

ACT
LAW
SOCIETY
ANNUAL
REPORT
2022-23



actlawsociety



LAW SOCIETY OF THE AUSTRALIAN CAPITAL TERRITORY

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Vice President	Susan Platis Tim Dingwall
Secretary	Kevin Robinson
Treasurer	Vik Sundar
Council-appointed Member	Mark Tigwell
Immediate Past President	Elizabeth Carroll

Councillors

Andrew Allan	Georgia Briggs
Catherine Coles	Chris Donohue
Sarah Milson-Mahy	Adam Peppinck
Amy Pyett	Lisa Quilty
Amanda Wescombe	

Staff

Chief Executive Officer	Simone Carton
Manager, Policy and Programs	Jaime Shields
Finance & Business Services Manager	Lea McLean
Professional Standards Manager	Rob Reis
Executive Secretary	Nicole Crossley
Communications Manager	Nicole Karman
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Policy Officer	Chelsea Dempster
Committee Administrator	Hayley White
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The Law Society acknowledges the Ngunnawal and Ngambri peoples, who are the traditional custodians of the land on which our building is located. We are committed to providing access to resources and services to meet the needs of a diverse community.



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PRESIDENT'S REPORT



Change. Celebration. Connection.

These are three words that have come to define 2023 for the ACT Law Society as we mark our 90th year of operation.

It has been an honour to serve as President this year, working with the Society as we explore new ways of engaging with and supporting members, celebrate our profession's wonderful achievements, and engage with key stakeholders to represent and share member perspectives and expertise.

Movement in the ACT's courts

The year saw the retirement of several long-serving and highly respected members of the judiciary – Justice Elkaim from the ACT Supreme Court and Magistrate Campbell and Special Magistrate Hunter from the ACT Magistrates Court. We also farewelled Justice Kennett to the Federal Court after a short period with the ACT Supreme Court, and we welcomed Justices Baker and McWilliam to the bench. In the Magistrates Court, we welcomed former Council member Ian Temby as the ACT's newest magistrate and Rebecca Christensen SC, Sean Richter and Dr Gregor Urbas as Special Magistrates.

Legal developments

An important legal development during the year was the ACT Government's progress towards raising the minimum age of criminal responsibility, with the introduction of a bill in May raising the minimum age of criminal responsibility to 12 upon commencement, and then 14 years by 1 July 2025. The Society welcomed this reform as long-standing supporters for raising to age to 14 without exception, although we conveyed our concerns about the exceptions included in the bill.

During the year sentencing has been a major focus of community scrutiny, following tragic losses on our roads connected with dangerous driving. The ACT Attorney-General announced an intention to introduce a Law Reform and Sentencing Advisory Council, which is progressing following the reporting period. The Society looks forward to offering advice on a range of law reform issues and sentencing matters as part of the independent expert Council.

Celebration

Inclusion and diversity

Back in 1933 when the Society was first established, it comprised seven members, all men. Now 60% of our members are women. 1% identify as Aboriginal or Torres Strait Islander and 21% speaking a language other than English. As we celebrate the developments in our profession's makeup, I envisage a future where the ACT legal profession and legal system is truly inclusive, has greater representation from groups that have experienced barriers to inclusion.

ACT Law awards

Our ACT Law Awards are an opportunity to celebrate and recognise outstanding achievements of our members. Congratulations to all 2022 award recipients, including Liana Tomassini (New Lawyer of the Year), Patrick Hornby (Government Law Award), Pierre Johannessen (Pro Bono Service Award), Chloe Curran (Highly Commended Pro Bono Service Award), Griffin Legal (Firm of the Year), and Claudia Maclean (President's Medal).

Connection

Law Week 2023

We had a strong attendance at this year's Blackburn Lecture, presented by outgoing Human Rights Commissioner, Dr Helen Watchirs OAM. Dr Watchirs reflected on 20 years since the ACT's Human Rights Bill was introduced into the ACT Legislative Assembly.

Other Law Week events included the Golden Gavel and Launch event hosted by our New Lawyers Committee, the Women Lawyers Association of the ACT's Law Week Dinner featuring international human rights lawyer Diana Sayed, and the ACT Bar Association's breakfast event with Justice Dina Yehia of the ACT Supreme Court speaking on diversity in the legal profession. The ACT Courts and Tribunal held a public 'You be the Judge' event focusing on sentencing.

This year's Law Week Charity is Rainbow Paws, a local organisation that assists animal companions and their people through hard times. I chose this charity having seen first-hand through my legal and research work the impact that animals have for people experiencing homelessness and other barriers. We collected over 125kg of pet food and facilitated connection between law students and legal professionals through a dog walk (co-hosted by our Access to Justice and Inclusion Committee and Women in Law ANU). The Access to Justice and Inclusion Committee also held a 'crafternoon' for members, with a therapy dog from the Rainbow Reading Dawgz Program in attendance.

National Golden Gavel

The New Lawyers Committee hosted the 2022 National Golden Gavel and Australian Young Lawyer Awards, with support from the Society team. Thank you to all involved in organising this major event and the brave young lawyers from across the country for bringing laughter to the nation's capital.

Member engagement

Thank you to our membership for your input, whether it be as members of Council governing the Society's affairs, as Committee members supporting the Society's activities, by contributing to our publications, or by providing feedback.

Thank you also the ACT Law Society staff for your much appreciated work to support to foster these connections, sharing opportunities and ensuring that solicitors uphold professional responsibilities. We look forward to continuing to support and represent member interests in the years to come.

Farzana Choudhury

PRESIDENT, ACT LAW SOCIETY

CEO'S REPORT



Reflecting on the past year, I'd like to acknowledge the hard work and dedication of our small Society team who continue to achieve a lot with a little, and the incredible volunteers from our membership who contribute so much to our role in driving excellence in the profession and safeguarding the rule of law.

Volunteers on our regulatory, special interest and membership segment committees generously share their time, energy and expertise to contribute to the important policy and advocacy work of the Society, to our information resources and educational events, and to opportunities to connect with other local practitioners through social events. Without their support, we couldn't achieve what we do and I thank you on behalf of all members of the Society.

Policy and advocacy

In 2023-24, our small policy and research team produced a high volume of submissions and other communications, leveraging the expertise of our special interest committees. Our Criminal Law Committee was once again kept particularly busy with a continuing focus in the ACT on law reform measures in this area of practice. Details can be found in the *Representation* section of this report.

Member experience

We continued to transform the way we engage with members, moving our licensing entirely online for the first time for this year's renewals, reflecting our commitment to sustainability and bringing us into line with most other jurisdictions.

We started reviewing our online resources, working with committees to identify gaps in information and guidance currently available to members. This is a work in progress, but the addition of a dedicated Policy & Programs Manager, Jaime Shields, during the year to lead our engagement with members and other stakeholders has enabled us to advance this work. This included introducing online tools to facilitate improved opportunities for collaboration, accountability and reporting.

Our second biennial Member Survey opened in March and we thank all members who participated in the survey. The results will be released in 2023-24 and will help us to inform our strategic planning and operational activities over the coming years, particularly regarding our work towards transforming our member experience.

A new format was trialled for our major education event, the CPD Intensive Conference, bringing together several practice area streams ordinarily run as standalone events, with the intent of bringing all our practitioners together to foster connection across the profession. There is still work to do, but we were buoyed by positive feedback received.

Future shape of the profession

We continued to deliver workplace culture training, with a focus on sexual harassment, recognising this remains an important issue for our profession as with others. We will continue offering this training in 2023-24 and I encourage all firms and departments to consider the training for their teams.

We maintained a focus on mental health in the profession, offering heavily subsidised training in Mental Health First Aid for members. We intend to offer the training again in 2023-24 to encourage further take-up across the profession.

Our Pro Bono Clearing House struggled to secure some referrals to firms this year, which may reflect resourcing pressures generally in the sector. We would welcome more local firms to sign up to receive referrals from the PBCH in the coming year. We were pleased to see balances in the Statutory Interest Account increase during the year, which will allow us to resume providing grant funding to Legal Aid ACT and the ACT legal assistance sector next year. We welcomed an increase in Legal Aid ACT's scale of costs for criminal and civil matters from 1 June 2023, the first increase since October 2011, although there is still a long way to go to support vulnerable members of the community to obtain much needed legal services.

Strengthening our capacity and capability

We continued to put in place policies and procedures to support us to work better, including a Conflict of Interest Policy (April 2023) and a Code of Conduct for Council and senior management (June 2023 - approved on an *interim* basis ahead of the planned governance review in 2023-24).

We continued to build our resourcing capacity leveraging digitisation and automation across all parts of the business. Ongoing development of our complaint management system is intended to facilitate improved trends analysis, oversight and reporting.

We also sadly farewelled two long-term staff members. Linda McKay retired after 25 years as Complaint Committee Secretary in December and we farewelled Nicole Karman in June after nearly 12 years as the Society's Communications Officer. Both Linda and Nicole made a significant contribution to the work of the Society over many years, for which we are very grateful.

Our focus for 2023-24

- / Provision was made in the 2023-24 budget for an independent governance review to be undertaken in the 2023-24 financial year. This will be a holistic review with an expert external provider, aimed at ensuring best practice governance frameworks are in place for the future.
- / We will continue to utilise online tools to improve how we work and how we engage with members.
- / With the continued support of committees, we are reviewing our online content to refresh the information and guidance available to members and improve our overall engagement with members.

As always, we welcome member feedback as we make these changes, so that we can continue to serve you better.

Simone Carton

CHIEF EXECUTIVE OFFICER

ACT LAW SOCIETY

Who we are in 2023

The Society represents 3203 practising lawyers in the ACT region. Our members are sole practitioners, lawyers in private firms and government departments, in-house counsel, community legal centre solicitors, legal academics, and lawyer volunteers. We also have a number of associate members, including students, expatriates, and retirees who want to maintain contact with the Canberra legal community.

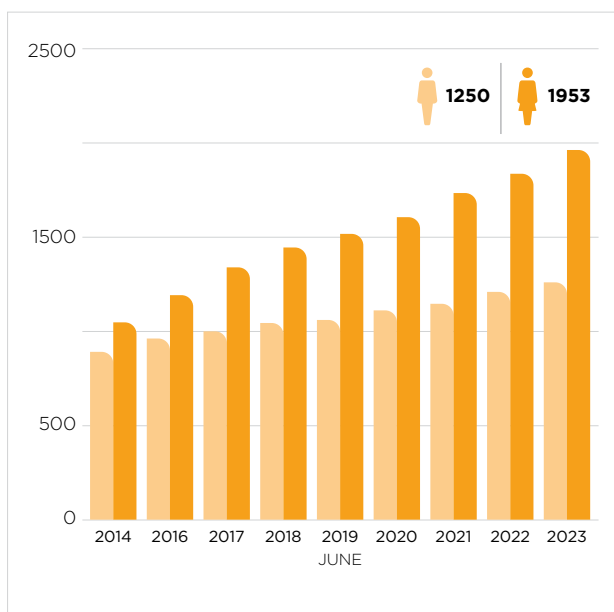
As of 30 June 2023, the Society had 3354 members, an increase of 4.4 per cent from the previous financial year (3212 members).

Women currently represent 60 per cent of our members, compared with just over 51 per cent ten years ago.

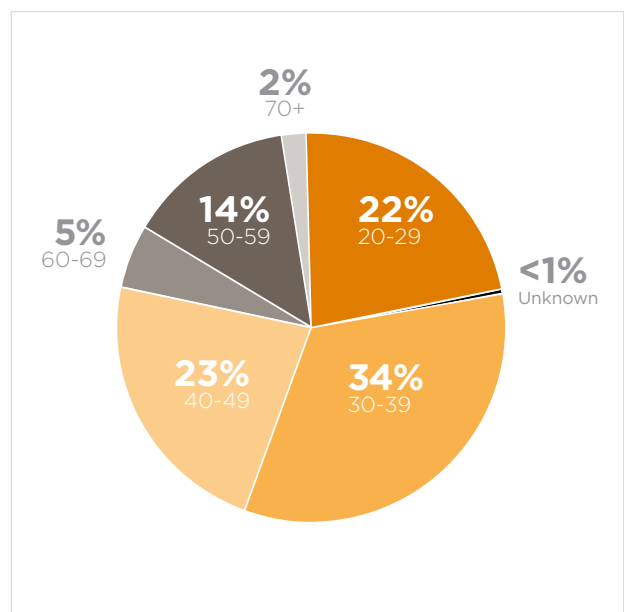
Our members are also diverse, with 21 per cent speaking a language other than English, and 1 per cent identifying as Aboriginal or Torres Strait Islander.

When we look at our members by sector, 95 per cent hold a practising certificate, with 45 per cent of those in private practice, and 47 per cent working for local or federal government. Our remaining practising members are in-house corporate lawyers (4 per cent), members overseas (2 per cent), volunteers or community legal centre lawyers (2 per cent). Members without practising certificates account for the remaining 5 per cent.

