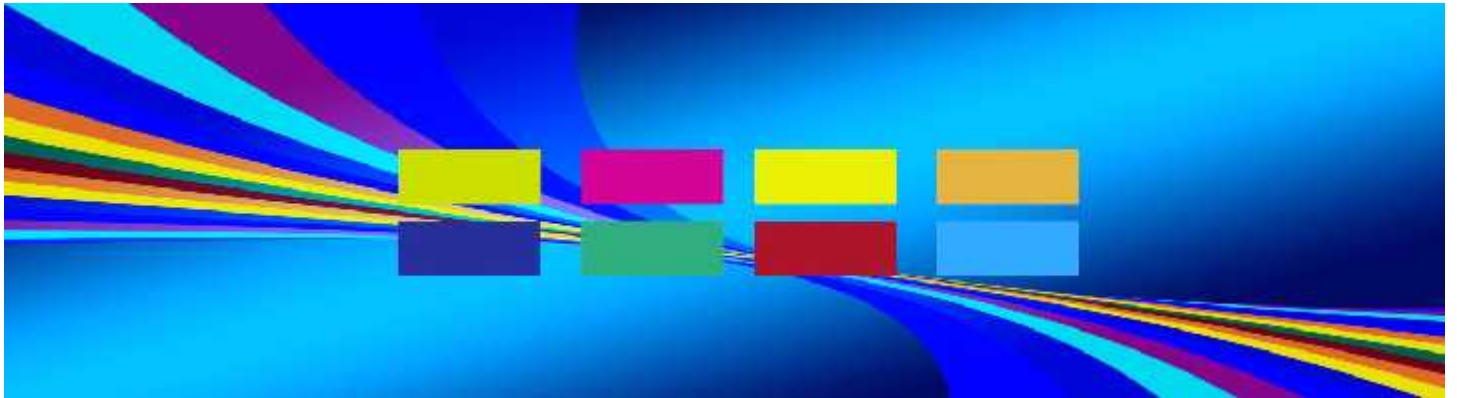




LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA



ANNUAL REPORT

2014 – 2015





STATEMENT OF COMPLIANCE
FOR THE YEAR ENDED 30 JUNE 2015

The Hon Michael Mischin MLA
Attorney General and Minister for Commerce

In accordance with Section 551 of the *Legal Profession Act 2008*, we here by submit for your information and presentation to Parliament the Annual Report for the Legal Practice Board of Western Australia for the financial year ended 30 June 2015.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

John Syminton
Chair

Graeme Geldart
Executive Director

9 December 2015

Contacts

Address

Legal Practice Board WA
5th floor
Kings Building
533 Hay Street
Perth WA 6000

Postal

Legal Practice Board of WA
PO Box 5720
St Georges Terrace
Perth WA 6831

Web Address

www.lpbwa.org.au

Telephone

(08) 6211 3600





Table of Contents

REPORT FROM THE CHAIRPERSON.....	6
REPORT FROM THE EXECUTIVE DIRECTOR.....	10
THE LEGAL PRACTICE BOARD.....	13
ORGANISATIONAL STRUCTURE	19
MANAGEMENT COMMITTEE	22
ADMISSIONS AND REGISTRATION COMMITTEE	26
PROFESSIONAL AFFAIRS COMMITTEE.....	36
PROFESSIONAL DEVELOPMENT COMMITTEE	57
REPORT FROM THE INFORMATION SYSTEMS OFFICER	63
REPORT FROM THE SENIOR TRUST INSPECTOR.....	67
REPORT FROM THE RECORDS COORDINATOR	70
REPORT FROM THE LAW LIBRARIAN	73
DISCLOSURES AND OTHER LEGAL REQUIREMENTS.....	76



REPORT FROM THE CHAIRPERSON

Introduction

The Legal Practice Board has had another busy, productive and active year, again dealing with a number of matters that required significant time and resource outside the Board's usual statutory regulatory obligations. Once again these matters require a substantial amount of my time and effort as Chairperson.

