyers and conveyancers to the Exchange. Transfer and settlement functionality will be deployed in New South Wales and Victoria in late October 2014 and in Queensland in early 2015. Western Australian practitioners will be invited to join PEXA from May 2015.

A submission was made to the Office of State Revenue seeking an exemption for surrenders of easements. A blanket exemption was not granted but concessions resulted (regulation 4(1)(f)).

The committee contributed to a submission with the Environment Town Planning and Local Government Committee to the statutory review of the *Contaminated Sites Act 2003*.

Landgate is undertaking a review of the strata titles legislation. Landgate representatives have met with the committee to discuss and obtain feedback on proposals for tenure reform, dispute resolution and regulation of strata managers.

QUALITY PRACTICE STANDARD COMMITTEE

Craig Slater
Convenor

The Quality Practice Standard Committee (QPS) was pleased to complete a smooth year with a pleasing increase in firms taking up the accreditation.

The committee was grateful for the assistance of the Membership and Marketing team of the Society for their assistance with updating the QPS publications.

The Society has commenced selling window decals for firms with accreditation. The committee hopes that the decals will be a useful indicator of accredited firms and a promotion of the scheme in general. The assistance of the Membership and Marketing team was instrumental in making the decals available to participating firms and gratefully received.

The committee reviewed a survey of participating firms from a few years ago and settled a new survey to update the profile of firms participating and the issues that interest them. The committee is grateful for the responses it received and the suggestions made. Those responses will inform the

decisions made in the coming periods.

The QPS remains an important management system for firms considering incorporation and risk management. There is some statistical support for the view that firms that have QPS accreditation make less claims against their professional indemnity insurance policy. That theory has been the reason for the discount on the professional indemnity insurance applied to QPS firms. The committee is pleased that this support has fostered a greater interest in the accreditation from Law Mutual (WA) and the Committee looks forward to working with Law Mutual (WA) to improve the knowledge of and participation in the accreditation system.

The committee is reviewing proposals by the Legal Practice Board of Western Australia to change and improve the practice management training requirements of lawyers. The committee hopes to maintain a close alignment with the objectives of the Legal Practice Board and the QPS.

TAXATION COMMITTEE

Dr John Hockley
Convenor

The Taxation Committee sits as a joint committee of the Law Society of Western Australia and the Law Council of Australia. The committee's activities in 2013/2014 included:

- Submissions: In 2013-2014 the Tax Committee made submissions on various State and Commonwealth taxation issues.
- Service on committees: The committee members have been involved in serving on various committees of the Law Society, the Law Council of Australia and various advisory Taxation committees. The Taxation Committee is represented on the Tax Practitioners Forum now known as the Tax Roundtable.
- Continuing Legal Education: Members

of the committee have been involved in presenting Continuing Legal Education Seminars for the Law Society. Members of the committee are engaged in providing seminars for providers of Continuing Legal Education and various professional associations.

- Publications: Members of the Taxation Committee regularly write articles that are published in the Law Society Journal, *Brief* and other journals.
- Law Council of Australia: Members of the committee would like to thank Jonathan Ilbery for keeping the committee informed of recent developments in taxation raised by the Taxation Committee of the Law Council of Australia.

YOUNG LAWYERS COMMITTEE

Emma Cavanagh Convenor

The Young Lawyers Committee (YLC) continues to be one of the most active committees of the Law Society. The committee prides itself on being representative of the junior legal professionals in this state, with appointed members from various practice areas, organisations and geographic locations.

The diversity of the committee is reflected in the variety of events put on throughout the year. The 2013/2014 calendar included everything from sporting events to wellbeing initiatives, panel discussions about human rights to practical advocacy training and from a ball to a charity quiz. The committee strives to provide a broad range of opportunities for junior lawyers and law students to assist them in the early stages of their careers whether by providing opportunities to develop legal skills and also soft skills such as networking, mentoring and professional and personal development. Each committee event is also an opportunity for junior lawyers to experience and appreciate what it is to be part of a collegiate profession.

An important function of the YLC continues to be representation and advocacy of junior lawyers and their interests. The majority of YLC members are also members of other committees of the Law Society and the committee maintains strong membership on the Council of the Law Society. YLC members also currently hold two positions on committees within the Law Council of Australia. Through these avenues and the YLC's own policy and strategy working group, junior practitioners in this State have a strong, vocal and engaged voice advocating on their behalf.

Key issues the YLC was engaged in over the past 12 months include the attrition rate of junior lawyers (in particular reflecting on the Law Council of Australia's National Attrition and Re-engagement Survey Report with the Society's Joint Women Lawyers WA Committee) and mental health and wellbeing of junior lawyers (in particular following the release of the *Tristan Jepson Memorial Foundation Guidelines* which have been endorsed by Council).

The YLC continues to engage and support law students through a variety of means, including careers events as well as our mentoring programme in conjunction with the Edith Cowan University law school and this year joined by the University of Notre Dame Australia law school. The YLC also

engages with members through a variety of publications including monthly newsletter, regular contributions to *Brief Journal* and Facebook.