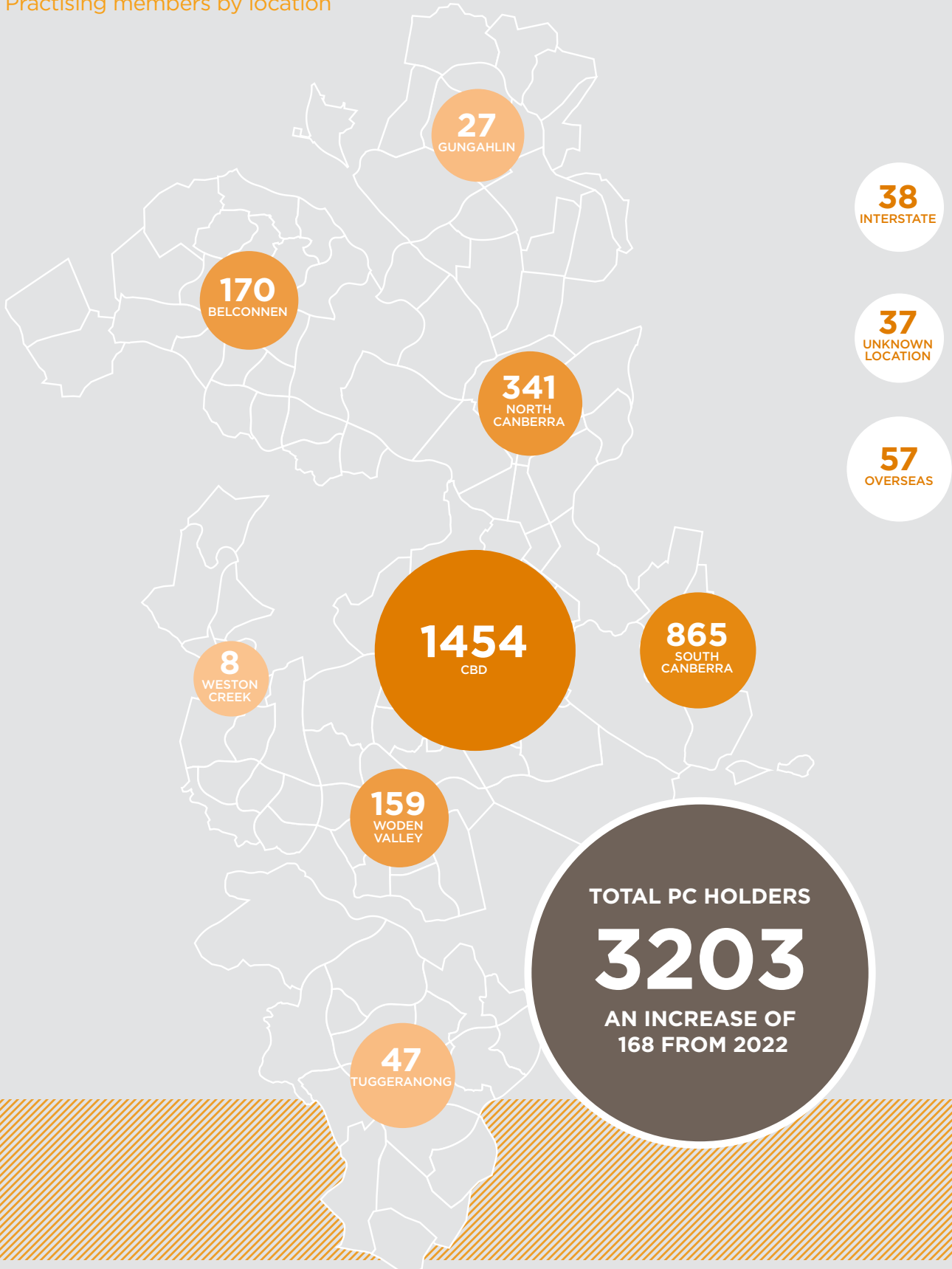
All members by binary gender



Practising members by age group



Practising members by location



Governance

The Law Society exists to represent, advance, and defend the interests of an independent legal profession in the ACT.

We also seek to protect the public interest in the ACT system of justice through the efficient regulation of the profession in accordance with the Legal Profession Act 2006, Legal Profession Regulations 2007 and the Solicitors Conduct Rules.

The Society is governed by a Council of 16 members, including an Executive Committee of seven members with delegation for certain functions. Day to day operations are managed by a dedicated staff team.

Council

The Council is the governing body of the Law Society, with responsibility under the Society's Constitution for the management of the Society's affairs. It comprises 15 elected members and the Immediate Past President. A key responsibility of Council is consideration of complaint matters in accordance with the Legal Profession Act.

Executive Committee

The Executive Committee is led by the President and consists of five elected members, the Immediate Past President and a member appointed by the Council. The Council has delegated to the Executive Committee the responsibility of overseeing the administration of the Society's activities and the implementation of Council policies. The committee also considers applications for practising certificates and membership, not otherwise delegated to the CEO.

Members of Council

- / Ms F Choudhury Vice President to 27 Sept 2022, President from 27 Sept 2022
- / Ms E Carroll President to 27 Sept 2022, Immediate Past President from 27 Sept 2022
- / Ms S Platis Vice President
- / Mr T Dingwall Councillor to 27 Sept 2022, Vice President from 27 Sept 2022
- / Mr K Robinson Secretary from 27 Sept 2022
- / Mr V Sundar Treasurer from 27 Sept 2022
- / Mr M Tigwell Treasurer to 27 Sept 2022, Councillor from 27 Sept 2022, (Council appointed member of Executive Committee)
- / Mr C Donohue Immediate Past President to 27 Sept 2022, Councillor from 27 Sept 2022
- / Ms G Briggs
- / Ms C Coles
- / Ms L Quilty
- / Ms S Milson-Mahy
- / Ms A Wescombe
- / Mr A Allan from 27 Sept 2022
- / Mr A Peppinck from 27 Sept 2022
- / Ms A Pyett from 27 Sept 2022
- / Mr G Marques Secretary to 27 Sept 2022
- / Ms V Bedekar to 27 Sept 2022
- / Mr G Lee to 27 Sept 2022, (Council appointed member of Executive Committee)
- / Mr B Hamack to 27 Sept 2022
- / Mr I Temby to 27 Sept 2022

Society Team

The day to day operations of the Society are overseen by the Chief Executive Officer, supported by a team of 17 staff as at 30 June 2023. During the year the staff included:

Simone Carton, Chief Executive Officer

Simone is responsible for overseeing the Society's operations and, with the support of all staff, implementing the strategic directions agreed by Council.

Executive Secretary

The executive secretary function includes providing support to the Council and Executive and administering practising certificates.

/ Nicole Crossley, Executive Secretary & Licensing

Finance & Business Services

The finance and business services team are responsible for the financial, IT, and other business and administrative aspects of running the Society, as well as supporting the proper administration of lawyers' trust accounts.

/ Lea McLean, Finance & Business Services Manager

/ Kathleen Lui, Bookkeeper

Professional Standards

The professional standards team are responsible for advice to members on ethical conduct, conflicts of interest, and the application of the Solicitors Conduct Rules, and support the functions of the Professional Standards Committee, including handling of complaints against members.

/ Rob Reis, Professional Standards Manager

/ Linda McKay, Complaints Committee Secretary

/ Isobel Clark, Enquiries & Assessment Officer

Policy & Programs

The policy and program team are responsible for policy and research functions and member engagement and services.

/ Jaime Shields, Manager, Policy & Programs

Policy & Research

The policy and research team provides support to the Society's committees, and assists with drafting policy documents, submissions, guidance notes and website content.

/ Chelsea Dempster, Policy Officer

/ Chloe McKenzie, Research Officer

/ Tom Dunbabin, Research Officer

/ Sonali Kagithala, Research Officer

/ Hayley White, Committee Administration Coordinator

Member Engagement & Services

The member engagement and services team perform a range of functions to support member engagement and deliver members services. The team also handles our publications and media presence, including maintaining the website, coordinates our CPD and networking events, and assists members with their professional training questions. The team is also responsible for first point of contact with the public through reception, helping members of the public find legal support and information, and administration of our pro bono services.

/ Nicole Karman, Communications Officer

/ Casey Magnussen, CPD & Events Officer

/ Member Engagement Officer, Tom Ritchie

/ Leonnie Borzecki, Administrative Support

/ Janette Graham, Administrative Support

/ Tina Ryan, Romy Black & Felicity Funnell
Officer Administrators

The Society was also supported by casual team members during the year.

/ Sacha Paterson, Administration Support

/ Daniel Kitson, Administration Support/
Research Officer

/ Keiran Parkinson, Research Officer

REPRESENT

Building our voice and influence

The Society's small Policy and Research team worked on a high volume of inquiries, consultations and other requests for comment over the past twelve months and we appreciate the substantial input received from the Society's Committees to inform Society positions. In total, 58 submissions and other forms of feedback were provided in response to a range of inquiries, law reform proposals, and requests for comment from stakeholders, as well as proactive advocacy efforts undertaken by the Society. This compares with 43 in the 2021-22 reporting period.

We maintain a strong relationship with the Justice & Community Safety (JACS) Directorate on proposed legislation, through regular reporting, attendances at some committee meetings, high level meetings, and correspondence. We respond to requests from other stakeholders, including ACT Legislative Assembly Committees, and Members of the Legislative Assembly, for comments on exposure drafts of proposed legislation. We also contribute to national law and policy matters as a constituent body of the Law Council of Australia and by participating in their frequent consultation processes.

Law reform proposals that the Society commented on in 2022-23 included:

- / **Discrimination Law Changes** – the Employment Law Committee prepared a detailed submission on the draft Bill, while it was being developed.
- / **Fair Work Amendment (Paid Family and Domestic Violence Leave) Bill 2022** – the Employment Law, as well as the Family Violence & Children's committee provided comments to the Law Council of Australia, in relation to a proposal to further extend paid domestic violence leave.
- / **Inquiry into Dangerous Driving/Sentencing** – the Criminal Law Committee prepared a submission to the Inquiry in 2022 and represented the Society at a Standing Committee hearing. Members of the Committee also represented the Society in several media engagements to discuss sentencing processes and principles in the ACT, amidst growing media attention on this topic.
- / **Inquiry into the Planning Bill 2022** – the Property Law Committee prepared two submissions, on the draft Bill and again once the Bill was presented to the ACT Legislative Assembly. The Planning Bill was developed as part of the comprehensive ACT Planning Review, which the Property Law Committee contributed to over an extensive period.

- / **Minimum Age of Criminal Responsibility (MACR)** – this has been a longstanding issue that the Society has advocated on, consistent with the long-held position of the Law Council of Australia. Over the last twelve months we provided written feedback on multiple occasions as the legislation was developed and when the legislation was put to a Legislative Assembly Standing Committee Inquiry. We continued to advocate for the MACR to be raised to 14 without exception, with input provided by the Criminal Law as well as the Family Violence & Children’s Committee.
- / **Inquiry into the Future of the Working Week** – the Employment Law Committee prepared a detailed submission and participated in the Standing Committee Inquiry hearing.
- / **Data and Cyber-Security in the Legal Profession** – we contributed feedback to the Law Council of Australia on possible strategies to improve cyber security for the profession.
- / **Family Law Amendment Bill 2023** – the Family Law Committee, as well as the Family Violence & Children’s Committee contributed to two detailed submissions to the Law Council of Australia as this legislation has developed. The Bill introduces significant changes to the existing process surrounding parenting orders.

- / Legislative changes were introduced relating to the relationship between the **MAI Act and the Workers Compensation Act**. The Civil Litigation Committee prepared written feedback on this.
- / **Voluntary Assisted Dying** – several committees contributed to a written submission on the ACT Government’s discussion paper on how the ACT’s legislation should be framed (first stage of consultation).

We also proactively wrote to JACS on a range of proposed changes to the Legal Profession Act that were endorsed by Council. The changes mostly seek to provide clarity or improve the operation of the regulatory processes that we administer under the legislation.





Promoting the value of the legal profession

The Society works with the media to achieve its organisational objectives, supported by the framework provided by our Media Relations Policy.

Media Releases

In 2022-23 the Society issued 10 media releases ranging from Law Awards announcements through to raising the age of criminal responsibility.




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6 Sep 2022

Introducing Canberra's most exceptional new lawyers!


The ACT Law Society is proud to present the finalists for the 2022 ACT New Lawyer of the Year Award.

➤ [MEDIA RELEASE](#) | [AWARDS](#)
- 

27 Sep 2022

Farzana Choudhury elected ACT Law Society President


Farzana Choudhury has been elected President of the ACT Law Society for 2022-23. Her election, as well as that of the new Council of the Law Society, was announced at the Society's AGM on Tuesday 27 September 2022.

➤ [STATEMENT](#) | [MEDIA RELEASE](#)
- 

23 Dec 2022

Local profession welcomes new ACT Magistrates


The Law Society has today warmly welcomed the announcement of four appointments to the ACT Magistrates Court.

➤ [MEDIA RELEASE](#) | [COURTS & TRIBUNALS](#)
- 

8 May 2023

Statement on raising the age of criminal responsibility

The ACT Law Society is pleased that the ACT will soon become the first Australian jurisdiction to raise the age of criminal responsibility, keeping children out of the prison system. However, we are concerned that the proposed changes do not go far enough to bring us into line with United Nations standards.

➤ [MEDIA RELEASE](#) | [ADDITIONAL & FORMER OTHER SOURCES](#) | [READ THE BLOG](#)
- 

3 Apr 2023

Local profession welcomes promotion of her Honour Justice McWilliam

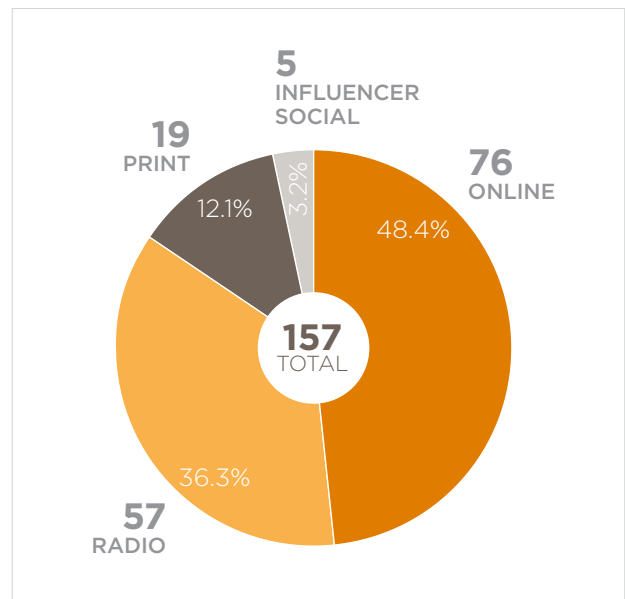
The Law Society congratulates Associate Justice Verity McWilliam on her promotion to Resident Judge of the ACT Supreme Court.

➤ [MEDIA RELEASE](#) | [COURTS & TRIBUNALS](#)

Mention Stream results



Coverage by media type



Committees 2022-2023

This year the Society focused on enhancing how we work with committees to ensure we are equipped to contribute to policy and law reforms, educate the profession across different segment groups and practice areas, and educate the community.

In early 2023, the committee administrator role was reintroduced to provide dedicated administrative support to our committee members alongside the continued support from the Policy and Research Team.

Additional changes were introduced to deliver a more efficient approach to how the Society and the committees work together.

This included the introduction of committee specific online sites to centralise all committee related content, enhance the ability to collaborate, and improve reporting capability. The committees reviewed the purpose statement and agreed on priorities and activities including keeping members informed of committee work, developing educational resources on the latest issues, and ensuring the information made available to the community is up-to-date and relevant.

Access to Justice & Inclusion

The Access to Justice & Inclusion Committee focuses on Aboriginal and Torres Strait Islander justice, human rights and access to justice, as well as inclusion and diversity issues. The committee looks both inwardly at the legal profession and outwardly at the community. The committee contributes to the Society's advocacy work and promotes diversity and inclusion through the Society's CPD events and publications.