The Board's experienced staff has continued to deliver the statutory obligations in an effective, efficient and service focused manner, and for that I extend my most sincere thanks. The staff dedication and independence in their roles allows a focus on the extraneous matters that must be managed and delivered upon to ensure the ongoing effective operations of the Board in the interests of both the public and the profession.

Practising Certificate Application Fees

Following advice from the Department of the Attorney General that funding for the Board's accommodation would be withdrawn and that the Board would therefore in future be required to meet its own accommodation requirements, and also following advice to the professional legal representative bodies, the Board decided to increase the fee accompanying practising certificate applications to \$1,250 per annum.

This was the first fee increase in 7 years, and was considered necessary to ensure the maintenance of the high level of regulatory oversight that is rightly expected by the public taking into consideration the increased financial burden of both accommodation funding and normal operational cost increases that are experienced each year.

The Board will continue in its endeavours to keep the costs of legal regulation as low as possible whilst maintaining the highest standards possible.

The Law Library

The Board and the Department of the Attorney General have continued to work through the reporting year to progress the Law Library integration, moving towards the consolidation of the library resources of the Department with those of the Law Library at the Supreme Court, which is owned by the Board. It is anticipated that the integrated library will open as planned in mid 2016 in the new Supreme Court facilities that will be opening on the site of the Old Treasury Building development.

Following the finalisation of the integration project it will be appropriate then for the Board to be relieved of its non-regulatory role of the management of the Law Library at the Supreme Court and the Attorney General has, subject to cabinet and parliamentary approval, agreed that the *Legal Profession Act 2008* will be amended to remove that current statutory obligation imposed under section 548(1)(c) of that legislation.

As advised in my report in 2013-2014, the government, whilst still maintaining its position that it wished the integration to progress, withdrew all funding from the library integration project.

As there are considerable complexities in the combining of the catalogues of the libraries and with the management of the physical relocations, funding for that purpose is essential. Accordingly, the Board agreed to provide capped funding of \$350,000 (payable upon approved Invoice) to ensure the progression of the integration project which now continues to proceed towards completion. Without this contribution the integration project would not have been able to progress and the heavy financial burden upon the Board for the maintenance of the law library at the Supreme Court would have to have continued.

The Board has also finalised the terms and entered into a Memorandum of Understanding with the Department of the Attorney General that establishes the terms of the integration through to completion. In the year ahead discussions will be held between the Department of the Attorney General, the Law Society and the Board in order to establish the quantum and methodology for payment of the profession's financial contribution to the maintenance of the integrated library.

Accommodation Funding and Leasing

Despite ongoing representations from the Board, which will continue in the year ahead, the government has maintained its position that it will no longer continue to meet its historical and long-term commitment to fund the accommodation of the Board premises for the Office of the Board and the Legal Profession Complaints Committee.

Accordingly, the Board was required to enter its own leases for its occupied premises and appropriate documentation has been negotiated, finalised and executed by the Board in the year under review. The current leases will expire in mid 2017 and the Board has commenced the process of assessment and consultation on its future accommodation needs.

The Board remains concerned about the withdrawal of financial support by government and the implications for the Board and the regulation of the profession. The Board has decided to continue its representations urging the reinstatement of Board accommodation funding.



Legislative Reform

The Legal Profession Act 2008

In 2013-2014 the Board to made submissions to the State Solicitor's Office on recommended statutory amendments to the *Legal Profession Act 2008* in order to improve, streamline and clarify various regulatory processes.

To date a draft amendment bill has not yet been made available for comment although the Board has been advised that the draft bill has received cabinet approval.

National Uniform Law

The *Legal Profession Uniform Law* was introduced into Victoria and New South Wales on 1 July 2015. The intention of the uniform legislation is to provide a structure for uniform regulatory laws in those jurisdictions. At this time no decision has been made to adopt the uniform legislation.