2013-2014 Event Summaries:

1. YLC Fundamentals Practical Skills Series: Building and Construction – Tender to Contracts, 11 July 2013.
2. YLC Quiz Night, 25 July 2013.
3. YLC Practical Advocacy Weekend (CPD), 16-18 August 2013.
4. Human Rights & Social Justice Evening, 29 August 2013.
5. YLC Ball, 14 September 2013.
6. YLC Fundamentals Practical Skills Series: Building and Construction – Construction Claims, 26 September 2013.
7. YLC Hypotheticals Panel Discussion, 31 October 2013.
8. YLC Fundamentals Practical Skills Series: Building and Construction – Dispute Resolution Options, 14 November 2013.
9. YLC Netball, 15 November 2013.
10. A View from the Bench (CPD): Courtroom dos and don'ts for Young Lawyers, 12 December 2013.
11. YLC Fundamentals Practical Skills Series: Client and File Management, 20 February 2014.
12. YLC Fundamentals Practical Skills Series: Briefing Counsel – How to be an effective instructor, 20 March 2014.
13. YLC Volleyball, 21 March 2014.
14. YLC Fundamentals Practical Skills Series: Preparing for Mediation and Pre Trial Conference and What to Expect, 10 April 2014.
15. YLC Lawn Bowls, 11 April 2014.
16. Welcome to the Profession Breakfast, 16 April 2014.
17. YLC Fundamentals Practical Skills Series: Preparing for Trial and Discovery, 21 May 2014.
18. Careers Uncut, 29 May 2014.
19. Golden Gavel, 20 June 2014.
20. YLC Advocacy - An Introduction for Junior Practitioners, 20-21 June 2014.



SUBMISSIONS - 2013

- Proposed Reform to ATO Deductions Cap for Self Education Expenses – The Treasury
- Amendment to Section 63A of the *Restraining Orders Act 1997* – Attorney General
- Review of the Guardianship and *Administration Act 1990* – Department of Attorney General
- Witness Lists in Information for Public regarding Enduring Powers of Attorney and Enduring Powers of Guardianship (Office of the Public Advocate) and Advanced Health Directives (Department of Health)
- Rule 44G District Court Rules, Inactive Cases List – Chief Judge of the District Court of Western Australia
- Model Litigant Guidelines – Attorney General
- Draft Guidelines for the Use of the Terms 'Specialist' and 'Expert' in Advertisements – Legal Profession Complaints Committee
- PI Insurance for Pro Bono Legal Work – Legal Practice Board of WA
- External Administration of Incorporated Legal Practices – Queensland Law Society
- Proposed changes to Racial Vilification laws – Law Council of Australia
- Complex Personal Injury Cases and Amendments to District Court Rules – Principal Registrar District Court of Western Australia
- Workers' Compensation Costs Discussion Paper – WorkCover WA
- Use Of Technology in District Court Hearings – Principal Registrar District Court of Western Australia
- Ongoing Management Of Remand Prisoners – Assistant Commissioner Department of Corrective Services
- *Evidence Act 1906* (WA) Proposed Reforms to Provisions Relating to Measures to Protect Children and Other Vulnerable Witnesses – Department of Attorney General
- Productivity Commission Inquiry on Access to Justice – Productivity Commission
- Registration and Reporting Obligations for Child Sex Offenders – Law Council of Australia Policy
- Personal Properties Securities Register – Law Institute of Victoria Submission/Federal Attorney General
- Statutory Review of the Planning and *Development Act 2005* – Department of Planning & Infrastructure
- Review by Legal Costs Committee: Legal Practitioners (Supreme Court) (Contentious Business) Determination 2012; Legal Practitioners (District Court Appeals) (Contentious Business) Determination 2012; Legal Practitioners (Supreme And District Court) (Criminal) Determination 2012; Legal Practitioners (Magistrates Court) (Civil) Determination 2012; Legal Practitioners (Magistrates Court) (Criminal) Determination 2012; Legal Practitioners (Family Court of Western Australia) Determination 2012