Activity

The committee meets every second month via zoom. Contributions from the Committee during the year:

- / Inquiry into Access to Services and Information in Auslan (Policy)
- / Costs in Commonwealth Anti-Discrimination Matters (Policy)
- / Crafternoon session hosted by the Committee (Law Week event)

- / Dog Walk hosted by the Committee together with the ANU Women in Law Association (Law Week event)

Membership

- / Dominic Cookman – Chair
- / Farzana Choudhury
- / Jessica Lange-Anderson
- / Tiffany Long
- / Vanessa Parkins
- / Petrina Schiavi
- / Sangeeta Sharmin
- / Michael Stone
- / Emma Towney
- / Naomi Reiner Gould
REPRESENTATIVE -
*ACT Human Rights
Commission*
- / Vanessa Graf
REPRESENTATIVE -
Women's Legal Centre

Alternative Dispute Resolution

The Alternate Dispute Resolution (ADR) Committee is concerned with raising awareness in the profession and local community about mediation and arbitration options in the ACT. The committee aims to further promote ADR as a means of resolving disputes, including mediation and arbitration, and parenting coaching, as well as regularly informing members of events and resources in the ADR area.

Activity

The committee meets once every two months via zoom and welcomed several new members at the beginning of 2023. Contributions from the Committee during the year:

- / *It's about options, not alternatives: Taking the 'A' out of ADR* (Ethos Journal Article)
- / *Trends in Alternate Dispute Resolution* Intensive Conference Panel (CPD)

Membership

- / Debra Parker – Chair
- / Kristie Burt
- / Richard Calver
- / Daniella Fiocco
- / Perpetua Kish
- / Aditi Mohindra
- / Kendall Mutton
- / Claire Naidu
- / Vanessa Parkins
- / Robert Routh
- / Anna Wynne
- / Graeme Blank
REPRESENTATIVE -
ACT Bar Association

Civil Litigation

The Civil Litigation Committee monitors issues in relation to civil law and civil claim procedures and provides input to law reform proposals affecting aspects of civil litigation. The committee also monitors developments to the Court Procedure Rules. Committee Chair, Richard Faulks, represents the Society as a member of the Joint Rules Advisory Committee and contributes feedback via that role. The committee also receives regular input from guests representing the ACT Supreme and Magistrates Courts and the ACT Civil & Administrative Tribunal, as well as the ACT Bar Association.

Activity

The committee meets monthly, via zoom. Contributions from the committee during the year:

- / Consultative Council on Australian Law Reporting (Policy)
- / *Working with the courts*, Intensive Conference Panel (CPD)
- / Interaction between MAI Act & Workers Compensation Act (Policy)
- / Right to Appeal Wrongful Conviction Consultation (Policy)
- / 2023 Schedule of Fees (Policy)
- / Proposed amendment to s7 Civil Law (Wrongs) Regulation – Certificate of readiness (Policy)
- / Motor Accident Injuries Act & Workers Compensation Act (Policy)

Membership

- / Richard Faulks – Chair
- / Alexander Barrett
- / Charlene Barriga
- / Chase Deans
- / John Henry
- / Kristen Hurford
- / Jesse Iliopoulos
- / Sarah McJannett
- / Anna Reynhout
- / Ellen Teys
- / James Treloar
- / Wayne Sharwood
REPRESENTATIVE -
ACT Bar Association
- / Danielle Gatehouse
REPRESENTATIVE -
ACT Supreme Court
- / Belinda Barry
REPRESENTATIVE -
ACT Magistrates Court
- / Kristy Carter
REPRESENTATIVE -
ACT Civil &
Administrative Tribunal

Criminal Law

The Criminal Law Committee monitors and provides input on criminal law reforms in the ACT and works to promote the administration of justice and the development and improvement of law in the local region.

Activity

The Criminal Law Committee meet monthly with every third meeting also attended by representatives from the ACT Courts & Tribunal, the Commonwealth and ACT Director of Public Prosecutions, the Australian National University, and the Justice & Community Safety Directorate. Contributions from the committee during the year:

- / Sentencing Submissions Discussion Paper Comments (Policy)
- / Sexual Assault and Family Violence Reform Working Group Roundtable (Policy)
- / Inquiry into Justice (Age of Criminal Responsibility) Legislation Amendment Bill 2023 (Policy)
- / Inquiry into Supreme Court Amendment Bill (Policy)
- / Sentencing (Drug and Alcohol Treatment Orders) Legislation Amendment Bill (Policy)
- / Legal Aid: Update to scale of fees (Policy)
- / Statutory review DASL Legislation (Policy)
- / Inquiry into Corrections & Sentencing Legislation Amendment Bill (Policy)
- / Draft Supreme Court Amendment Bill (Policy Item)
- / Inquiry into dangerous driving (Policy)
- / Voluntary Assisted Dying Discussion Paper (Policy)
- / Majority Verdicts (Policy)
- / Crimes Legislation Amendment Bill 2023 (No. 2) (Policy)
- / Review of Failure to Report Offence (Policy)
- / Proposal to expressly abolish day bail (Policy)

Membership

- / Michael Kukulies-Smith – Chair
- / Sarah Boxall
- / Georgia Briggs
- / Andrew Byrnes
- / Charlene Chalker-Harris
- / Paul Edmonds
- / Satomi Hamon
- / Andrew Herring
- / Adrian McKenna
- / Sam McLaughlin
- / Dean Rutherford
- / Lorana Bartels
REPRESENTATIVE -
Australian National
University
- / Joel Hiscox
REPRESENTATIVE -
ACT Director of Public
Prosecutions Office
- / Belinda Barry
REPRESENTATIVE -
ACT Magistrates Court
- / Danielle Gatehouse
REPRESENTATIVE -
ACT Supreme Court
- / Daniel Morrison
REPRESENTATIVE -
Commonwealth
Director of Public
Prosecutions Office
- / Natasha Purvis
REPRESENTATIVE -
Commonwealth
Director of Public
Prosecutions Office
- / Robyn Hakelis
REPRESENTATIVE -
Justice & Community
Safety Directorate

Elder Law & Succession Law

The Elder Law & Succession Law Committee aims to uphold the interests of the elderly when consulted on draft legislation, to protect Canberra's elder community from elder abuse in the ACT. The committee also seeks to inform and educate the public on relevant areas of succession law.

Activity

The Elder Law & Succession Law Committee meet monthly via zoom, with representatives also attending from the ACT Courts and Tribunal, the Council on the Ageing, the Justice & Community Safety Directorate, and Legal Aid ACT. Contributions from the committee during the year:

- / Affidavits of Search and Online Notices (Policy)
- / Consultation: Dementia capability for the legal profession (Policy)
- / Elder Law & Succession Planning stream session, Intensive Conference (CPD)
- / Voluntary Assisted Dying Discussion Paper (Policy)
- / The Essentials of Probate and Procedure (CPD)
- / Guardianship and Management of Property Amendment Bill 2022 (Policy)

Membership

- | | |
|--|---|
| / Katie Binstock – Chair | |
| / Lauren Babic | / Gabrielle McKinnon
REPRESENTATIVE -
<i>Justice & Community
Safety Directorate</i> |
| / Emma Bragg | |
| / Perry Cabban | / Fergus Thomson
REPRESENTATIVE -
<i>Council on the Ageing</i> |
| / Gillian Hunter | |
| / Mabel Lim | / Grant Kennealy
REPRESENTATIVE -
<i>ACT Supreme Court</i> |
| / Timothy Morton | |
| / Rebecca Tetlow | / Allison Clark
REPRESENTATIVE -
<i>Legal Aid ACT</i> |
| / David Toole | |
| / Wilhelmena Corby
REPRESENTATIVE -
<i>ACT Civil &
Administrative Tribunal</i> | |

Employment Law

The Employment Law Committee focuses on industrial relations and employment law issues in the ACT. The committee responds to employment law reform proposals affecting the ACT (with a focus on those where the Society is likely to be most impactful) and contributes to education of the profession in relevant employment law topics.

Activity

The Employment Law Committee meets quarterly. Contributions from the committee during the year:

- / Review of offences for slavery (Policy)
- / Discrimination Act (Policy)
- / *Fair Work Act 2009* Small Claims Procedure (Policy)
- / Employment 101 (CPD)
- / Respect@ Work Session, Intensive Conference (CPD)
- / Inquiry into the Future of the Working Week (Policy)
- / Voluntary Assisted Dying Discussion Paper (Policy)
- / Costs in Commonwealth Anti-Discrimination Matters (Policy)
- / Fair Work Amendment [Paid Family and Domestic Violence Leave] Bill 2022 (Policy)

Membership

- | | |
|------------------------------|---------------------|
| / Gabrielle Sullivan – Chair | |
| / Allison Ballard | / Tom Fischer |
| / Kristie Burt | / Andrew Klein |
| / Andrew Chakrabarty | / Deborah Mackenzie |
| / Kirsty Easdale | / Emma Reilly |

Family Law

The Family Law Committee provides relevant information on family law practice and procedure, provides liaison between the family courts and the profession, and organises CPD and networking opportunities for family law practitioners. The committee also responds to requests for submissions or comment, actively monitoring legislative changes affecting families and lawyers practising in the family law space.

Activity

The Family Law Committee meets monthly. Contributions from the committee during the year:

- / Family Law Amendment Bill 2023 (Policy)
- / Family Law Stream, Intensive Conference (CPD)
- / Discussion Paper: Surrogacy Reform (Policy)
- / Coercive Control – Continuing Professional Development (Policy)

Membership

- | | |
|--------------------------|--|
| / Kevin Robinson – Chair | |
| / Stuart Cameron | / Sarah Milson-Mahy |
| / Jessica Cruise | / Di Simpson |
| / Jacquelyn Curtis | / Gavin Howard
REPRESENTATIVE -
<i>ACT Bar Association</i> |
| / Averil Foster | |
| / Kasey Fox | |

Family Violence & Children's

The Family Violence and Children's Committee considers issues arising in relation to family violence and children who come in contact with the legal system. The committee discusses issues experienced by family violence victims, including self-represented parties, as they seek to access legal protections in the ACT. The committee also considers laws that bring about differential treatment of children as compared to adults. Committee members regularly contribute their insights towards law reform proposals, drawing on their considerable experience working with victims of family violence.

Activity

The Family Violence & Children's Committee meets monthly. Contributions from the committee during the year:

- / Minimum age of criminal responsibility consultation (Policy)
- / Family Law Amendment Bill 2023 (Policy)
- / When family violence and crime collide (CPD)
- / Year in Review (*Ethos* Article)
- / Future training considerations for Legal Practitioners on Coercive Control (Policy)
- / Draft Domestic Violence Agencies (Information Sharing) Amendment Bill 2022 (Policy)

Membership

- | | |
|---------------------------|--|
| / Courtney Mullen (Chair) | |
| / Amy Begley | / Tich Pasipanodya |
| / Anika Buckley | / Elizabeth Reardon |
| / Catherine Coles | / Bernadette Smyth |
| / Adrian Curtis | / Renee Mastrolembo |
| / Chris Donohue | / Louisa Bartlett |
| / Shireen Faghani | REPRESENTATIVE -
<i>Legal Aid ACT</i> |

International Law

The International Law Committee seeks to promote an understanding of international law amongst the legal profession in the ACT. The committee monitors developments to international law and represents and supports the interests of ACT lawyers in relation to the practice, knowledge, and understanding of law in the context of an international community.

Activity

The International Law Committee meets every second month. Contributions from the committee during the year:

- / The right tools for the job the interpretative principles in Articles 31 and 32 of the Vienna Convention on the Law of Treaties and their application by Australian courts (*Ethos* Journal Article)
- / Review of post-sentence terrorism orders (Policy)
- / The Vienna Convention Down Under (CPD)
- / Right to a healthy environment (Policy)
- / Environment and Communications Legislation Committee Inquiry into the Climate Change Bills (Policy)
- / Parliamentary Inquiry into National Anti-Corruption Commission Legislation (Policy)

Membership

- | | |
|---------------------------|---|
| / Tiru Vallal - Chair | |
| / Mark Goyne | / Jason Soderblom |
| / Katie Haywood | / Michael Webster |
| / Mark Jennings | / Joshua Wood |
| / Arabella Jorgensen-Hull | / Sascha Dov Bachmann |
| / Debra Parker | REPRESENTATIVE -
<i>University of Canberra</i> |

Legal Profession Act & Ethics

The Legal Profession Act & Ethics Committee focuses on issues relating to the application of the Legal Profession Act, legal ethics, and professional standards. The committee responds to member's practice concerns and prepares guidance notes, delivers seminars, and writes articles to address such issues.

Activity

The Legal Profession Act & Ethics Committee meets every second month. Contributions from the committee during the year:

- / ACT legal ethics cases: 2022 in review, Intensive Conference (CPD)
- / Conditional cost agreements (Policy)
- / Feedback for members on ethics and practice
- / Consulted on practitioner's queries relating to the *Legal Profession Act*

Membership

- / Gerald Santucci – Chair
- / Paul Armarego
- / Allison Ballard
- / John Buxton
- / Andrew Henderson
- / Anna Reynhout
- / Mark Love
- / Dianne Simpson
- / Lauren Smith
- / Amy Thai
- / Athol Opas
REPRESENTATIVE -
ACT Bar Association

Military Law

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

Activity

The Military Law Committee meets every second month, via zoom. Contributions from the committee during the year:

- / Administrative Review Reform (Policy)
- / Justice & Community Safety Legislation Amendment Bill (No 2) (Policy)

Membership

- / James King – Chair
- / David Letts
- / Eva Logan
- / Ben Mason
- / Taryn Oxenburgh
- / Christopher Ward
- / Michael Webster

Property Law

The Property Law Committee monitors developments to property law in the ACT and provides guidance to help local practitioners stay updated on changes to legislation, case law, and government policy relevant to property law. The committee regularly engages in consultation on draft legislation and arranges information sessions to educate practitioners on changes to property law in the ACT.