The Board has agreed to assist the Attorney General in his consideration of the *Uniform Law* by establishing an *Ad Hoc* Committee on Legal Regulation that is in the process of undertaking a comparison of the *Legal Profession Uniform Law* with the *Legal Profession Act 2008*. In due course, that committee will report to the Board and outcomes will be reported to the Attorney General.

Membership of the Board

Membership of the Board comprises ex-officio the Attorney General and Solicitor General, 12 elected members, plus those Queens and Senior Counsel who elect to self nominate for membership. There are also two lay representatives who serve on the Legal Profession Complaints Committee at the nomination of the Attorney General.

Currently the Board has a total of 44 members which is indicative of the serious obligation which senior members of the profession accept responsibility in order to maintain a high level of professional standards and to ensure protection of the public.

The Board greatly values the *pro bono* contribution given by its members and the vast knowledge, experience and expertise that they bring to its considerations. However, due to the very high calibre of its members the Board invariably loses valued members when they are appointed to the bench. During the year under review the following appointments were made from amongst the Board membership:

The Honourable Justice Robert Mitchell Supreme Court

The Honourable Justice Bruno Fiannaca Supreme Court



His Honour Judge Laurence Levy

District Court

Her Honour Judge Linda Petrusa

District Court

Sincere congratulations are extended to each of these valued Board members and the Board's loss will be the gain of the state and community in the administration of justice in Western Australia.

Acknowledgements

I would like to extend a special vote of thanks to Chris Zelestis QC, who during the year in review tendered his resignation as the long standing Chairperson of the Legal Profession Complaints Committee in order to ensure effective succession in that role. Chris's contribution to the Board in the most difficult work undertaken by the Legal Profession Complaints Committee has been immeasurable and I am particularly grateful for his selfless contribution.

I would once again like to extend my most sincere thanks to the Deputy Chairperson, Peter van Hattem SC, for his continuing advice and support and for his dedicated contribution in all aspects of the Board's activities.

Special thanks are also extended to John Ley (Chairperson of the Legal Profession Complaints Committee), Patricia Cahill SC and John Fiocco (Convenors of the Professional Affairs Committee) and the Hon Justice Bruno Fiannaca (Acting Convenor of the Professional Affairs Committee pending John Fiocco's appointment), Sabina Schlink (Convenor of the Admissions & Registration Committee), Anna Liscia (Convenor of the Management Committee), Joshua Thomson SC (Convenor of the Professional Development Committee), and Justice Kenneth Martin (Chairperson of the Law Library Advisory Committee) for their leadership and guidance of these committees. Thanks also to the Deputy Convenors and Chairs for their support and, of course, to all members of the Board who selflessly give of their time to give back to the profession.

Thank you also to the Board staff across all divisions for their dedicated work without which the Board and its committees could not operate with the effectiveness and efficiency with which they do.

John Syminton

Chairperson

Legal Practice Board



REPORT FROM THE EXECUTIVE DIRECTOR

The role of the Executive Director is to be responsible for the day to day operations of the Board, and to ensure that:

- The Board's functions are performed, and its decisions and policies are implemented promptly and efficiently;
- The Board's human resources are supported, supervised and managed in accordance with best practice; and
- The Board's financial resources are protected and managed in accordance with effective financial controls.

The regular statutory operations of the Board include:

- ❖ Reservation of legal work (prohibition on unqualified legal practice);
- ❖ Admission of local, interstate and foreign lawyers;
- ❖ Issuing and renewal of practising certificates;
- ❖ Monitoring of continuing professional development (CPD) obligations;
- ❖ Assessment of applicants for Quality Assured CPD provision;
- ❖ Co-ordination of inter-jurisdictional regulatory matters;
- ❖ Monitoring of legal practice structures, including incorporated legal practices and multi-disciplinary partnerships;
- ❖ Monitoring of trust accounts;
- ❖ The conduct of the complaints and disciplinary process through the Legal Profession Complaints Committee;
- ❖ Management and operation of the Law Library at the Supreme Court; and
- ❖ Compliance with relevant public service, government and statutory obligations.