SUBMISSIONS - 2014

- *Proposed Reforms to Limited Partnership Act 1909* Discussion Paper – Department of Commerce
- Statutory Review – *Operation of Effectiveness of Amendments to Criminal Code and Sentencing Act 1995* made by *Criminal Law Amendment (Homicide) Act 2008*
- *Limitation Act 2005* (WA) – Department of Attorney General
- Productivity Commission – Law Council of Australia
- Review of the *Workers' Compensation and Injury Management Act 1981* – WorkCover WA
- Standing Committee on Law and Justice Proportionate Liability Model Provisions September 2013 – State and Federal Attorney General
- Australian Curriculum Review Submission
- Australian Law Reform Commission Review of Commonwealth Laws for Consistency with Traditional Rights, Freedoms and Privileges – Law Council of Australia
- Supporting Working Parents: Pregnancy and Return to Work National Review – Australian Human Rights Commission Department of Environment Regulation
- Review of the *Contaminated Sites Act 2003* (WA) Discussion Paper – Department of Environment Regulation
- Foetal Alcohol Spectrum Disorder – Attorney General
- Family Court Delay Working Group – Report to Chief Judge of Family Court and Attorney General
- Amendment to Item 9 Schedule 1 – Supreme Court (Fees) Regulations 2002 – Acceptance of Provisional Assessments – Principal Registrar Supreme Court of Western Australia
- Inquiry into the *Criminal Code Amendment (Misrepresentation of Age to a Minor) Bill 2013* – Senate Legal and Constitutional Affairs Legislation Committee
- Enhancing Laws concerning Family and Domestic Violence Discussion Paper – Law Reform Commission of Western Australia
- Review of the *Operation of the Amendments to the Criminal Appeals Act 2004* made by Part 4 of the *Criminal Law and Evidence Amendment Act 2008* – Department of Attorney General
- Declaration that a Claim is a Catastrophic Personal Injury Claim – Chief Judge District Court of Western Australia, cc Chief Justice
- Global Positioning System, Electronic Monitoring Equipment – Minister for Corrective Services
- *Associations Incorporation Act* – Minister for Commerce
- Personal Liability for Corporate Fault: Applying the COAG Principles – Attorney General
- *Review of Organisational Structures under the Equal Opportunity Act 1984* – Public Sector Commission
- Mandatory Sentencing – Attorney General, the Premier and Leader of the Opposition and others
- *Proposed Amendments to the Racial Discrimination Act 1975* – Law Council of Australia
- *Review of the Native Title Act 1993* – Australian Law Reform Commission
- Productivity Commission Interim Report on Access to Justice April 2014 – Law Council of Australia
- *Statutory Review of The Prohibited Behaviour Orders Act 2010* – Department of Attorney General
- Model Litigant Guidelines – Attorney General
- Proposed Practice Direction in the Magistrates Courts for Appearances by Accused at Alternative Venues – Chief Magistrate
- Legal Practitioners Access to Prisoners – Professor Neil Morgan
- Legal Aid WA New Practitioner Panels for Legal Services – Legal Aid WA
- Review of Continuing Professional Development Scheme by Legal Practice Board of Western Australia – Legal Practice Board
- Proposal with Respect to Orders that Each Party Bear their Own Costs in a Limited Class of Proceedings – Chief Justice
- Registrars' Powers and Default Judgment – Chief Justice
- National Attrition and Re-engagement Study – Law Council of Australia



NOMINATIONS TO EXTERNAL BOARDS

The Society nominated members to represent the profession on the following external boards and committees:

- Law Council of Australia Executive
- Faculty of Law Advisory Board (University of Western Australia)
- Western Australian Reproductive Technology Council (Department of Health)
- Philip Lionel Sharp Memorial Prize Selection Committee (University of Western Australia)
- State Records Advisory Committee (State Records Commission)
- Frank Downing Law Prize Committee
- Legal Aid Committee (Legal Aid WA)
- Law Council of Australia Australian Law Management Group
- Working Group for the inaugural WorkCover WA Biennial Conference 2015

SPONSORS

The Society would like to acknowledge and thank the following sponsors:

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- Corrs Chambers Westgarth
- Department of the Attorney General
- DLA Piper
- DX
- Edith Cowan University
- First Title
- GlobalX
- GMO
- Hays
- HBF
- Herbert Smith Freehills
- Hudson
- Interpeople
- Jackson McDonald
- John Toohey Chambers
- KBE Human Capital (was interpeople)
- King & Wood Mallesons
- Lavan Legal
- Law in Order
- LEAP
- Legalsuper
- Leo Cussen
- LexisNexis
- Marsh
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- National Heart Foundation
- Norton Rose Fulbright
- Parkes
- Rocky Bay
- Profile Legal Recruitment
- Shearn Legal
- Skill Matters
- Sofee Recruitment
- TKO Office Fitouts
- University of Notre Dame
- University of Western Australia
- UNSW Global Pty Limited
- Vero
- Water Corporation

1996

- The Hon Barry Rowland QC
- The Hon John Wickham QC
- Rory Argyle

1998

- The Hon Sir Francis Burt AC
- The Hon P Durack QC
- The Hon John Toohey AC
- The Hon Ian Medcalf AO

2002

- Gregory Boyle
- Judy Eckert
- The Hon Robert French
- The Hon Chief Justice David Malcolm AC
- Robert Meadows QC
- Her Hon Judge Kate O'Brien
- John Syminton

2003

- The Hon Sir John Lavan

2005

- The Hon Judge John Chaney
- Rick Cullen

2007

- Michal Lewi

2008

- John Gillett
- David Garnsworthy

2009

- Elizabeth Heenan
- The Hon Justice Ken Martin

2010

- John Fiocco
- Laurie Shervington

2012

- His Excellency Malcolm McCusker AC CVO QC, Governor of WA
- The Hon Chief Justice Wayne Martin AC
- The Hon Michael Murray QC
- The Hon Daryl Williams AM QC