Activity

The Property Law Committee meets monthly with representatives also attending from the ACT Land Titles Office, the Environment, Planning and Sustainable Development Directorate, the Justice & Community Safety Directorate, and the ACT Revenue Office. Contributions from the committee during the year:

- / Property Law Stream Intensive Conference (CPD)
- / Inquiry into the Planning Bill 2022 (Policy)
- / Interoperability Pricing for Electronic Lodgement Network Operators (Policy)
- / Justice & Community Safety Legislation Amendment Bill (No 2) (Policy)

Membership

- / Adam Peppinck – Chair
- / Jonathon Bellato
- / Edward Campbell
- / John Chamberlain
- / Peter Dascarolis
- / Alfonso del Rio
- / Michael James
- / Christine Murray
- / Pria O'Sullivan
- / Helen Rodriguez
- / Natasha Sandhu
- / Chris Wheeler
- / Fred Arugay
Representative -
ACT Land Titles Office
- / Caroline Cogger
REPRESENTATIVE -
ACT Land Titles Office
- / Greg Ledwidge
REPRESENTATIVE -
Environment, Planning &
Sustainable Development
Directorate
- / Heather McAulay
REPRESENTATIVE -
Justice & Community
Safety Directorate
- / Brett Wilesmith
REPRESENTATIVE -
ACT Revenue Office
- / Sean Quinn
REPRESENTATIVE -
ACT Land Titles Office

REGULATE

The Society maintains high professional standards of legal practice through education and guidance, investigation, and intervention, in accordance with its statutory obligations under the *Legal Profession Act 2006*. This is a critical role to ensure the protection of the public and the standing of the legal profession in the ACT.

The Society's regulatory role includes the licensing of practitioners, the administration and investigation of complaints about the conduct of solicitors in the ACT, and disciplinary processes.

The Council has final responsibility for decisions on complaint and discipline matters, with the support of the Professional Standards Committee and the Society's small Professional Standards team. Support and guidance in relation to the Society's work in maintaining professional standards is also provided by the Executive Committee and Legal Profession Act & Ethics Committee.

In addition to handling formal complaints, the Society's Professional Standards team deal with numerous telephone and email enquiries from solicitors, solicitor clients, and the courts about local lawyers. Frequently, this enables grievances to be resolved or addressed without the need for a formal complaint to be made. At the time of an enquiry, where appropriate, opportunities to resolve issues are canvassed.

Licensing

In 2022-23 the Society continued the work to make our licensing practices more accessible, effective and efficient. Licensing processes are managed by a small team with the support of the Executive Committee.

We ceased printing practising certificates with all members receiving electronic copies of their practicing certificates, in line with other jurisdictions and to support the Society's commitment to more sustainable approaches. We were pleased with the positive feedback we received.

The renewal period for 2023 opened from 1 April 2023 in accordance with the provisions of the *Legal Profession Regulations 2007*.

We encourage all firms in the ACT to ensure that the requirements for practice are in place well ahead of the renewal deadline of 31 May in future years to avoid practice issues at 1 July. In particular firms are encouraged to engage with their Professional Indemnity Insurance provider early to ensure the policy will be in place with effect from 1 July.

Education and guidance

A range of education and guidance activities each year are specifically aimed at maintaining and improving standards of legal practice.

The Professional Standards Manager is also available to provide general information on matters of ethics and practice for members.

The Legal Profession Act & Ethics Committee also provides guidance for members from time to time, either as direct feedback or in the form of general communications. During the year the committee contributed to the Society's Ethics and Standards in practice feature in *Ethos* with an analysis of legal privilege.

Regulatory process enhancements

The Society continued to develop our online complaint management system as well as reviewing the information about the complaints process that we publish on the website.

Assistance for members

A formal complaint against a solicitor is a serious matter that is often time-consuming and can also trigger stress and anxiety. Where appropriate, members of the Professional Standards Committee undertake pastoral visits with practitioners to discuss areas of concern and suggest opportunities for improvement.

The Society also has a range of free confidential services available to assist through this process, including a consultation with a Members' Adviser, and access to confidential third-party counselling.

Professional Standards Committee

The Professional Standards Committee is made up of 21 members who contribute an incredible number of volunteer hours in support of the Society's complaints process. The Committee meets fortnightly, with meetings lasting up to two hours. In between meetings, members investigate and report on complaints received.

The committee consists of members from across diverse practice areas and employment sectors, providing a broad range of experience to support the effective consideration of complaints.

The committee considered 90 formal complaints this financial year — 13 more than the last reporting period. Many of these complaints alleged multiple grounds of dissatisfaction.

Types of complaint

The main types of conduct complained about in this period were lack of competence and diligence, conflict of interest, acting contrary to instruction and bullying, harassment and intimidation.

The tables show the major areas of law and concern raised in complaints. Please note that complaints can fall into several categories, and these numbers do not relate to the total complaints received.

Area of law or concern	Complaints
Family law	35
Property law	14
Civil litigation	14
Compensation	7
Estate matters	7
Employment law	6
Commercial law	6
Criminal Law	3

Complaint issue/s	Complaints
Lack of competence and diligence	34
Other (unusual scenarios)	9
Conflict of interest	8
Act contrary to instruction	8
Bullying/harassment/intimidation	8
Personal conduct/discourtesy/ rudeness	7
Failure to provide cost disclosure	6
Billing dispute	5
Trust account breaches	4
Misleading conduct	2
Delays	2
Failure to communicate	1

Outcomes

During the reporting period, thirty-five complaints were dismissed pursuant to section 399 without requiring an investigation. Thirty-three complaints were dismissed pursuant to section 399 following an investigation and ten were dismissed pursuant to section 412. Three complaints were withdrawn.

Three matters were summarily concluded pursuant to section 413. Sanctions imposed by the Council comprised cautions, public reprimands and fines.

Matters referred to ACAT are not always concluded during a reporting year. This year, Council resolved to refer three complaints to the ACAT.

Conduct the subject of referral included:

- / misappropriation of trust money
- / sustained trust account breaches
- / failing to act in the best interests of a client
- / failing to act competently and diligently
- / failing to treat a client fairly and in good faith
- / failing to be open and frank with the Society
- / failing to follow instructions and dishonesty

Professional Standards Committee

- / Maurice Falcetta - Chair
- / Jonathon Anderson
- / Allan Bedford
- / Sarah Boxall
- / Mary Burgess
- / Amy Burr
- / Linda Crebbin
- / Jessica Cruise
- / Julie Dobinson
- / Ann Northcote
- / John Solomon
- / Vivien Holmes
- / Gavin Howard
- / Carli Kulmar
- / Sally McGuinness
- / Linda McGregor
- / Darryl Perkins
- / Aasish Ponna
- / Ross Reid
- / John Solomon
- / Alisa Taylor
- / Mark Tigwell

EDUCATE

The Society aims to provide relevant, timely, and high quality education and development opportunities to help practitioner members fulfil their Continuing Professional Development (CPD) obligations as well as supporting their professional growth over the course of their careers.

It is a condition of holding a Practising Certificate that lawyers complete ten points of CPD each year, across four core areas. Our CPD program is designed to provide members a broad range of topics to meet their CPD obligations in a cost-effective way. This is achieved with the support of our CPD sponsor, legalsuper.

We also rely heavily on the contribution of our special interest committees who assist us to shape the CPD program, by providing input on potential topics and helping us source expert speakers. Many committee members also volunteer their time to present at CPD events.

Leveraging the lessons from the pandemic, a number of our events are now presented in an online or hybrid format to better accommodate our members.

Major CPD Events

The Society's major CPD event in 2022-23 was our Intensive Conference, which is an annual event delivering a range of topics covering all four core areas of CPD and offering members the opportunity to earn all 10 CPD points at the one event.

2023 was the second year we implemented a theme for the event, *Staying ahead of the game*, chosen to reflect our strategic focus area *Futureproofing*. Speakers were invited to present sessions reflecting this theme.

The event was held over two days from 6-7 March, with some sessions recorded to provide members unable to attend the event in person with the opportunity to engage with the sessions in their own time. The event attracted 194 attendees to the in-person sessions over the two days.

The keynote address was presented by the Hon Chief Justice Alstergren AO from the Federal Circuit and Family Court of Australia. This year, other large events usually run in March were combined into the Conference, with several practice area specific streams as well as a mix of sessions of broader interest. The streams were family law, elder law and property law.



The family law stream was supported by the Family Law and Family Violence and Childrens Committees and included sessions on:

- / Working with Care and Protection
- / Ethics in Family Law
- / When family violence and crime collide

The elder law stream, supported by the Elder Law and Succession Law Committee covered:

- / Ethics in estate proceedings
- / Recent updates in elder law and enduring power of attorney
- / Tax implications for testamentary trusts

The property law stream, supported by the Property Law Committee addressed:

- / Retirement village contracts and building contracts
- / The required documents in a contract for sale
- / Ethics in property law and estates
- / Landholder Duty: Tax triggers and upcoming law change

Other general sessions at the conference included:

- / Intersecting human rights and legal practice, presented by the Australian Human Rights Commissioner
- / ACT legal ethics cases: 2022 in review
- / NewLaw and legal innovation
- / Helping lawyers respond to stress
- / Safety in the work environment
- / *Respect at Work* Reforms: what does it mean for your law firm?
- / Tips and traps for New Lawyers
- / The great hesitation: Legal recruitment trends
- / Working with the courts
- / Trends in Alternate Dispute Resolution
- / Deciphering cybersecurity
- / *Just Hearing*: an interactive mental health performance
- / Staying ahead of the economy
- / Managing privacy risk and compliance

Above L-R: ACT Law Society CEO Simone Carton with Human Rights Commissioner, Lorraine Finlay at the 'Staying ahead of the game' 2022-23 Intensive Conference. *Tips and traps for new lawyers* - Ian Metz, Georgia Briggs, Paul Edmonds, Carys Atkinson.

Other CPD events held during the year were:

- / Mental health first aid for legal professionals**
26 July 2022, 20 attendees
- / Working with clients in domestic and family violence cases**
5 August 2022, 25 attendees
- / Understanding and avoiding professional negligence claims**
24 August 2022, 30 attendees
- / What digital forensics can do for you**
19 September 2022, 21 attendees
- / The essentials of probate and procedure**
13 October 2022, 47 attendees
- / Employment law 101**
20 October 2022, 25 attendees
- / Parenting coordination in family law**
21 October 2022, 27 attendees
- / Essentials for New Lawyers**
28 October 2022, 41 attendees
- / Drafting pleadings**
17 November 2022, 31 attendees
- / Mental health first aid for legal professionals**
22 November 2022, 26 attendees
- / Supporting your NDIS clients**
24 November 2022, 5 attendees
- / Changing workplace culture workshop**
30 November 2022, 12 attendees
- / The Vienna Convention Down Under**
8 December 2022, 15 attendees

- / Financial services and funds law**
22 February 2023, 24 attendees
- / Family reports and the justice system: a forensic psychologist's perspective**
23 February 2023, 22 attendees
- / Defamation and the Cause of Action**
1 March 2023, 28 attendees
- / Jeffrey Goldberger's Contract Law Masterclass**
22 March 2023, 82 attendees
- / New Lawyers Afternoon**
28 April 2023, 31 attendees

The Society also continued to collaborate with the ACTBar Association on jointly presented events, with two sessions during the year on:

- / Recent human rights in the ACT**
20 July 2022, 35 attendees
- / Instructing counsel in a criminal trial**
19 October 2022, 17 attendees

The Society also continued to deliver firm specific training, this year including the Changing Workplace Culture Training licensed to the Society from the Queensland Law Society, with three firms taking up the option during the period (*with a total of 28 attendees*). Ethics training was also delivered to several firms during the year (*with a total of 45 attendees*).

L-R: Debra Parker, Pepe Kish, Richard Calver (Intensive Conference). Jeffrey Goldberger (Contract masterclass).



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

We thank everyone who contributed to our program during the year. Members who presented, or were part of a panel, in 2022-23 were:

SPEAKERS

ACTLS Members

/ Kevin Campbell	/ John Chamberlain
/ Duncan Harrington	/ Gabrielle Sullivan
/ Rebecca Richardson	/ Tom Fischer
/ Emma Reilly	/ Carys Atkinson
/ Julie Dobinson	/ Georgia Briggs
/ Timothy Morton	/ Paul Edmonds
/ Perpetua (Pepe) Kish	/ Emily Shoemark
/ Debra Parker	/ John Henry
/ Marcus Hassall	/ Richard Faulks
/ John Wilson	/ Richard Calver
/ Alexandra Wedutenko	/ Daniella Fiocco
/ Rob Reis	/ Claire Naidu
/ Mark Jennings	/ Annie Haggart
/ Mark Goyne	/ Farzana Choudhury
/ Hugh Griffin	/ Rachael Lewis
/ Jiaying Goh	/ Vik Sundar
/ Athol Opas	/ Anne Martens
/ Lisa Keeling	/ Kevin Robinson
/ Katie Binstock	/ Natalie Butler
/ Louise Morris	/ Di Simpson
/ Edward Campbell	/ Gregory Burn
/ Alfonso del Rio	/ Courtney Mullen
/ Adam Peppinck	/ Kim Chapman

Non-members

/ Desi Vlahos	/ Skye Charry
/ Alex Jorgensen-Hull	/ Leesa Morris
/ Guy Mahony	/ Parisa Hart
/ Jonathan Beaumont	/ Terri Mottorshead
/ Rodney Johnston	/ Demetrio Zema
/ Kalista Pakkiyaretnam	/ Malcolm Heath
/ Damien Samios	/ Alison Howarth
/ Alison Howarth	/ Ian Metz
/ Jennifer McMillan	/ Elsa Gray-Murphy
/ Steve Ilett	/ Mikey Richardson
/ Margaret Jones SC	/ Shaun Lonergan
/ Joshua Nottle	/ Registrar Jayne Reece
/ Jon Graham	/ Wayne Sharwood
/ Amy McGinn	/ Danny Moujalli
/ Anca Costin	/ Jason Symons
/ Andrew Muller	/ James Maher
/ Steve Meyer	/ Jeffrey Goldberger
/ Registrar Helen Banks	/ Andrew Barrow
/ Jo Wickies	/ Lorraine Finlay
/ Kristian Leonard	/ Associate Professor Phong Ngo
/ Michael Bannon	

ENGAGE

Our strategic focus is to ensure that members feel connected with us and each other, by raising awareness of our programs and services, improving the member experience with the Society, and building on our relationships with the wider community sector to better understand access to justice needs.

Member services

The Society provides a range of services to members, outside of the education and regulatory functions that we perform. This includes:

- / connecting members of the public to law firms and practitioners through our online search tool
- / communicating updates, publications and information resources
- / issuing the Solicitor ID card to assist with court access
- / welcome packs for newly admitted lawyers
- / networking events, including quarterly members lunches, the annual dinner, and other committee-led events

- / annual flu program
- / a range of commercial benefits including offers relating to airlines, motor vehicles, and home loans
- / access to several small meeting rooms at our office
- / our complimentary wellbeing program (with a total of 34 counselling sessions delivered in 2022-23).