Whilst I am aware that I made the following acknowledgements in my report for 2013-2014 I would again like to reiterate that whilst the Executive Director holds overarching responsibility for the delivery of the obligations and statutory services and operations of the Board, these can only be delivered through operational and staffing structures that facilitate those services. In this regard I once again acknowledge that my work colleagues across the Office of the Board, the Legal Profession Complaints Committee and the Law Library at the Supreme Court, are of the highest calibre, thus making delivery of my responsibilities both manageable and enjoyable.

Additionally, the Board staff across all divisions and I are in the fortunate circumstance of having the most senior and skilled legal practitioners as members of the Board and its committees – a resource so valuable that it cannot be quantified.

In addition to the regular management of the human, physical and financial resources of the Board, during the year under review I oversaw the administration relating to the following matters:

- The withdrawal of accommodation funding for premises occupied by the Office of the Board and the Legal Profession Complaints Committee;
- The assignment and variation of leases for the Board's premises;
- The introduction of an increase in the fee accompanying applications of practising certificates;
- The continuation of the Law Library Integration Project;
- The provision of support to the Attorney General in his considerations relating to the introduction of uniform regulatory legislation in Victoria and New South Wales and whether Western Australia should engage in that process;
- Ongoing promotion of submissions for proposed amendments to the *Legal Profession Act 2008*; and
- The expansion of the Board's information technology capacity.

These matters will be covered in more detail in the reports of the Chairperson and the Convenor of the Management Committee, and I will not therefore duplicate that detail.

These identified issues will continue to dominate my attention in the year ahead.

Staffing

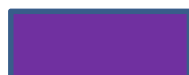
Staffing levels have remained relatively consistent across the divisions of the Board (Office of the Board, Legal Profession Complaints Committee, and the Law Library) with only minor restructures required to maximise service delivery.

An additional person has been appointed to the Information Technology team to assist in the developments that will take place in that area of operations in the year ahead.

The Future

Extensive strategic and financial planning for the Board's operations have been undertaken in the year under review and that planning will be implemented in the year ahead. The Board is entering a new era in that it will become solely responsible for its own funding without any financial support from government effectively from 1 July 2016.

Once again the Board will continue to promote initiatives to inform, educate, support and advise the members of the legal profession on their obligations



and the standards required of the profession and expected by members of the public whom they serve.

The Professional Development Committee has recommended and the Board have approved the introduction of a Practice Management Course, and the development of a scheme for its implementation will be undertaken in the year ahead.

The increasingly important work of the Rapid Resolution Team at the Legal Profession Complaints Committee will continue to play a most important role in informing and educating the profession.

Vote of Thanks

I would like to extend my most sincere thanks to the Board's Chairperson, John Syminton, to the Deputy Chairperson, Peter van Hattem SC, to the Convenor of the Management Committee, Anna Liscia, to my Deputy Executive Director, Libby Fulham, and to the Law Complaints Officer, Gael Roberts. Their trust, assistance and support has been extremely valuable and greatly appreciated.

Additionally, a sincere thank you to the Convenors and Deputy Convenors of each of the Board's delegated committees, to the Chairperson and Deputy Chairperson of the Legal Profession Complaints Committee, and to the Chairperson of the Law Library Advisory Committee for their most valuable leadership during the year under review.

The voluntary contribution of the most distinguished and senior members of the Western Australian legal community provides significant benefit to not only the Board, but to the government, the legal profession at large and, most importantly, to the broader Western Australian community. I thank all Board members for that contribution and dedication.

Of course, sincere thanks are due to the excellent staff of the Board. Across the divisions of the Board we do our utmost to deliver services as a unified team and I appreciate the efforts that all staff members make in that regard.

Graeme Geldart
Executive Director
Legal Practice Board



THE LEGAL PRACTICE BOARD

Role

The Board is constituted under the *Legal Profession Act 2008* (LPA 2008). The Board has statutory responsibility for the regulation of the legal profession in Western Australia. The Board issues annual practising certificates to local lawyers and advises the Supreme Court in relation to eligibility and suitability for admission. Through the Legal Profession Complaints Committee the Board is also responsible for professional disciplinary action.