2013

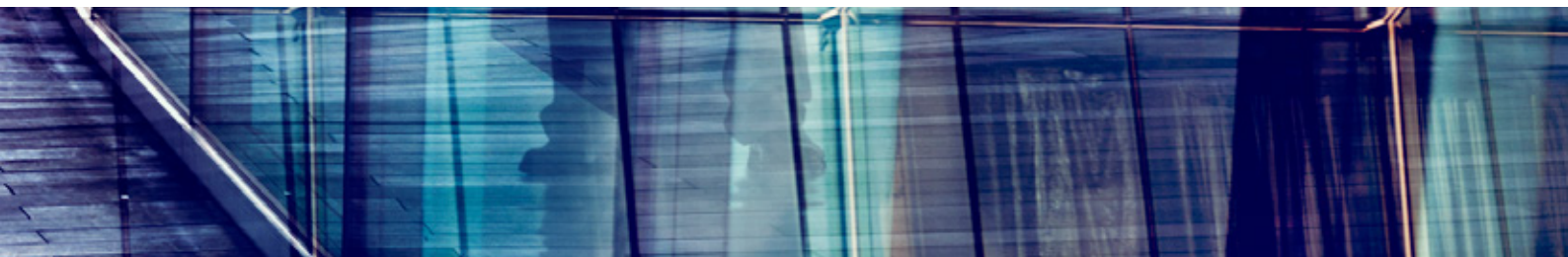
- Her Hon Antoinette Kennedy AO
- The Hon Robert Nicholson AO

Level 4, 160 St Georges Terrace, Perth WA 6000, DX 173 Perth

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Website: lawsocietywa.asn.au



Financial Statements

for the year ended 30 June 2014



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Statement of profit or loss and other comprehensive income

for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
Revenue	5	4,691,304	4,503,242
Investment income		61,048	72,850
Other gains and losses	6	(78,841)	(97,023)
Employee benefits expenses		(2,568,189)	(2,472,195)
Law Council capitation fees		(236,704)	(270,958)
Depreciation and amortisation expenses		(320,604)	(334,697)
Honorarium paid		(118,637)	(118,365)
Finance costs		(83,615)	(108,624)
Occupancy expenses		(148,895)	(182,270)
Other expenses		(1,137,914)	(1,010,582)
Surplus (deficit) for the year		58,953	(18,623)
Other comprehensive income			
Revaluation of building		897,592	-
Total comprehensive income for the year		956,545	(18,623)

The Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes on pages 6 to 21.

Statement of financial position

as at 30 June 2014

	Notes	2014 \$	2013 \$
Current assets			
Cash and cash equivalents	16	2,011,373	1,568,064
Trade and other receivables	7	148,827	93,156
Other assets		69,831	90,412
Total current assets		2,230,031	1,751,632
Non-current assets			
Property, plant and equipment	8	5,976,985	5,327,095
Intangible assets	9	26,172	25,271
Total non-current assets		6,003,157	5,352,366
Total assets		8,233,188	7,103,998
Current liabilities			
Trade and other payables	10	358,432	306,292
Provisions	11	183,716	198,705
Borrowings	12	3,542,232	1,835,625
Income received in advance		687,798	500,730
Total current liabilities		4,772,178	2,841,352
Non-current liabilities			
Borrowings	12	-	1,796,607
Other financial liabilities	13	10,528	35,024
Provisions	11	119,608	56,687
Total non-current liabilities		130,136	1,888,319
Total liabilities		4,902,314	4,729,670
Net assets		3,330,873	2,374,328
Equity			
Reserves	14	897,592	-
Retained earnings	15	2,433,281	2,374,328
Total equity		3,330,873	2,374,328

The Statement of financial position should be read in conjunction with the accompanying notes on pages 6 to 21.

Statement of changes in equity

for the year ended 30 June 2014

	Reserves \$	earnings \$	equity \$
Balance as at 1 July 2012	-	2,392,951	2,392,951
Deficit for the year	-	(18,623)	(18,623)
Total comprehensive income for the year	-	(18,623)	(18,623)
Balance as at 1 July 2013	-	2,374,328	2,374,328
Surplus for the year	-	58,953	58,953
Gain from revaluation of building	897,592	-	897,592
Total comprehensive income for the year	897,592	58,953	956,545
Balance as at 30 June 2014	897,592	2,433,281	3,330,873

The Statement of changes in equity should be read in conjunction with the accompanying notes on pages 6 to 21.