During the year, members were invited to nominate to join our newly refreshed Practitioner Support List (building on the former Senior Counsellor list), with an overwhelming response. This is essentially a peer support service connecting members with more experienced practitioners who volunteer to join the list. The List will be published online later in 2023, and we hope that many members find it a useful way to connect with others who can speak from their own experience to provide peer or mentoring support on practice and personal matters.





**2022 ACT Law Awards
Winners**

- / Presidents Medal
Claudia Maclean
- / Pro Bono Service Award
Pierre Johannessen
- / Pro Bono Service Award
Highly Commended
Chloe Curran
- / ACT Firm of the Year
Griffin Legal
- / The Government Law Award
Patrick Hornby
- / New Lawyer of the Year
Liana Tomassini

ACT Law Awards

With COVID-19 continuing to have an impact, a decision was made to defer the ACT law awards and annual dinner to a later date in 2022. The event was held on 4 November 2022 at the Boathouse in Grevillea Park.

Each year, the Law Society commissions a local artist to create a new and unique set of awards. In 2022, Canberra timber artist Ed Collett of EAC Design created the trophies, using reclaimed timber from the old ACT Supreme Court courtrooms. Thin slices of silky oak were painstakingly steam-bent to create a unique flowing design. The designs provide a lasting memento for our award recipients to treasure.

Left L-R: Angus Tye, Chair of the Society's Government Law Committee, presented the Government Law Award to Patrick Hornby. ACT Law Awards trophy by timber artist Ed Collett. His Honour Justice Geoffrey Kennett presented the ACT New Lawyer of the Year Award to Liana Tomassini. **Above** Presidents Medal: Claudia Maclean and Immediate Past President Elizabeth Carroll. ACT Firm of the Year - Griffin Legal with President Farzana Choudhury

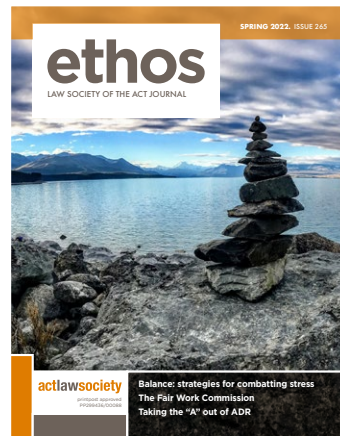
Publications

The Society produces several publications for our members and the public. These include our quarterly edition of the Society's *Ethos* journal, fortnightly Events Updates, our fortnightly e-newsletter Hearsay and additional targeted emails such as the New Lawyers Update, Government Law Update and Family Law Update.

In 2022-23, we introduced dedicated themes for each edition of *Ethos*, with a series of articles curated by our Communications team around the chosen theme, appearing alongside regular features and other topical articles.

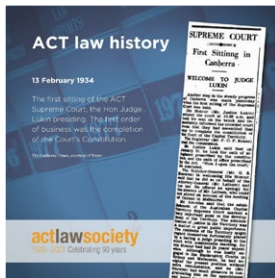
The themes chosen for each edition were:

- / Balance – Spring 2022
- / Inclusion in the Profession – Summer 2022
- / Inclusion in the Profession – continued Autumn 2023
- / Lawyers in the House – Winter 2023



Our *Ethos* Journal can be found through our website. Members are welcome to submit ideas for articles and are encouraged to follow our Author Guidelines by submitting an outline of the suggested topic in the first instance for consideration by our Communications team.

Instagram 275 followers and growing



LinkedIn is our most popular social platform 2,139 followers



Committee reports

Membership segment committees provide opportunities for members to network and connect with other members in a particular segment of our membership, and to contribute to resources and information sessions relevant to that segment. Currently the Society has two membership segment committees for lawyers working in government (ACT and Commonwealth) and for new lawyers. The committees are supported by the Society's Policy and Research team.

Government Lawyers

The Government Lawyers Committee is a segment committee established to support the significant proportion of Society members who work for government at both the Territory and Commonwealth level. They focus on skills and career development and advocating for the role of lawyers in government. The committee also maintains connections with Federal Government bodies, including the Australian Government Legal Service.

Activity

The committee meets bi-monthly. During the year, the committee contributed the following:

- / Government lawyers and the rule of law (*Ethos* article)
- / The public sector duty of care: Ethical and practice guidelines for Government Legal Officers (*Ethos* article)
- / Artificial Intelligence and the practice of government law (*Ethos* article)

The committee is currently in the process of updating the Society's Government Law online resources page to provide up-to-date information for both ACT government lawyers and Commonwealth government lawyers. The committee also commenced preparations for a Government Law afternoon later in 2023, and remain committed to future CPD events, articles for the Society's quarterly *Ethos* magazine, and resources for the Society's website.



Members Lunch.

Membership during the year

- | | |
|------------------------|---------------------|
| / Gregory Burn - Chair | / Kristin Leece |
| / Jackie Antoun | / Ming Li |
| / Oneil Bernado | / Susannah Luck |
| / Shani Fernando | / Kathleen McCarron |
| / Andrew Giddings | / Shelley Miller |
| / Kristen Hurford | / Sanaz Mirzabegian |
| / Melissa Kent | / Bianca Paridaen |

New Lawyers

The New Lawyers Committee provides early career lawyers with an avenue for networking and connection, and the opportunity to contribute to the Society's work, with a particular focus on support for early career lawyers and the future of the profession.

The New Lawyers Committee (formerly the Young Lawyers Committee) is a segment committee established to further the interests of new lawyers in the ACT. The committee aims to foster a positive and collegiate new lawyers' community in the ACT through social events, CPD seminars, and networking events.

Activity

The committee meets monthly and during the year contributed the following:

- / Programming an inclusive legal profession: In conversation with an AI chatbot (*Ethos* article)
- / A New Lawyers Guide to 'Going In-House' (*Ethos* article)
- / New Lawyer Perspective Regarding the Referendum (*Ethos* article)
- / Tips and Traps for New Lawyers Intensive Conference panel (CPD)
- / ANU Mooting (Engagement)
- / Support with Admission Ceremonies 21 April, 16 June (Engagement)
- / Essentials for New Lawyers (CPD)

Social Events

- / National Golden Gavel
- / Trivia Night, Law Week
- / Golden Gavel, Law Week
- / Christmas Party 2022
- / Post Admission drinks

The committee remain committed to future CPD events, articles for the Society's quarterly *Ethos* magazine, and resources for the Society's website.

Membership during the year

- / Stuart Bryson - Chair
- / Carys Atkinson
- / Christopher Bucknell
- / Richard Donaldson
- / Phillip Hansen
- / Amber Lawrence
- / Daniel Magnussen
- / Angelique Nelis Rocque
- / Tyler O'Hare
- / Holly Stapledon
- / Corey Tibbs

Below L-R: Lawn bowls, Golden gavel group



Networking Events

The Society offers a range of social and networking events to encourage engagement and connection both with the society and with other members. During the year, we ran the following events:

- / The Annual Dinner, postponed into November, which provided members with a chance to reconnect and celebrate the legal profession at the beautiful Boathouse by the Lake.
- / Large Christmas events hosted by the New Lawyers Committee, and the Family Law Committee
- / Four members lunches attended by around 170 attendees
- / New Lawyers networking drinks held on four occasions, a Christmas garden party and a networking lawn bowls event

Law Week 2023

Every year in May, the Law Society coordinates Law Week in the ACT - six days of events to promote public engagement and understanding of the law and the role it plays in our community.

Law Week 2023 was preceded by six a side 'Law Soccer' held at the ANU sports ovals, with Maddocks 'Very Football Maddocks' taking home the first-place trophy, Johnson Winter Slattery 'Johnson Winners Slattery' battled hard for second-place and KJB's 'Woden KJBees' went home with the wooden spoon.

The official ACT Law week launch event opened with a speech from ACT Attorney General Shane Rattenbury MLA, followed by the ACT's Golden Gavel competition. The winner on the night was Grant Roberts from Clayton Utz who spoke on the topic 'You Have No Power Here - applying legal reasoning to your share house chore list'. The People's Choice Award was won by Alexander Barret from Thomson Geer, with '(You Make Me Feel Like) A 'Natural' Person - red flags waved by sovereign citizens and other self-represented litigants'. Our other brave competitors on the night were Lewis Pope from ACT Parliamentary Counsel's Office, Jack Reid from HWL Ebsworth and Phillip Hansen from Trinity Law.



This year's Annual Blackburn Lecture was delivered by Dr Helen Watchirs OAM who presented her reflections on the ACT's Human Rights Bill 20 years on and lessons for the National Inquiry. The transcript of the presentation was published in the Society's *Ethos* publication for Winter 2023, with a recording made available to members via the Society website.

Other Law Week events were supported by our colleagues:

- / **The Law Week Dinner** hosted by the Women Lawyers Association ACT, with keynote speaker Diana Sayed
- / **A Dog Walk** co-hosted by the Access to Justice & Inclusion Committee and the ANU Women in Law Association
- / **A Crafternoon Session** hosted by the Access to Justice & Inclusion Committee
- / **The Annual Bar Breakfast** hosted by the ACT Bar Association's Women Barristers Committee, with The Hon Justice Dina Yehia
- / **"You be the judge" and Law Week Exhibition** hosted by the ACT Courts and Tribunal

Above L-R: 2023 Blackburn Lecture - ACT Law Society President Farzana Choudhury with Human Rights Commissioner, Dr Helen Watchirs OAM.

The final event for Law Week 2023 was the Quiz Night, sponsored by Holding Redlich and hosted by our New Lawyers Committee. The winners of the quiz night for 2023 were Tim Sharman Solicitors in first place, Trinity Law in second place and the ACT Parliamentary Counsel's Office in third place.

With the help of many in the ACT Law community and support of several local businesses, the ACT Law Society was able to donate to our Law Week 2023 charity, Rainbow Paws, a local charity providing assistance to pets and their people through hard times. The final total donation, which also includes an annual disbursement from the ACT Law Society Foundation, will be presented later in the year. Rainbow Paws charity's services include free or subsidised food, bedding, supplies, and medical treatment for companion animals.

Quiz Night donors

At the Law Week Quiz Night, local businesses collectively donated over \$2,000 dollars in prizes. The New Lawyers Committee would like to thank these donors for their generosity this year:

- / Balance Family Law
- / Birdsnest
- / The Boathouse
- / Briggs Law
- / Edgar's Inn
- / Four Winds Vineyard
- / The Hellenic Club of Canberra
- / Ondine European Brasserie
- / Parker Coles Curtis
- / Pomegranate
- / The Pop Inn
- / Public Bar - Manuka
- / Trinity Law

Events List

- / **Members Lunch**
21 July 2022, 38 attendees
- / **Welcome Dinner for Judge Mansfield**
21 July 2022, 57 attendees
- / **New Lawyers networking drinks**
26 August 2022, 23 attendees
- / **Members Lunch**
29 September 2022, 39 attendees
- / **Yoga for mental health**
12 October 2022, 18 attendees
- / **New Lawyers networking drinks**
28 October 2022, 59 attendees
- / **Annual Dinner & 2022 ACT Law Awards**
4 November 2022, 161 attendees
- / **2022 National Golden Gavel & Australian Young Lawyer Awards**
18 November 2022, 137 attendees
- / **New Lawyers Christmas garden party**
25 November 2022, 36 attendees
- / **Members Christmas Lunch**
2 December 2022, 47 attendees
- / **FCFCOA Christmas party**
15 December 2022, 81 attendees
- / **New Lawyers networking lawn bowls**
24 February 2023, 37 attendees
- / **2023 Intensive Conference networking drinks**
6 March 2023, 36 attendees
- / **Members Lunch**
30 March 2023, 43 attendees
- / **New Lawyers post admission drinks**
28 April 2023, 18 attendees
- / **Law Week Soccer**
5 May 2023, 10 teams
- / **New Lawyers post admission drinks**
23 June 2023, 24 attendees

Below L-R. New Lawyers networking lawn bowls. Law Week Soccer Team.



Student engagement

During 2022/2023, we have reviewed our CPD offerings to ensure our student cohort are considered and encouraged to attend. The discounted student membership offered by the Society includes access to our regular updates and our confidential counselling service.

The New Lawyers committee also offered support to students through ANU mooting.

The Society also funded prizes for those studying in law at the University of Canberra and College of Law.

College of Law

- / 2022 ACT Law Society Practical Legal Training Excellence Award for outstanding achievement in Ethics and Professional Responsibility

University of Canberra

- / ACT Law Society Prize for the Highest Achieving Student in Contract Law
- / ACT Law Society Prize for the Highest Achieving Student in Equity



Above L-R: President Farzana Choudhury, Robyn Lewis (Winner of 2022 ACT North Herring Lawyers Award for Overall Excellent in Practical Legal Training), Charlotte Hoynes (Winner of 2022 ACT Law Society Practical Legal Training Excellence Award for outstanding achievement in Ethics and Professional Responsibility) of College of Law Deborah Battinson.

Left: New Lawyers Christmas garden party.

Charitable donations

The Society continues to support the less fortunate in our community through a range of initiatives.

The Society's annual charity in 2021-22 was Parkinsons ACT, a local Canberra charity empowering disadvantaged youth by providing non-judgemental support and opportunities for a bright future. At our September 2022 Member's Lunch, President Farzana Choudhury presented Parkinsons ACT with a donation of \$10,278 towards their Painting with Parkinsons program, which uses art therapy to support affected people. The funds donated represented the combined funds from Law Week 2022, and the Law Society Foundation disbursement.

The Society has also made donations of \$2,400 to St Vincent de Paul to support eight members participating in the annual CEO Sleepout campaign.

Pro Bono Clearing House

The Law Society provides a referral matching service through the ACT Pro Bono Clearing House to connect eligible people with legal assistance. Applications can be made directly by members of the public, as well as referrals from Community Legal Centres, members of the legal profession, politicians, and public agencies.

The Clearing House is intended as a 'last resort' for legal help after all other avenues for assistance have been exhausted. Financial eligibility and merit criteria apply, taking into account prospects of success and the public interest. A panel of volunteers examines applications and refers those applications that meet the eligibility criteria on to a network of about 20 law firms who have agreed to accept referrals on a low cost or pro bono basis.

Over the 2022-2023 period, we received 10 applications to the Clearing House that met the criteria. Six were successfully accepted for referral to a law firm.