The Legal Practice Board owns and administers the Law Library located in the Supreme Court building in Stirling Gardens.

Membership

The Board as constituted under section 536 of the LPA 2008 consists of:

- the Attorney-General;
- the Solicitor-General, or, if there is no Solicitor General, the State Solicitor;
- each Queen's Counsel, and each Senior Counsel –
 - whose principal place of practice is in this State;
 - who is not a full-time judicial officer; and
 - who has, in writing, nominated himself or herself as a member;and
- 12 legal practitioners of at least 3 years' standing and practice who are elected as members for a 2 year period.

The Chairperson of the Board receives a nominal stipend and all other Board members provide their service strictly on a pro bono basis.

Queens Counsel

Prior to the introduction of the LPA 2008 all Queens Counsel whose principal place of practice was this State, were automatically members of the Board. Following the introduction of the LPA 2008 Queens Counsel had to nominate as members of the Board. At 30 June 2015 there were 4 Queens Counsel resident and practising in Western Australia, who had nominated as members of the Board.



Senior Counsel

Prior to the introduction of the LPA 2008 all Senior Counsel whose principal place of practice was this State, were automatically members of the Board. Following the introduction of the LPA 2008 Senior Counsel had to nominate as members of the Board. At 30 June 2015 there were 28 Senior Counsel resident and practising in Western Australia, who had nominated as members of the Board.

During the Year Under Review:

The following changes to members of the Board were:

- On 08 August 2014 Mr SE Creek resigned as a member of the Board.
- On 01 October 2014 Mr RM Mitchell SC was appointed to the Supreme Court and resigned as a member of the Board.
- On 07 October 2014 Mr MPC Yeo was appointed to the Board to fill the casual vacancy caused by the resignation of Mr SE Creek.
- On 23 October 2014 Ms PE Cahill resigned as a member of the Board.
- On 25 November 2014 Mr MD Cuerden SC and Mr MR Berry SC were appointed as Senior Council and subsequently nominated as a member of the Board.
- On 27 November 2014 Mr LM Levy SC was appointed to the District Court and resigned as a member of the Board.
- On 02 December 2014 Mr KM Pettit SC nominated as a member of the Board.
- On 28 January 2015 Mr JC Vaughan SC re-joined as a member of the Board.
- On 08 April 2015 Ms NA Hossen did not stand for re-election and ceased as a member of the Board.
- On 12 May 2015 Ms L Petrusa SC was appointed to the District Court and resigned as a member of the Board.
- Fiannaca

Total number of Silks at 30 June 2015

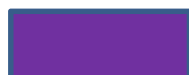
At the conclusion of the year under review the Board had a total of 32 Queens Counsel and Senior Counsel as members of the Board.

Elected Members

- 1 July 2014 to April 2015 election
 - Elected members in office during this period were: Mr SE Creek, Mr JGM Fiocco, Dr JJ Hockley, Ms VJ Hodgins, Ms NA Hossen, Mr JRB Ley, Ms AM Liscia, Ms EE Macknay, Mr AJ Pascoe, Ms SM Schlink, Mr JG Syminton and Mr RG Wilson

- April 2015 election to 30 June 2015
 - ◻ Elected members in office during this period were: Mr JGM Fiocco, Ms RT Heath, Dr JJ Hockley, Ms VJ Hodgins, Mr JRB Ley, Ms AM Liscia, Ms EE Macknay, Mr AJ Pascoe, Ms SM Schlink, Mr JG Syminton, Mr RG Wilson and Mr MPC Yeo.

- Appointment of Chairperson and Deputy Chairperson
 - ◻ Mr JG Syminton remained as Chairperson of the Board effective for the ensuing year.
 - ◻ Mr PCS van Hattem SC remained as Deputy Chairperson of the Board effective for the ensuing year.