Statement of cash flows

for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
Cash flows from operating activities			
Membership subscriptions		2,210,690	1,950,892
Interest received		63,445	70,500
Receipts from other operating activities		3,213,945	3,301,588
Payments to suppliers and employees		<u>(4,880,531)</u>	<u>(4,796,490)</u>
Net cash generated by operating activities	16	<u>607,549</u>	<u>526,490</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(69,080)	(42,552)
Payments for intangible assets		<u>(5,160)</u>	<u>(3,490)</u>
Net cash used in investing activities		<u>(74,240)</u>	<u>(46,042)</u>
Cash flows from financing activities			
Repayment of borrowings		<u>(90,000)</u>	<u>(290,000)</u>
Net cash used in financing activities		<u>(90,000)</u>	<u>(290,000)</u>
Net increase (decrease) in cash and cash equivalents		443,309	190,448
Cash and cash equivalents at the beginning of the year		<u>1,568,064</u>	<u>1,377,616</u>
Cash and cash equivalents at the end of the year	16	<u>2,011,373</u>	<u>1,568,064</u>

The Statement of cash flows should be read in conjunction with the accompanying notes on pages 6 to 21.

Notes to the financial statements

for the year ended 30 June 2014

1. General information

The Law Society of Western Australia is an incorporated association and domiciled in Australia. Its registered office and principal place of business is:

Level 4
160 St Georges Terrace
PERTH WA 6000
Tel: (08) 9324 8600

2. Application of new and revised Accountings Standards

In the current year, the Law Society of Western Australia has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period.

The adoption of these standards and interpretations did not have any effect on the financial position or performance of the Society.

2.1 Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2017	30 June 2018
AASB 1031 'Materiality' (2013)	1 January 2014	30 June 2015
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2013-3 'Amendments to AASB 135 – Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015
AASB 2013-4 'Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting'	1 January 2014	30 June 2015
AASB 2013-5 'Amendments to Australian Accounting Standards – Investment Entities'	1 January 2014	30 June 2015
AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments'	1 January 2014	30 June 2015
INT 21 'Levies'	1 January 2014	30 June 2015

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
Narrow-scope amendments to IAS 19 Employee Benefits entitled Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)	1 July 2014	30 June 2015
Annual Improvements to IFRSs 2010-2012 Cycle	1 July 2014	30 June 2015
Annual Improvements to IFRSs 2011-2013 Cycle	1 July 2014	30 June 2015
IFRS 14 Regulatory Deferral Accounts	1 January 2016	30 June 2017

3. Significant accounting policies

3.1 Financial reporting framework

The Law Society of Western Australia is not a reporting entity because in the opinion of the Council there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the Council's accountability requirements under sections 71 to 76 of the Constitution of the Law Society of Western Australia.

For the purposes of preparing the financial statements, the Law Society of Western Australia is a not-for-profit entity.

3.2 Statement of compliance

The financial statements have been prepared in accordance with the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Statements of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 'Australian Additional Disclosures.'

3.3 Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

The financial statements have been prepared on the going concern basis of accounting, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2014, the Society has a working capital deficiency of \$2,542,147. The working capital deficiency includes current borrowings of \$3,542,232, relating to Commercial Advance Facilities ("the Facility").

Notwithstanding the above, the Council believes the going concern assumption is appropriate based on the following reasons:

1. At the time of entering into the Facility the Society and the Financier had an understanding that the Facility would be reviewed annually for the purpose of its rollover;
2. The Council believes it is reasonable to expect that they will be granted a rollover of the Facility within the next 12 months based on the following facts:
 - a. The Society has met all of its repayment commitments and expects to continue to do so; and
 - b. The Society has met all of the covenants contained within the Facility and assuming that the covenants remain the same, expects to continue to do so.

Having regard to these matters, the Council is of the opinion that the going concern basis upon which the financial report is prepared continues to be appropriate.

3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Membership fees

Membership fees attributed to the current financial year are recognised as revenue. Fees relating to periods beyond the current financial year have been included in the State of Financial Position as income in advance under the heading of Current Liabilities.

CPD programme registration fees

Registration fees received for CPD programmes attributed to the current financial year are recognised as revenue. Fees relating to periods beyond the current financial year have been included in the State of Financial Position as income in advance under the heading of Current Liabilities.

Grants and distributions

Income from grants and distributions is recognised when the right to receive payment has been established.

Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Law Society of Western Australia and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.6 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value for the estimated future cash outflows to be made by the Society in respect of services provided by employees up to the reporting date.

3.7 Taxation

The Law Society of Western Australia is exempt from income tax due to the exemption granted under section 50-5 of the Income Tax Assessment Act (1997).

3.8 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant or equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.9 Intangible assets

Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

3.10 Leases

Operating lease payments are recognised as an operating expense on a basis which reflects the time pattern in which the economic benefits from the leased assets are consumed.

3.11 Inventories

Inventories are stated at the lower of cost and net realisable value.