Secondees

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

Over the 2022-2023 period, operational secondees have been provided by Proximity, Sparke Helmore, We would like to thank all the operational secondees who worked with the Clearing House during the year:

- / Declan Norris
- / Ingrid Bremers
- / Rob Gibson
- / Kieran Parkinson
- / Tom McBride

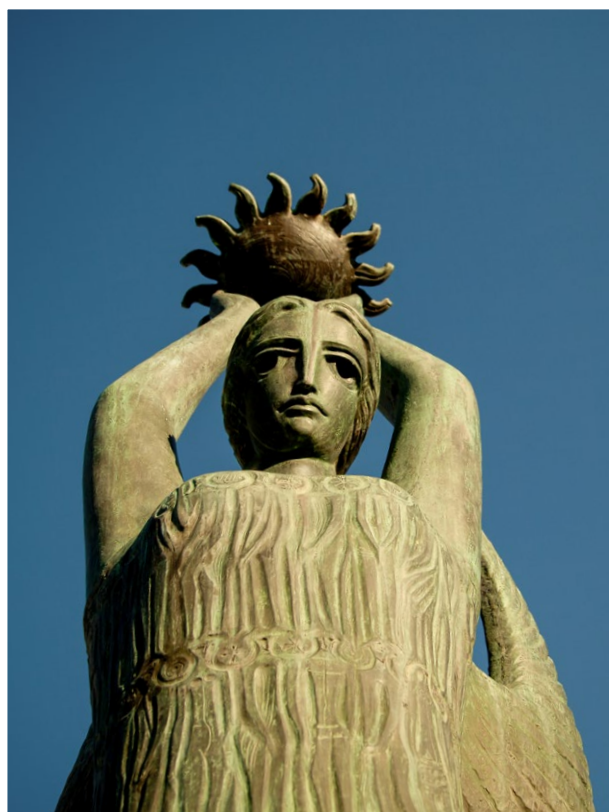
The following volunteers assisted with the panel during the year:

- / Kathleen McCarron
- / Rosalie Byrne
- / Sarah Hendry
- / Dale Stevens
- / Kyu-Won Kim
- / Glenn Jones
- / Luke Coniston
- / Chris Wheeler

Referrals

We would like to acknowledge the following firms that accepted referrals from the Clearing House during the year:

- / Moray & Agnew Lawyers
- / Griffin Legal
- / Snedden Hall & Gallop
- / Campbell & Co. Lawyers
- / Minter Ellison



FUTUREPROOF

This year we continued to face challenges as a profession with ongoing uncertainty following years grappling with the pandemic and continued cyber threats to law firms consistent with the impacts on wider business community.

Futureproofing the Society and the profession has continued to be a focus area for our work in this context, recognising how quickly technologies are transforming our workplaces and the changing needs and expectations of individuals working in the legal profession.

Responsiveness to change

Following the disruption presented by the pandemic, it became clear that connection with our communities, at work and at home, is essential for us to be able to respond to change and remain resilient in the face of uncertainty.

With the value of a connected legal community in mind, we trialled a new approach to our major CPD Intensive Conference in 2023, expanding to three streams to incorporate some of our standalone events into the one event schedule. The intent was to provide an opportunity for practitioners across a broad range of practice areas to come together in the one location to foster connection and the potential for collaboration and cross-pollination across practice areas. There is still more to be done to achieve this vision, but we were pleased to see a lot of positive feedback about the event and a number of members taking the chance to come together at the networking session on the first night of the conference.

The theme of the conference *Staying ahead of the game* reflected our strategic focus area *Futureproofing*, with speakers invited to submit topic ideas based on the theme. These included sessions on NewLaw and legal innovation, Helping lawyers respond to stress, Legal recruitment trends, and Staying ahead of the economy. More about the conference is covered elsewhere in this report.



We kept members updated about increasing threats in cyber security, as email scams and cyber fraud continued to be prevalent in the ACT and other jurisdictions. Examples of scams were shared with members together with guidance on actions to take if a law firm is the subject of a scam, and a list of online resources maintained where members can find more information to protect themselves in a constantly changing cyber environment.

Workplace culture also remained an important theme for the programs offered by the Society during the year. We continued to offer the workplace culture workshops developed by the Queensland Law Society to our members at their workplaces or in the Society's training room, with a focus on future proofing the profession against sexual harassment. We also offered subsidised Mental Health First Aid training to support members of the profession to recognise mental health challenges and provide a more supported environment for their clients and their colleagues.

At the same time, we put a call out to members to join the revamped Practitioner Support List, a peer support program connecting members with each other and providing an avenue for support for sole practitioner and small firm members and anyone looking for a confidential sounding board outside of their current workplace. We were overwhelmed by the response from our members during the year, with the final List due to be published on our website in the second half of 2023.

In March we commenced engagement with members via our second Biennial Survey, seeking to better understand current needs, interests and challenges facing our membership, to help us to serve members better. The results of the survey will be shared with members in the second half of 2023, and will help to inform our operational plans for the 2023-24 financial year.



Investment in technology

We continued to invest in technology to support efficient and accessible delivery of our services. This included moving the Society into a cloud environment over the second half of the year, a project that is close to finalisation. We also moved our Committees online, which has been a major task but worth the effort. We have appreciated the openness of committee members to change, recognising the opportunities the online tools present for improved collaboration and tracking of activities as we come close to our next committee expression of interest process.

Our renewals process moved completely online for the first time, bringing us into line with most other jurisdictions and continuing our commitment to sustainability.

Work continued to transfer older data into our digital complaint management system to allow measurement of trends in data across reporting periods. We look forward to being able to leverage that data to inform where to direct resources around ethical and professional conduct guidance over coming years.

The Society's Annual General Meeting in 2022 was once again offered in a hybrid environment, leveraging the learnings from the impact of COVID-19. The meeting had to be rescheduled unexpectedly when the government announced a Public Holiday to commemorate the funeral of Queen Elizabeth II. Members were welcomed at the Society's office or online, providing flexibility for those wishing to participate in the meeting.



Organisational capacity

We expanded the capacity of our team during the year with the recruitment of a new senior leadership role. Jaime Shields was appointed as Manager, Policy and Programs in November, to provide a stronger focus on the Society's engagement with members and other stakeholders. Towards the end of the period we also introduced a new database administrator role, to focus on timely responses to members with database enquiries and to support our internal administration of the membership database. Casey Magnussen, who had previously been working as our Events Officer, moved into this part-time role in June 2023, working closely with our long-serving Finance & Business Services Manager, Lea McLean.

We continued to support new staff with training on dealing with difficult interactions, delivered to all staff in the previous year. We also invested in development of further workplace health and safety policies and tools to support our staff's health in the office environment.

We farewelled two long-term employees during the year, with the retirement of Linda McKay after 25 years as Complaint Committee Secretary and Nicole Karman after nearly 12 years as Communications Officer. Both Linda and Nicole appreciated the many kind messages received from members about their time with the Society. Staff resourcing has been an ongoing challenge in a difficult employment market. It is expected that resourcing challenges will continue in 2023-24, based on current recruitment market trends.

In relation to the organisation's governance framework, provision was made in the budget for 2023-24 (approved by Council in May 2023) for an independent governance review to be undertaken, as referred to by the Chief Executive Officer at the 2022 Annual General Meeting. Some interim work was also undertaken to develop key governance policies for the Society, including updating the Privacy Policy and introducing a Conflicts of Interest Policy and a Code of Conduct (applying to Council members and senior management), which was approved on an interim basis in recognition of the planned governance review to be undertaken in 2023-24.

Former Complaint Committee Secretary, Linda McKay.

FINANCIAL STATEMENTS

AIR

TREASURER'S REPORT

Overview of accounts

The Society maintains four sets of accounts relating to general operations, statutory deposits, statutory interest, and the fidelity fund.

General Account

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

Statutory Deposits Trust Account

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

Statutory Interest Account

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

Solicitors' Fidelity Fund

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

General Account

The General Account recorded a higher than expected surplus of \$515,717 which increased the Society's accumulated funds to \$4,506,206 as at 30 June 2023.

The surplus was predominantly due to higher income from interest received due to the growth in interest rates, practising certificate fees which continue to increase due to growing member numbers and higher income from the practice management course. Overall expenditure was less than budgeted.

The Society expects to record a lower surplus for the 2023-24 financial year.

Statutory Deposits Trust Account

Total deposits held by the Society as at 30 June 2023 amounted to \$126,233,789 which is an approximate 8% decrease on deposits held in the previous year.

Interest earned on statutory deposit funds invested in term deposits is an important revenue component for the Statutory Interest Account. Interest rate increases which had shown signs of improvement at the end of the last financial year, have continued at an unexpected rate and have had a significant impact on higher returns. The Society continues to pursue attractive investment rates where possible through a number of avenues.

Statutory Interest Account

The Statutory Interest Account (“SIA”) derives its income from interest on solicitors’ statutory deposits, interest on the balances in solicitors’ trust accounts, and from the investment of funds held in the Statutory Interest Account itself.

Total revenue in 2022-23 was significantly higher than the previous year. The increase in interest rates paid by the banks on ACT solicitor trust accounts improved the return received on those funds to an unprecedented level and the revenue received on the investment of statutory deposits also provided a higher than expected increase in income.

Total expenses paid from the SIA were slightly higher than the previous year, due to some ongoing disciplinary matters increasing the legal costs incurred. The Society is hopeful that these particular matters will be finalised in the coming year. Recovery of costs incurred where the Society has been successful in pursuing these matters, are generally accounted for in future years when Orders and costs are granted.

With the improvement in revenue enabling the SIA to return a significant surplus result of approximately \$7.7m in 2022-23, Council has subsequently proposed a future disbursement to assist the Legal Aid Commission and other community legal centres as well as a disbursement to the Solicitors’ Fidelity Fund. The disbursement amount is subject to approval by the Attorney-General of the ACT and will be reflected as an expense in the 2023-24 financial statements.

Solicitors’ Fidelity Fund

The accumulated funds of the Fidelity Fund decreased by \$51,052 leaving a total of \$5,412,543 as at 30 June 2023. Revenue increased, predominantly due to the increase in interest rates providing greater returns on the investment of funds, which assisted in offsetting higher expenses. Expenses incurred in 2022-23 were from standard random inspections as well as necessary Supervisor and Manager appointments during 2022-23.

It is pleasing to note that there have not been any claims on the Fidelity Fund since 2014. However, in recent years there have been higher balances held in solicitor trust accounts, as well as an increase in law firm numbers and employee numbers, impacting the potential exposure to risk that the Fidelity Fund is intended to address. An actuarial assessment of the Fidelity Fund was completed in 2022, with a recommendation to increase the Fidelity Fund, but this was not able to be actioned at the time due to the low return on funds. Now, due to the improvement in the SIA results from 2022-23, Council has proposed a distribution from the SIA to the Fidelity Fund to implement the recommendation from 2022, subject to the Attorney General of the ACT’s approval. The additional funds will be reflected as revenue in the Fidelity Fund’s 2023-24 financial statements.

Prepared by Lea McLean

FINANCE & BUSINESS SERVICES MANAGER

Reviewed by Vik Sundar

TREASURER

GENERAL ACCOUNT

The Law Society of the ACT – General Account

Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue	2	3,405,531	3,129,098
Amortisation of right-of-use assets	9	(171,453)	(171,453)
Audit fees	13	(19,195)	(17,705)
Capitation fees		(268,717)	(233,408)
Cleaning, outgoing and car park expenses		(32,696)	(30,545)
Committee and executive catering		(10,653)	(6,065)
Consultancy fees		(23,070)	(16,970)
Depreciation expense	8	(96,801)	(98,691)
Employee benefits expense		(1,421,867)	(1,308,592)
Functions		(95,780)	(139,896)
Insurances		(43,662)	(38,446)
IT maintenance and services		(124,158)	(111,295)
Lease interest expense		(65,925)	(72,814)
Membership services		(41,931)	(17,590)
Postage and couriers		(22,549)	(24,413)
President's allowance		(125,286)	(120,881)
Printing and stationery		(8,028)	(11,837)
Seminars		(130,525)	(137,512)
Staff agency fees		(76,493)	-
Other expenses		(111,025)	(94,585)
Profit for the year		515,717	476,400
Total comprehensive income		515,717	476,400

(Notes to the financial statements are annexed)

Statement of Financial Position

As at 30 June 2023

	Notes	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	4	3,901,934	3,130,477
Investments	5	3,300,000	3,400,000
Trade and other receivables	6	180,484	146,053
Inventory	7	-	40
Prepayments		80,120	65,059
Total current assets		7,462,538	6,741,629
Non-current assets			
Lease right-of-use asset	9	1,128,732	1,300,185
Office furniture and equipment	8	294,439	361,540
Rental bond		54,287	54,287
Total non-current assets		1,477,458	1,716,012
Total assets		8,939,996	8,457,641
Current liabilities			
Trade and other payables	10	2,675,228	2,510,689
Provisions	11	201,577	227,354
Lease liability	9	194,736	179,896
Total current liabilities		3,071,541	2,917,939
Non-current liabilities			
Provisions	11	7,772	-
Lease liability	9	1,354,477	1,549,213
Total non-current liabilities		1,362,249	1,549,213
Total liabilities		4,433,790	4,467,152
Net assets		4,506,206	3,990,489
Equity			
Accumulated funds		4,506,206	3,990,489
Total equity		4,506,206	3,990,489

(Notes to the financial statements are annexed)

Statement of Changes in Equity

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Accumulated Funds			
Balance at the beginning of the financial year		3,990,489	3,514,089
Total comprehensive income for the year		515,717	476,400
Balance at the end of the financial year		4,506,206	3,990,489

Statement of Cash Flows

For the year ended 30 June 2023

Cash flows from operating activities

Receipts from members and others		3,577,785	3,556,928
Payments to suppliers and employees		(2,745,107)	(2,405,145)
Interest received		114,300	19,069
Interest paid on lease liability		(65,925)	(72,814)
Net cash inflow/(outflow) from operating activities		881,053	1,098,038

Cash flows from investing activities

Receipts/(payments) for investments		100,000	(1,200,000)
Payments for office furniture and equipment		(29,700)	(40,535)
Net cash inflow/(outflow) from investing activities		70,300	(1,240,535)

Cash flows from financing activities

Repayment of lease liabilities		(179,896)	(165,848)
Net cash inflow/(outflow) from investing activities		(179,896)	(165,848)

Net increase/(decrease) in cash and cash equivalents held		771,457	(308,345)
Cash and cash equivalents at the beginning of the financial year		3,130,477	3,438,822
Cash and cash equivalents at the end of the financial year	4	3,901,934	3,130,477

(Notes to the financial statements are annexed)

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies

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

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

Basis of Preparation

Reporting Basis and Conventions

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

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

The following is a summary of the material accounting policies adopted in the preparation of the financial statements.

The accounting policies have been consistently applied, unless otherwise stated.

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the Society.