Board Members as at 30 June 2015

Attorney-General	Solicitor-General	Chair	Deputy Chair
The Hon. Mr Michael Mischin MLC	Mr Grant Donaldson SC	Mr JM Syminton	Mr PCS van Hattem SC
Queens Counsel	Senior Counsel	Elected Members	
Mr CL Zelestis QC Mr RK O'Connor QC Mr S Owen-Conway QC Mr TF Percy QC	Mr KR Wilson SC Mr MH Zilko SC The Hon Mr PMC Dowding SC Mr GMG McIntyre SC Mr GTW Tannin SC Mr CP Shanahan SC Mr MT Ritter SC Mr B Fiannaca SC Mr T Lampropoulos SC Mr PCS van Hattem SC Mr MD Howard SC Mr SM Davies SC Mr SK Dharmananda SC; Mr S Vandongen SC; Mr PD Quinlan SC. Mr JA Thomson SC Mr B Dharmananda SC Mr J McGrath SC Mr RS Hooper SC Mr JA Thomson SC Ms KJ Farley SC Ms KF Banks-Smith SC Mr MN Solomon SC Mr M Cuerden SC Mr M Berry SC Mr K Pettit SC Mr JC Vaughan SC	Mr JGM Fiocco Ms RT Heath Dr JJ Hockley Ms VJ Hodgins Mr JRB Ley Ms AM Liscia Ms EE Macknay Mr AJ Pascoe Ms SM Schlink Mr JG Syminton Mr RG Wilson Mr MPC Yeo	

LPA 2008 section 552 Committees

Pursuant to section 552 of the LPA 2008, the Board may appoint committees of its members and pursuant to section 547 of the LPA 2008, the Board may delegate to a committee established under section 552 any power or duty of the Board under the LPA 2008 other than this power of delegation.

The Board's Committee's so constituted in the year under review are:

- Management Committee;
- Admissions and Registration committee;
- Professional Affairs Committee; and
- Professional Development Committee.

A summary of the main areas of responsibility and activities of the above committees during the 2014-2015 reporting year is set out further in this report.

Information required to be provided in the Board's annual report pursuant to section 551 of the LPA 2008 is provided in each of the committee's reports. These committees' reports also detail any significant issues and trends relating to each of the Committee's areas of administration in the performance of the Board's statutory functions.

Other Committees

In the reporting year, the Law Library Advisory Committee continued to hold meetings to supervise the business of the Law Library.

Meeting overviews

During the year under review the committees of the Board met on the following occasions.

Management Committee		Total Meetings held – 7	
Name	Meetings Applicable	Attended	
Ms Anna Liscia (Convenor)	7	6	
Mr John Syminton (Deputy convenor)	7	5	
Mr Mark Ritter SC	7	3	
Mr Peter van Hattem SC	7	7	
Mr Robert Mitchell SC	1	0	
Mr Kanagammah Dharmananda SC	7	1	
Mr San Vandongen SC	7	1	
Mr Joshua A Thomson SC	7	3	
Dr John Hockley	7	2	
Ms Valerie Hodgins	7	4	
Ms Sabina Schlink	7	1	
Mr John Ley	7	4	
Mr Melvin Yeo	7	6	
Admissions and Registrations Committee		Total Meetings Held - 11	
Name	Meetings Applicable	Attended	
Ms Sabina Schlink (Convenor)	11	7	
Ms Elizabeth Macknay (Deputy Convenor)	11	6	
Mr Laurie Levy SC	4	1	
Mr Matthew Howard SC	11	1	
Mr Simon Davies SC	11	3	
Mr Sam Vandongen SC	11	4	
Mr Joshua Thomson SC	11	4	
Mr Joseph McGrath SC	11	4	
Dr John Hockley	11	4	
Mr John Fiocco	11	4	
Ms Noelle Hossen	8	2	
Mr John Ley	11	8	
Ms Anna Liscia	11	6	
Mr John Syminton	11	8	
Mr Robert Wilson	11	4	
Ms Rebecca Heath	2	2	