3.12 Provisions

Provisions are recognised when the Law Society of Western Australia has a present obligation (legal or constructive) as a result of a past event, it is probable that the Law Society of Western Australia will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.13 Financial instruments

Financial assets and financial liabilities are recognised when the Law Society of Western Australia becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets of the Law Society of Western Australia are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables.' The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets at fair value through profit or loss

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Law Society of Western Australia's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in 3.16 below.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the Law Society of Western Australia has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial assets, such as trade receivables, assets that are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the

impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Law Society of Western Australia derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Law Society of Western Australia neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Law Society of Western Australia recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Law Society of Western Australia retains substantially all the risks and rewards of ownership of a transferred financial asset, the Law Society of Western Australia continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Law Society of Western Australia retains an option to repurchase part of a transferred asset), the Law Society of Western Australia allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.14 Financial liabilities

The financial liabilities of the Law Society of Western Australia are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Law Society of Western Australia manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Law Society of Western Australia's investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract

to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in 3.16 below.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Law Society of Western Australia derecognises financial liabilities when, and only when, the Law Society of Western Australia's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.15 Derivative financial instruments

The Law Society of Western Australia enters into derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Law Society of Western Australia takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable
- for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

3.17 Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- I. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- II. for receivables and payables which are recognised inclusive of GST.

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Law Society of Western Australia's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods in the revision affects both current and future periods.

4.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Law Society of Western Australia's accounting policies and that have the most significant effect of the amounts recognised in the financial statements.

Law Mutual WA

In order for the Law Society of Western Australia to meet the obligations imposed by the 'Legal Practitioner's (Professional Indemnity Insurance) Regulations 1995' to arrange Professional Indemnity Insurance for all legal practitioners in Western Australia, a Mutual Provident Fund was established on 1 July 1995 operating under the registered business name "Law Mutual WA". The scheme is managed by the Law Society of Western Australia and is a trust of which the Law Society of Western Australia is Trustee.

As, Law Mutual WA is a separate trust and is not restricted to those practitioners who are members of the Law Society of Western Australia, separate financial statements are prepared for Law Mutual WA. The assets, liabilities and results of Law Mutual WA are therefore not included in the financial statements of the Law Society of Western Australia.

The 'Legal Practitioner's (Professional Indemnity Insurance) Regulations 1995' has since been repealed and replaced by 'Legal Profession (Professional Indemnity Insurance) Regulations 2009'.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below or elsewhere in the financial statements:

Useful lives of property, plant and equipment

As described at 3.8 above, management reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There has been no change to the estimated useful lives of property, plant and equipment in the current financial year.

Useful lives of intangible assets

As described at 3.9 above, management reviews the estimated useful lives of intangible assets at the end of each reporting period. There has been no change to the estimated useful lives of intangible assets in the current financial year.

5. Revenue

	2014	2013
	\$	\$
Membership subscriptions	1,743,170	1,652,878
Membership Services	465,855	415,490
CPD programme	793,542	901,279
Grants and distributions	652,780	660,912
Fees received from Law Mutual	233,608	206,000
Other revenue	802,349	666,683
Total Revenue	<u>4,691,304</u>	<u>4,503,242</u>

6. Other gains and losses

	2014	2013
	\$	\$
Gain/(loss) on disposal of property, plant and equipment	(8)	-
Net gain arising on financial assets designated as held for trading ⁽¹⁾	<u>(78,833)</u>	<u>(97,023)</u>
	<u>(78,841)</u>	<u>(97,023)</u>

(1) Includes a gain arising on an interest rate swap that has been designated as held for trading. The gain on the interest rate swap comprises an increase in the fair value of the swap of \$24,496 (2013: \$5,462). Interest of \$103,329 was paid during the year on the interest rate swap. In the previous financial year, the net loss on the interest rate swap comprises a decrease in the fair value of the swap of \$35,024 and includes interest of \$102,484 paid during the year.

7. Trade and other receivables

	2014	2013
	\$	\$
Current		
Trade debtors	79,114	35,266
Accrued income	34,077	20,180
Interest receivable	1,982	4,379
Goods and services tax recoverable	<u>33,654</u>	<u>33,331</u>
	<u>148,827</u>	<u>93,156</u>

8. Property, plant and equipment

	2014	2013
	\$	\$
Carrying amounts of:		
Building	5,675,000	4,777,409
Plant and equipment	301,985	549,686
	<u>5,976,985</u>	<u>5,327,095</u>
	Building at	Plant and
	fair value	equipment at
		cost
		Total
Balance at 30 June 2013		
Cost or valuation	4,777,409	1,332,293
Accumulated depreciation and impairment	-	(782,606)
	<u>4,777,409</u>	<u>549,687</u>
		<u>5,327,095</u>
Balance at 30 June 2014		
Cost or valuation	5,675,000	1,400,084
Accumulated depreciation and impairment	-	(1,098,100)
	<u>5,675,000</u>	<u>301,984</u>
		<u>5,976,984</u>

The following useful lives are used in the calculation of depreciation.

- Leasehold improvements the lesser of 10 years or the lease term
- Plant & Equipment 4-11 years
- Buildings 40 years

8.1 Fair value measurement of the Law Society of Western Australia's building.

The fair value of the premises on 160 St Georges Terrace was determined by adopting a midpoint market value from values obtained from the below methodologies:

- Direct comparison approach that reflects comparable sales on a strata building area rate per square metre basis; and
- Capitalisation of income approach that reflects the fair market rent for the property evidenced by market activity.