Accounting Policies

(a) Income Tax

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

(b) Inventory

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

(c) Office Furniture and Equipment

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

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

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

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

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

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

(d) Depreciation

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

/ Office furniture and equipment 3-10 years.

(e) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

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

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

Financial assets

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

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

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

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

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

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

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

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

Financial liabilities

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

Impairment of financial assets

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

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

(f) Investments

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

(g) Cash and Cash Equivalent

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

(h) Trade and Other Receivables

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

(i) Trade and Other Payables

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

(j) Revenue

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

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

Timing of Revenue Recognition

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

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

A contract liability is recognised where funds have been received but the Society has not yet satisfied its performance obligations. A financial liability is recognised for unspent funds for which a refund obligation exists.

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

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

Sales of Goods and Services

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

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

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

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

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

(k) Goods and Services Tax (GST)

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

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

(l) Employee Benefits

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

(m) Provisions

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

(n) Leases

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

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

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

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the entity's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate.

Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Society is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

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

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

(o) Comparative Figures

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

Critical Accounting Estimates and Judgements

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

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

	2023 \$	2022 \$
Note 2: Revenue		
Revenue from contracts with customers		
Practising certificate fees	2,122,626	1,941,898
Members' subscriptions	15,653	16,823
Capitation fees	268,721	233,366
Certificates of fitness	15,650	12,046
Ethos advertising and subscriptions	2,991	3,900
Functions	87,372	131,274
Sale of standard forms	101,132	137,043
Reimbursement of expenses		
- Statutory Accounts - administration*	76,520	73,584
- Statutory Interest Account - professional standards*	121,855	121,810
- Solicitors' Fidelity Fund of the Australian Capital Territory - administration*	46,496	48,869
Settlements Office contributions	82,396	83,067
Seminar income		
- Continuing Professional Development	139,500	172,995
- Practice management courses	105,287	76,018
	3,186,199	3,052,693
Represented by:		
Revenue recognised at a point in time	965,524	1,010,905
Revenue recognised over time	2,220,675	2,041,788
	3,186,199	3,052,693
Other income		
Interest	164,349	23,051
Miscellaneous income	16,683	15,622
Sponsorship	38,300	37,732
	219,332	76,405
Total Revenue and Other income	3,405,531	3,129,098

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

2023
\$

2022
\$

Note 3: Profit for the Year

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

Superannuation contributions	(141,643)	(115,482)
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Note 4: Cash and Cash Equivalents

Cash on hand	115	115
Cash at bank – Law Society General Acc	3,899,205	3,128,831
Undeposited funds	1,927	844
	3,901,247	3,129,790
Cash at bank – Compensation Rights Acc	687	687
	3,901,934	3,130,477

Note 5: Investments

Term deposits*	3,300,000	3,400,000
	3,300,000	3,400,000

*A number of term deposits are held with maturities of 6 - 16 months from the date of deposit.

Note 6: Trade and Other Receivables

Trade debtors	40,685	84,000
Deposits paid	39,359	19,550
Accrued interest receivable	62,856	12,807
Other accrued income	19,751	19,706
GST refund receivable	17,833	9,990
	180,484	146,053

Note 7: Inventory

Contracts for sale	-	40
	-	40

2023
\$

2022
\$

Note 8: Office Furniture and Equipment

Office furniture and equipment

At cost	964,572	947,271
Less: accumulated depreciation	(670,133)	(585,731)
Total office furniture and equipment	294,439	361,540

Reconciliation

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

Office furniture and equipment

Carrying amount at the beginning of the year	361,540	419,696
Additions	29,700	40,535
Disposal of asset	-	-
Depreciation expense	(96,801)	(98,691)
Carrying amount at the end of the year	294,439	361,540

Note 9: Lease Assets and Liabilities

Right of use assets and lease liabilities

Right-of-use assets - Office at cost	1,814,544	1,814,544
Accumulated amortisation	(685,812)	(514,359)
	1,128,732	1,300,185

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

Balance at the beginning of the year	1,300,185	1,471,638
Amortisation	(171,453)	(171,453)
Balance at the end of the year	1,128,732	1,300,185

Lease Liabilities

Current	194,736	179,896
Non-current	1,354,477	1,549,213
	1,549,213	1,729,109

	2023 \$	2022 \$
The total future lease payments at the end of the reporting period are:		
- not later than one year	253,196	245,822
- between one year and five years	1,063,656	1,040,178
- later than five years	454,083	730,757
	1,770,935	2,016,757

The amount expensed in the statement of profit or loss and other comprehensive income in relation to short-term and low-value leases was \$0 (2022: \$0).

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

Note 10: Trade and Other Payables

Current

Subscriptions and other contract liabilities	2,475,011	2,332,561
Accruals	19,878	23,406
Payable – Solicitors' Fidelity Fund of the Australian Capital Territory	97,228	80,410
Fair Comp Compensation Rights account	687	687
Young Lawyers funds	2,858	8,085
Trade creditors	79,566	65,540
	2,675,228	2,510,689

Note 11: Provisions

Current

Provision for annual leave	93,691	96,393
Provision for long service leave	107,886	130,961
	201,577	227,354

Non-Current

Provision for long service leave	7,772	-
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There is no known current long service leave expected to be settled within 12 months of the end of the financial year.

Note 12: Financial Risk Management

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

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

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

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

	Notes	2023 \$	2022 \$
Financial Assets at amortised cost			
Cash and cash equivalents	4	3,901,934	3,130,477
Term deposit investments	5	3,300,000	3,400,000
Trade and other receivables	6	162,651	136,063
Total Financial Assets		7,364,585	6,666,540
Financial Liabilities at amortised cost			
Trade and other payables	10	2,675,228	2,510,689
Total Financial Liabilities		2,675,228	2,510,689

Net Fair Values

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

Note 13: Remuneration of Auditors

Audit of the Society's financial statements	13,600	12,275
Audit of Statutory Deposits Trust Account	2,070	2,010
Audit of Statutory Interest Account	3,525	3,420
	19,195	17,705
Audit of Solicitors' Fidelity Fund	3,525	3,420
Other services	6,950	11,330
	29,670	32,455

Other services relate to advice regarding the Society's tax exempt status, *Long Service Leave Act* and advice regarding superannuation compliance. No other benefits were received by the auditors.

Notes 2023 2022
\$ \$

Note 14: Compensation Rights Account

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

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

Financial Assets at amortised cost

Cash and cash equivalents - Compensation Rights Account	4	687	687
Total Financial Assets		687	687

Financial Liabilities at amortised cost

Trade and other payables	10	687	687
Total Financial Liabilities		687	687

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

Receipts		-	-
Payments		-	-
Net receipts/(payments)		-	-

Reconciliation

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

Unexpended Funds

Carrying amount at the beginning of the year		687	687
Net receipts/(payments) during the year		-	-
Carrying amount at the end of the year		687	687

Note 15: Related Parties

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

/ Ms F Choudhury	President from 27 September 2022, Vice President to 27 September 2022
/ Ms E Carroll	Immediate Past President from 27 September 2022, President to 27 September 2022
/ Ms S Platis	Vice President
/ Mr T Dingwall	Vice President from 27 September 2022, Councillor to 27 September 2022
/ Mr K Robinson	Secretary from 27 September 2022
/ Mr V Sundar	Treasurer from 27 September 2022
/ Mr M Tigwell	Councillor from 27 September 2022, Treasurer to 27 September 2022
/ Mr C Donohue	Councillor from 27 September 2022, Immediate Past President to 27 September 2022
/ Ms G Briggs	
/ Ms C Coles	
/ Ms L Quilty	
/ Ms S Milson-Mahy	
/ Ms A Wescombe	
/ Mr A Allan	From 27 September 2022
/ Mr A Peppinck	From 27 September 2022
/ Ms A Pyett	From 27 September 2022
/ Mr G Marques	Secretary to 27 September 2022
/ Ms V Bedekar	To 27 September 2022
/ Mr G Lee	To 27 September 2022
/ Mr B Hamack	To 27 September 2022
/ Mr I Temby	To 27 September 2022

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

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

2023
\$

2022
\$

Note 16: Key Management Personnel Compensation

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

Total key management personnel compensation	363,577	351,163
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Note 17: Events after the Balance Date

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

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

Note 18: Contingent Liabilities and Contingent Assets

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

Note 19: Legislation

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

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

Councillors' Declaration

For the year ended 30 June 2023

The Councillors declare that the financial statements and notes set out on pages 4 to 18:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and other mandatory professional reporting requirements; and
- (b) present fairly the Society's financial position as at 30 June 2023 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

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

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



Councillor
21 August 2023



Councillor
21 August 2023



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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory (the Society) which comprise the statement of financial position as at 30 June 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Law Society of the Australian Capital Territory as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures.

Basis for opinion

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

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

Responsibilities of the Council for the financial statements

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

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

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

Audit. Tax. Advisory.

Nexia Duesburys (Audit) (ABN 21 841 510 270) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.



Auditor's responsibility for the audit of the financial statements

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

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

A handwritten signature in blue ink that reads 'Nexia Duesburys'.

Nexia Duesburys (Audit)
Canberra, 21 August 2023

A handwritten signature in blue ink that reads 'Rod Scott'.

Rod Scott
Partner

STATUTORY DEPOSITS

The Statutory Deposits Trust Account

Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue		-	-
Net surplus / (deficit)		-	-
Total comprehensive income for the year		-	-

Statement of Financial Position

As at 30 June 2023

Current assets

Cash and cash equivalents	2	37,333,789	56,176,130
Investments	3	88,900,000	80,670,700
Total current assets		126,233,789	136,846,830
Total assets		126,233,789	136,846,830

Current liabilities

Trade and other payables	4	126,233,789	136,846,830
Total current liabilities		126,233,789	136,846,830
Total liabilities		126,233,789	136,846,830

Net assets		-	-
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Equity

Accumulated Funds		-	-
Total equity		-	-

(Notes to the financial statements are annexed)

	Notes	2023 \$	2022 \$
Statement of Changes in Equity			
<i>For the year ended 30 June 2023</i>			
Balance at the beginning of the year		-	-
Changes during the year		-	-
Balance at the end of the year		-	-

Statement of Cash Flows

For the year ended 30 June 2023

Cash flows from investing activities

Net interest received/(transferred) to Statutory Interest Account		-	(37,150)
Proceeds from investments		52,270,700	32,266,450
Payments for investments		(60,500,000)	(57,700,000)
Net cash inflow/(outflow) from investing activities		(8,229,300)	(25,470,700)

Cash flows from financing activities

Proceeds from statutory deposits		42,522,676	65,646,177
Repayments of statutory deposits		(53,135,717)	(13,801,846)
Net cash inflow/(outflow) from financing activities		(10,613,041)	51,844,331

Net increase/(decrease) in cash and cash equivalents held		(18,842,341)	26,373,631
Cash and cash equivalents at the beginning of the financial year		56,176,130	29,802,499
Cash and cash equivalents at the end of the financial year	2	37,333,789	56,176,130

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies

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

Basis of Preparation

Reporting Basis and Conventions

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

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

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

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the Trust Account.

Accounting Policies

(a) Income Tax

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

(b) Cash and Cash Equivalents

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

(c) Investments

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

(d) Monies Deposited by Solicitors

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

(e) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

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

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

Financial assets

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

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

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

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

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

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

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

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

Financial liabilities

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

Impairment of financial assets

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

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

(f) Leases

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

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

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

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

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

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

(g) Comparatives

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

Critical Accounting Estimates and Judgements

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

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

	2023	2022
	\$	\$
Note 2: Cash and Cash Equivalents		
Cash at bank	37,133,789	44,976,130
AMP Notice Account and Saver Account	200,000	11,200,00
	37,333,789	56,176,130

Note 3: Investments

Term deposits*	88,900,000	80,670,700
	88,900,000	80,670,700

*A number of term deposits are held with maturities of 5 to 18 months from the date of deposit.

Note 4: Trade and Other Payables

Monies deposited by solicitors	126,233,789	136,846,830
	126,233,789	136,846,830

Note 5: Legislation

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

Note 6: Remuneration of Auditors

Audit fees of \$2,070 (2022: \$2,010) were ultimately paid by the Statutory Interest Account on behalf of the Statutory Deposits Trust Account.

Note 7: Financial Risk Management

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

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

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

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

	Notes	2023 \$	2022 \$
Financial Assets at amortised cost			
Cash and cash equivalents	2	37,333,789	56,176,130
Term deposit investments	3	88,900,000	80,670,700
Total Financial Assets		126,233,789	136,846,830
Financial Liabilities at amortised cost			
Trade and other payables	4	126,233,789	136,846,830
Total Financial Liabilities		126,233,789	136,846,830

Net Fair Values

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

Note 8: Contingent Liabilities and Contingent Assets

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

Note 9: Events After the Balance Date

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

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

Councillors' Declaration

For the year ended 30 June 2023

The Councillors declare that the financial statements and notes set out on pages 21 to 26:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and other mandatory professional reporting requirements; and
- (b) present fairly the Trust Account's financial position as at 30 June 2023 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

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

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



Councillor
21 August 2023



Councillor
21 August 2023



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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory Statutory Deposits Trust Account (the Trust Account) which comprises the statement of financial position as at 30 June 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Law Society of the Australian Capital Territory Statutory Deposits Trust Account as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures.

Basis for opinion

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

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

Responsibilities of the Council for the financial statements

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

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

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

Audit. Tax. Advisory.

Nexia Duesburys (Audit) (ABN 21 841 510 270) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.



Auditor's responsibility for the audit of the financial statements

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

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

A handwritten signature in blue ink that reads 'Nexia Duesburys'.

Nexia Duesburys (Audit)
Canberra, 21 August 2023

A handwritten signature in blue ink that reads 'Rod Scott'.

Rod Scott
Partner

STATUTORY INTEREST

The Statutory Interest Account

Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue	2	8,914,706	967,762
Expenses			
Law Society of the Australian Capital Territory - reimbursement of administration expenses		(76,520)	(73,584)
Disciplinary legal costs and other legal costs		(982,284)	(830,980)
Professional Standards Office costs		(123,029)	(122,941)
Surplus / (deficit) for the year		7,732,873	(59,743)

From the \$7,732,873 surplus, Council has subsequently proposed future distributions totalling \$5,500,000 which will be paid in 2023-24, subject to approval by the Attorney-General of the ACT, and the amount will be reflected as an expense in the 2023-24 financial statements. Refer Note 8.

Statement of Financial Position

As at 30 June 2023

	Notes	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	3	5,880,337	920,308
Investments	4	1,500,000	653,934
Trade and other receivables	5	2,283,214	343,515
Total current assets		9,663,551	1,917,757
Non-current assets			
Other receivables	5	26,250	-
Total assets		9,689,801	1,917,757
Current liabilities			
Trade and other payables	6	285,878	246,707
Total current liabilities		285,878	246,707
Total non-current liabilities		-	-
Total liabilities		285,878	246,707
Net assets		9,403,923	1,671,050
Equity			
Accumulated funds		9,403,923	1,671,050
Total equity		9,403,923	1,671,050

Statement of Changes in Equity

As at 30 June 2023

Accumulated funds			
Balance at the beginning of the financial year		1,671,050	1,730,793
Surplus/(deficit) for the year		7,732,873	(59,743)
Balance at the end of the financial year		9,403,923	1,671,050

Statement of Cash Flows

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Recovered disciplinary legal costs and fines imposed		174,046	224,659
Miscellaneous receipts & GST refunds		100,564	128,230
Disbursements and other operating payments		(1,236,096)	(1,175,665)
Interest		6,767,581	664,132
Net cash inflow/(outflow) from operating activities		5,806,095	(158,644)
Cash flows from investing activities			
Payments for investments		(2,200,000)	(500,000)
Receipts from investments		1,353,934	996,100
Net cash inflow/(outflow) from investing activities		(846,066)	496,100
Cash flows from financing activities			
Section 253 disbursements	7	-	(420,481)
Net cash inflow/(outflow) from financing activities		-	(420,481)
Net increase/(decrease) in cash and cash equivalents held		4,960,029	(83,025)
Cash and cash equivalents at the beginning of the financial year		920,308	1,003,333
Cash and cash equivalents at the end of the financial year	3	5,880,337	920,308

(Notes to the financial statements are annexed)

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies

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

Basis of Preparation

Reporting Basis and Conventions

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

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

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

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the Account.

Accounting Policies

(a) Income Tax

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

(b) Cash and Cash Equivalents

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

(c) Investments

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

(d) Revenue Recognition

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

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

Timing of Revenue Recognition

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

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

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

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

Interest Revenue

Interest income is recognised on an accruals basis using the effective interest method.

Recovered disciplinary costs and fines

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

(e) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

Financial assets

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

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

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

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

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

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

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

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

Financial liabilities

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

Impairment of financial assets

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

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

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Leases

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

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

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

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

exercise price of purchase options for which the entity is reasonably certain to exercise and incorporate the entity's expectations of lease extension options.

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

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

(h) Comparatives

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

Critical Accounting Estimates and Judgements

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

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

Note 2: Revenue

Revenue from contracts with customers

	2023 \$	2022 \$
Recovered disciplinary costs and fines	299,284	180,213
Represented by:		
Revenue recognised at a point in time	299,284	180,213
Revenue recognised over time	-	-
	299,284	180,213

Other income

Interest on investments by the Statutory Interest Account	117,297	6,430
Interest on investments by the Statutory Deposits Account	3,411,651	594,834
Interest on Solicitors' Trust Accounts	5,086,474	186,285
	8,615,422	787,549

Total Revenue and Other income	8,914,706	967,762
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Note 3: Cash and Cash Equivalents

Cash at bank	5,880,337	920,308
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Note 4: Investments

Term deposits*	1,500,000	653,934
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*Term deposits were held with maturities of up to 18 months from the date of deposit.

	2023 \$	2022 \$
Note 5: Trade and other Receivables		
Current		
Accrued interest		
Investments	1,469,959	210,469
Solicitors' Trust Accounts	588,385	63,163
Other	98,667	35,538
	2,157,011	309,170
Debtors	148,870	38,141
Provision for doubtful debts	(49,882)	(38,141)
Prepayments	1,229	1,174
GST receivable	25,986	33,171
	126,203	34,345
	2,283,214	343,515
Non-current		
Debtors	124,013	167,386
Provision for doubtful debts	(97,763)	(167,386)
	26,250	-
	2,309,464	343,515

Note 6: Trade and other Payables

Sundry creditors and accruals	285,878	246,707
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Note 7: Disbursements Paid

Disbursements paid, on a cash basis, from the Statutory Interest Account under s253(4) of the *Legal Profession Act 2006* were:

Canberra Community Law	-	41,837
Care Inc (Consumer Law)	-	11,772
Environmental Defender's Office	-	11,772
Legal Aid Commission (ACT)	-	313,263
Women's Legal Centre	-	41,837
	-	420,481

2023

\$

2022

\$

Note 8: Disbursements Under s253

The accounting surplus before disbursements and cash available for distribution differ due to the recognition of long-term receivables for recovered disciplinary costs and fines in revenue.

Cash received from these revenue items may be disbursed in future years as the amounts are received. The amounts are expected to be received as follows:

Within one year	148,870	38,140
Later than one year	124,013	167,386
Possible disbursements under s253 are calculated as follows:		
Surplus/(deficit) before disbursements	7,732,873	(59,743)
Add prior year revenue amounts received in the current year	-	44,447
Less amounts recognised in revenue to be received in future years	(125,239)	-
	7,607,634	(15,296)
Proposed disbursements under s253*	5,500,000	-

* Council has post year-end proposed future distributions totalling \$5,500,000 which will be paid in 2023-24, subject to approval by the Attorney-General of the ACT and the amount will be reflected as an expense in the 2023-24 financial statements. The Account will invite submissions for disbursements from the Statutory Interest Account under s253(4) of the *Legal Profession Act 2006*, as well as allocating a component to the Solicitors' Fidelity Fund.

Note 9: Financial Risk Management

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

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

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

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

	Notes	2023 \$	2022 \$
Financial Assets at Amortised Cost			
Cash and cash equivalents	3	5,880,337	920,308
Term deposit investments	4	1,500,000	653,934
Trade and other receivables	5	2,283,478	310,344
Total Financial Assets		9,663,815	1,884,586
Financial Liabilities at Amortised Cost			
Trade and other payables	6	285,878	246,707
Total Financial Liabilities		285,878	246,707

Net Fair Values

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

Note 10: Contingent Assets

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

Note 11: Contingent Liabilities

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

Note 12: Legislation

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

Note 13: Remuneration of Auditors

Audit fees of \$3,525 (2022: \$3,420) were ultimately paid by the Statutory Interest Account.

Note 14: Events After the Balance Date

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

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

Councillors' Declaration

For the year ended 30 June 2023

The Councillors declare that the financial statements and notes set out on pages 30 to 38:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and other mandatory professional reporting requirements; and
- (b) present fairly the Account's financial position as at 30 June 2023 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

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

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



Councillor
21 August 2023



Councillor
21 August 2023



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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Law Society of the Australian Capital Territory Statutory Interest Account (the Account) which comprises the statement of financial position as at 30 June 2023, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Law Society of the Australian Capital Territory Statutory Interest Account as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures.

Basis for opinion

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

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

Responsibilities of the Council for the financial statements

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

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

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

Audit. Tax. Advisory.

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Liability limited under a scheme approved under Professional Standards Legislation.



Auditor's responsibility for the audit of the financial statements

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

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

A handwritten signature in blue ink that reads 'Nexia Duesburys'.

Nexia Duesburys (Audit)
Canberra, 21 August 2023

A handwritten signature in blue ink that reads 'Rod Scott'.

Rod Scott
Partner

FIDELITY FUND

The Solicitors' Fidelity Fund of The Australian Capital Territory

Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue	2	254,614	122,188
Audit fees		(3,525)	(3,420)
Administration expenses		(46,496)	(48,869)
Consultancy/Professional advice		(1,485)	(8,415)
Investigations, examinations, supervisor and managers' costs		(79,850)	(37,223)
Random inspections expenses		(174,310)	(124,630)
Surplus/(deficit) for the year		(51,052)	(100,369)
Total comprehensive income for the year		(51,052)	(100,369)

(Notes to the financial statements are annexed)

Statement of Financial Position

As at 30 June 2023

	Notes	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	3	1,835,713	1,993,291
Investments	4	3,490,000	3,490,000
Trade and other receivables	5	187,885	117,272
Total current assets		5,513,598	5,600,563
Total assets		5,513,598	5,600,563
Current liabilities			
Trade and other payables	6	101,055	136,968
Total current liabilities		101,055	136,968
Total liabilities		101,055	136,968
Net assets		5,412,543	5,463,595
Equity			
Accumulated funds		5,412,543	5,463,595
Total equity		5,412,543	5,463,595

Statement of Changes in Equity

For the year ended 30 June 2023

Accumulated Funds			
Balance at the beginning of the financial year		5,463,595	5,563,964
Total comprehensive income for the year		(51,052)	(100,369)
Balance at the end of the financial year		5,412,543	5,463,595

Statement of Cash Flows

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from contributions		83,472	78,187
Recoveries & GST refunds		34,120	84,312
Payments to suppliers and others		(387,017)	(189,736)
Interest received		111,847	21,263
Net cash inflow/(outflow) from operating activities		(157,578)	(5,974)
Cash flows from investing activities			
Payments for investments		-	(1,990,000)
Proceeds from investments		-	2,135,000
Net cash inflow/(outflow) from investing activities		-	145,000
Net increase/(decrease) in cash and cash equivalents held		(157,578)	139,026
Cash and cash equivalents at the beginning of the financial year		1,993,291	1,854,265
Cash and cash equivalents at the end of the financial year	3	1,835,713	1,993,291

(Notes to the financial statements are annexed)

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1: Summary of Significant Accounting Policies

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

Basis of Preparation

Reporting Basis and Conventions

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

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

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

A number of new or revised Australian Accounting Standards are effective for the first time in the current financial year. These standards have had no material impact on the Fund.

Accounting Policies

(a) Income Tax

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

(b) Cash and Cash Equivalents

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

(c) Revenue Recognition

Revenue recognised under AASB 15 is measured at the amount which the Fund expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction

price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied. Where consideration comprises variable components, the amount recognised as revenue is constrained to that amount that would not result in a significant reversal of the cumulative revenue recognised when that uncertainty is resolved.

Timing of Revenue Recognition

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

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

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

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

Contributions

Revenue from contributions is recognised when the entity obtains control over the contributions.

Interest Revenue

Interest income is recognised on an accruals basis using the effective interest method.

Recovered Investigation/management costs

Revenue from *recovered* investigation/management costs are recognised when the receipt of funds become recoverable.

(d) Investments

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

(e) Financial Instruments

Initial recognition and measurement

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

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except

where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

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

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

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

Financial assets

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

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

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

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

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

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

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

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

Financial liabilities

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

Impairment of financial assets

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

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

(f) Goods and Services Tax (GST)

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

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

(g) Leases

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

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

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

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the

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

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

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

(h) Comparatives

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

Critical Accounting Estimates and Judgements

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

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

	Notes	2023 \$	2022 \$
Note 2: Revenue			
Revenue from contracts with customers			
Contributions from levies		83,472	78,187
Recovery of investigations/management, supervisor costs and doubtful debt recovery		-	8,554
		83,472	86,741
Represented by:			
Revenue recognised at a point in time		83,472	86,741
Revenue recognised over time		-	-
		83,472	86,741
Other income			
Interest on investments		171,142	35,447
Distribution from the Statutory Interest Account		-	-
		171,142	35,447
Total Revenue and Other income		254,614	122,188

Note 3: Cash and Cash Equivalents

Cash at bank	434,760	592,338
AMP Notice account	1,400,953	1,400,953
	1,835,713	1,993,291

(Notes to the financial statements are annexed)

	2023	2022
	\$	\$
Note 4: Investments		
Term deposits*	3,490,000	3,490,000
	3,490,000	3,490,000

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

Note 5: Trade and Other Receivables

Trade debtors – The Law Society of the Australian Capital Territory	97,228	80,410
Trade debtors – other	13,380	18,880
Provision for doubtful debts	-	-
Accrued interest	77,277	17,982
	187,885	117,272

Note 6: Trade and Other Payables

Trade creditors and accruals	3,827	56,558
Contributions received in advance	97,228	80,410
	101,055	136,968

Note 7: Legislation

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

Note 8: Auditors' Remuneration

Audit of the Fund's financial statements	3,525	3,420
Conduct of random inspections	66,295	51,590
	69,820	55,010

Note 9: Financial Risk Management

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

The Fund is not subject to any significant liquidity or credit risk. Interest rate risk is managed by the Fund reviewing the interest rate profile, current rates and the market outlook and taking actions as necessary to ensure that risk levels are maintained at a satisfactory level. A 1% movement in interest rates on term deposits held at year end would have an annual effect of \$34,900 on profit and equity. A previous actuarial assessment of the Fund noted that the level of exposure to risk had increased due to the substantial increase in trust monies held in the ACT by law firms. The recommendation in 2022 was that the prudential optimal size of the Fund should be \$8.5m. Council are considering the most appropriate course of action to increase the balance of the Fund in line with the recommendation.

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

	Notes	2023 \$	2022 \$
Financial Assets at amortised cost			
Cash and cash equivalents	3	1,835,713	1,993,291
Term deposit investments	4	3,490,000	3,490,000
Trade and other receivables	5	187,885	117,272
Total Financial Assets		5,513,598	5,600,563
Financial Liabilities at amortised cost			
Trade and other payables	6	101,055	136,968
Total Financial Liabilities		101,055	136,968

Net Fair Values

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

Note 10: Contingent Liabilities and Contingent Assets

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

Note 11: Events After the Reporting Period

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

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

Councillors' Declaration

For the year ended 30 June 2023

The Councillors declare that the financial statements and notes set out on pages 42 to 49:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and other mandatory professional reporting requirements; and
- (b) present fairly the Fund's financial position as at 30 June 2023 and its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the Councillors' opinion:

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

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



Councillor
21 August 2023



Councillor
21 August 2023



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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Solicitors' Fidelity Fund of the Australian Capital Territory (the Fund) which comprises the statement of financial position as at 30 June 2023, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

In our opinion the financial statements present fairly, in all material respects, the financial position of the Solicitors' Fidelity Fund of the Australian Capital Territory as at 30 June 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Simplified Disclosures.

Basis for opinion

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

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

Responsibilities of the Council for the financial statements

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

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

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

Audit. Tax. Advisory.

Nexia Duesburys (Audit) (ABN 21 841 510 270) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.



Auditor's responsibility for the audit of the financial statements

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

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

A handwritten signature in blue ink that reads 'Nexia Duesburys'.

Nexia Duesburys (Audit)

Canberra, 21 August 2023

A handwritten signature in blue ink that reads 'Rod Scott'.

**Rod Scott
Partner**



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