9. Intangible Assets

	2014	2013
	\$	\$
Carrying amounts of:		
Trademark	26,172	25,271
	<u>26,172</u>	<u>25,271</u>

9. Intangible Assets (cont'd)

	<u>Trademark</u>
Balance at 30 June 2013	
Cost	42,263
Accumulated amortisation	<u>(16,991)</u>
	<u>25,271</u>
Balance at 30 June 2014	
Cost	47,422
Accumulated amortisation	<u>(21,250)</u>
	<u>26,172</u>

Trademarks are amortised over an estimated useful life of 10 years.

10. Trade and other payables

	<u>2014</u>	<u>2013</u>
	<u>\$</u>	<u>\$</u>
Current		
Trade creditors	15,726	4,298
Accrued expenses	93,108	139,656
Other payables	<u>249,598</u>	<u>162,338</u>
	<u>358,432</u>	<u>306,292</u>

11. Provisions

	<u>2014</u>	<u>2013</u>
	<u>\$</u>	<u>\$</u>
Current		
Employee benefits	183,716	198,705
Non-current		
Employee benefits	<u>119,608</u>	<u>56,687</u>
	<u>303,324</u>	<u>255,392</u>

12. Borrowings

	<u>2014</u>	<u>2013</u>
	<u>\$</u>	<u>\$</u>
Current		
Bank loan secured at amortised cost	3,542,232	1,835,625
Non-current		
Bank loan secured at amortised cost	<u>-</u>	<u>1,796,607</u>
	<u>3,542,232</u>	<u>3,632,232</u>

The bank loan is secured by level 4 and part of level 5, 160 St Georges Terrace, PERTH WA 6000.

13. Other Financial Liabilities

	2014	2013
	\$	\$
Financial liabilities carried at fair value through profit or loss (FVTPL)		
Held for trading derivatives not designated in hedge accounting relationship	10,528	35,024
	<u>10,528</u>	<u>35,024</u>

14. Property revaluation reserves

	2014	2013
	\$	\$
Balance at beginning of year	-	-
Increase arising on revaluation of properties	897,592	-
	<u>897,592</u>	<u>-</u>
Balance at end of year	<u>897,592</u>	<u>-</u>

15. Retained earnings

	2014	2013
	\$	\$
Balance at the beginning of the year	2,374,329	2,392,952
Surplus/(deficit) for the year	58,953	(18,623)
	<u>2,433,282</u>	<u>2,374,329</u>
Balance at the end of year		

16. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows.

	2014	2013
	\$	\$
Cash on hand and in banks	729,878	466,450
Short-term deposits	1,281,494	1,101,614
	<u>2,011,373</u>	<u>1,568,064</u>
Cash and cash equivalents		

16. Cash and cash equivalents (cont'd)

16.1 Reconciliation of profit for the year to net cash flows from operating activities

	Notes	2014 \$	2013 \$
Cash flows from operating activities			
Surplus/(deficit) for the year		58,953	(18,623)
Loss on disposal of property, plant and equipment		437	-
Net gain arising on financial liabilities designated as held for trading		(24,496)	(5,462)
Depreciation and amortisation of non-current assets		320,604	334,697
		<u>355,498</u>	<u>310,612</u>
Movements in working capital			
(Increase)/decrease in trade receivables		(55,670)	86,947
(Increase)/decrease in other assets		20,581	(11,403)
Increase/(decrease) in trade and other payables		52,140	(15,109)
Increase/(decrease) in provisions		47,932	(19,275)
Increase/(decrease) in income in advance		187,068	174,718
		<u>252,051</u>	<u>215,878</u>
Cash generated from operations		<u>252,051</u>	<u>215,878</u>
Net cash generated by operating activities		<u>607,549</u>	<u>526,490</u>

17. Related parties disclosures

The people who were members of the Council of the Law Society of Western Australia at any time during the financial year were:

Members who served 1 January 2014 to June 2014	Members who served 1 July 2013 to 31 December 2013
Konrad de Kerloy	Craig Slater
Matthew Keogh	Konrad de Kerloy
Elizabeth Needham	Matthew Keogh
Alain Musikanth	Elizabeth Needham
Brendan Ashdown	Brendan Ashdown
Marie Botsis	Hayley Cormann
Hayley Cormann	Pamela Hass
Brahma Dharmananda SC	Dr Eric Heenan
Nathan Ebbs	Anthony Kay
Adam Ebell	Belinda Lonsdale
Pamela Hass	Greg McIntyre SC
Nicholas van Hattem	Denis McLeod
Greg McIntyre SC	Alain Musikanth
Denis McLeod	Clinton Russell
Clinton Russell	Mike Hayter
Cameron Syme	Nicholas van Hattem
Emma Cavanagh	Emma Cavanagh
Hayley Ellison	Adam Ebell
Rosie Hill	Hayley Ellison
Craig Slater	Dr Christopher Kendall

Transactions between the Law Society of Western Australia and councillor related entities

Other than the President who receives a presidential honorarium, no member of Council receives directly or indirectly any fees, bonuses or other remuneration. The total honorarium paid in the financial year ending 2014 was \$118,637 inclusive of 9.25% superannuation. (2013: \$118,365).

During the current financial year transactions primarily for legal services were undertaken between the Law Society of Western Australia and firms of which Councillors are partners, consultants or employees. Such transactions were undertaken in the normal course of business, however no payments were made due to the work being completed pro bono.

There were no amounts paid to firms of which Councillors were partners during the reporting period.

The Society also received fees from firms of which Council members are partners, employees and consultants. The fees were received from all parties under the same terms and conditions, as follows:

- membership fees;
- registration fees for CPD programmes;
- merchandises; and
- registration fees for social events.

Transactions between the Law Society of Western Australia and Law Mutual WA

During the current financial year, the Law Society of Western Australia received fees from Law Mutual WA for administration, consulting and management services on normal commercial terms and conditions amounting to \$233,608 (2013: \$206,000).

At 30 June 2014, Law Mutual WA owed the Law Society of Western Australia \$79,114 (2013: \$5,310).

Transactions between the Law Society and the Law Society Public Purposes Trust

During the current financial year, the Law Society of Western Australia was paid grants from the Law Society Public Purposes Trust for the following purposes:

	2014	2013
	\$	\$
Francis Burt Law Education Programme	170,000	150,000
Francis Burt Law Education Programme - Oral History	5,150	10,000
Law Access	112,009	106,000
Law Week	10,000	10,000
	297,159	276,000

At 30 June 2014, the Law Society Public Purposes Trust did not owe monies to the Law Society of Western Australia (2013: nil).

The Law Society of Western Australia received fees from the Law Society Public Purposes Trust for administration, consulting and management services on normal commercial terms and conditions amounting to \$146,548 (2013: \$138,000).

18. Commitments

(a) Operating Leases – Office Equipment

	2014 Minimum Future Lease Payments \$	2013 Minimum Future Lease Payments \$
No later than 1 year	12,776	12,776
Longer than 1 year and not longer than five years	11,711	24,487
Longer than 5 years	-	-
	<u>24,487</u>	<u>37,263</u>

(b) Secured Bank Loans

The Law Society of Western Australia established a secured bank loan facility in November 2011 to purchase the premises on 160 St Georges Terrace. The loan consists of two components, a rolling 12 months commercial advance facility and a fixed rate loan which is due to expire in 2014.

	2014 Minimum Future Payments \$	2013 Minimum Future Payments \$
No later than 1 year	3,542,232	1,835,625
Longer than 1 year and not longer than five years	-	1,796,607
Longer than 5 years	-	-
	<u>3,542,232</u>	<u>3,632,232</u>

19. Remuneration of auditors

The auditor of the Law Society of Western Australia (Inc.) is Deloitte Touche Tohmatsu.

	2014 \$	2013 \$
Audit or review of the financial statements	<u>24,100</u>	<u>24,741</u>
	<u>24,100</u>	<u>24,741</u>

Statement by Council


As detailed in Note 3 to the financial statements, the Law Society of Western Australia is not a reporting entity because in the opinion of the Council there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Council's accountability requirements under sections 71 to 76 of the Law Society's Constitution.

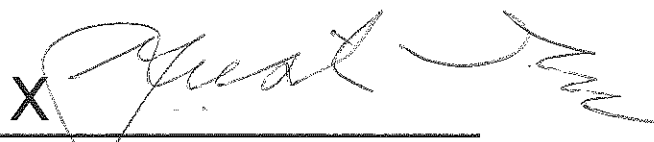
The Council declares that:

- (a) in the Council's opinion, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable; and
- (b) in the Council's opinion, the attached financial statements and notes thereto are in accordance with the Law Society's Constitution, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Law Society.

Signed in accordance with a resolution of the Council.

On behalf of the Council.

X 
Konrad de Kerloy
President

X 
Alain Musikanth
Treasurer

Date: 21/10/2014

Independent Auditor's Report to the members of The Law Society of Western Australia

We have audited the accompanying financial report, being a special purpose financial report, of The Law Society of Western Australia, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Council as set out on pages 2 to 22.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 3, is appropriate to meet the financial reporting requirements of The Law Society of Western Australia's Constitution and is appropriate to meet the needs of the members. The Council's responsibility also includes such internal control as the Council determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Law Society of Western Australia as at 30 June 2014 and its financial performance for the year then ended in accordance with the financial reporting requirements of The Law Society of Western Australia's Constitution as described in Note 3.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Law Society of Western Australia to meet the financial reporting requirements of The Law Society of Western Australia's Constitution. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members and should not be distributed to or used by parties other than the members.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Neil Smith

Neil Smith
Partner
Chartered Accountants
Perth, 22 October 2014