Professional Affairs Committee		Total Meetings held – 12	
Name	Meetings Applicable	Attended	
Mr John Fiocco (Convenor from April 2015)	12	5	
Mr Bruno Fiannaca SC	12	7	
Deputy Convenor (Convenor October 2014 - April 2015)			
Mr Matthew Zilko SC	12	9	
Mr Gregory McIntyre SC (leave of absence December 2014 - May2015)	7	4	
Mr George Tannin SC	12	9	
Mr Peter van Hattem SC	12	11	
Ms Patricia Cahill SC (Convenor to October 2014)	4	3	
Mr Peter Quinlan SC	12	6	
Mr Rodney Hooper SC	12	4	
Mr Marcus Solomon SC	12	6	
Mr John Vaughan SC	7	3	
Mr John Syminton	12	6	
Mr Simon Creek	1	0	
Ms Anna Liscia	3	2	
Ms Valarie Hodgins	12	8	
Ms Elizabeth Macknay	12	3	
Mr Andrew Pascoe (Deputy Convenor December 2014 - April 2015)	12	11	
Professional Development Committee		Total meetings held - 7	
Name	Meetings Applicable	Attended	
Mr Joshua A Thomson (Convenor)	7	7	
Mr Andrew Pascoe (Deputy Convenor)	7	7	
Mr Christopher Shanahan SC (Leave of absence)	0	0	
Mr Laurie Levy SC	2	1	
Ms Karen Farley SC	7	3	
Ms Katrina Banks-Smith SC	7	3	
Ms Linda Petrusa SC	5	1	
Mr John Vaughan SC	4	3	
Mr Martin Cuerden SC	4	3	
Mr John Syminton	7	5	
Mr Simon Creek	1	0	
Mr Melvin Yeo	3	3	
Ms Rebecca Heath	3	2	

ORGANISATIONAL STRUCTURE

As presently structured, the Board carries out its functions in 3 distinct locations:

- The Office of the Board in the Kings Building, 533 Hay Street, Perth;
- The Law Library in the Supreme Court; and
- The Legal Profession Complaints Committee at 55 St Georges Terrace, Perth.

Office of the Board

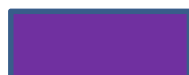
The Office of the Board provides administrative and executive support to the Board and its Committees as well as undertaking other core regulatory functions of the Board as provided for in the Legal Profession Act 2008. The Office of the Board also ensures the Board complies with considerable additional legislation that is applicable to the Board and its organisation as a public regulatory authority. Accordingly, key responsibilities of the Office of the Board include, but are not limited to:

- Executive support of the Board and Committees;
- Maintenance of the practitioner register (a record of all practitioners admitted to practice in Western Australia) plus various other records pertaining to legal practitioners in this State;
- Processing of admission and registration applications;
- Issue and renewal of annual practising certificates and the administration of other practitioner compliance matters;
- Conducting the Board's annual election; and
- Management of the Board's human, financial and physical resources.

Law Library

The Law Library located in the Supreme Court of Western Australia is owned and administered by the Board.

The Law Library provides reference and research facilities for the legal profession in Western Australia and through Rule 48 of the Legal Profession Rules 2009 (Rules) gives wide access to members of the judiciary, certificated practitioners, articulated clerks, members of Parliament (and their department staff), members of the police force, holders of an office, post or position established under an Act and public service officers and employees. Several groups such as law students, interstate practitioners, foreign lawyers and litigants in person may use the library subject to any restrictions, including payment of a fee, determined by the Law Library Advisory Committee.



The operation of the Law Library, up until April 2015 has been supported by the Law Library Advisory Committee, chaired by the Hon. Justice Kenneth Martin. The Report by the Law Librarian is included in this report.

Legal Profession Complaints Committee

The LPCC is responsible for supervising the conduct of legal practitioners and the practice of law. Pursuant to the LPA 2008, it has investigative and conciliation powers, and also initiates disciplinary proceedings.

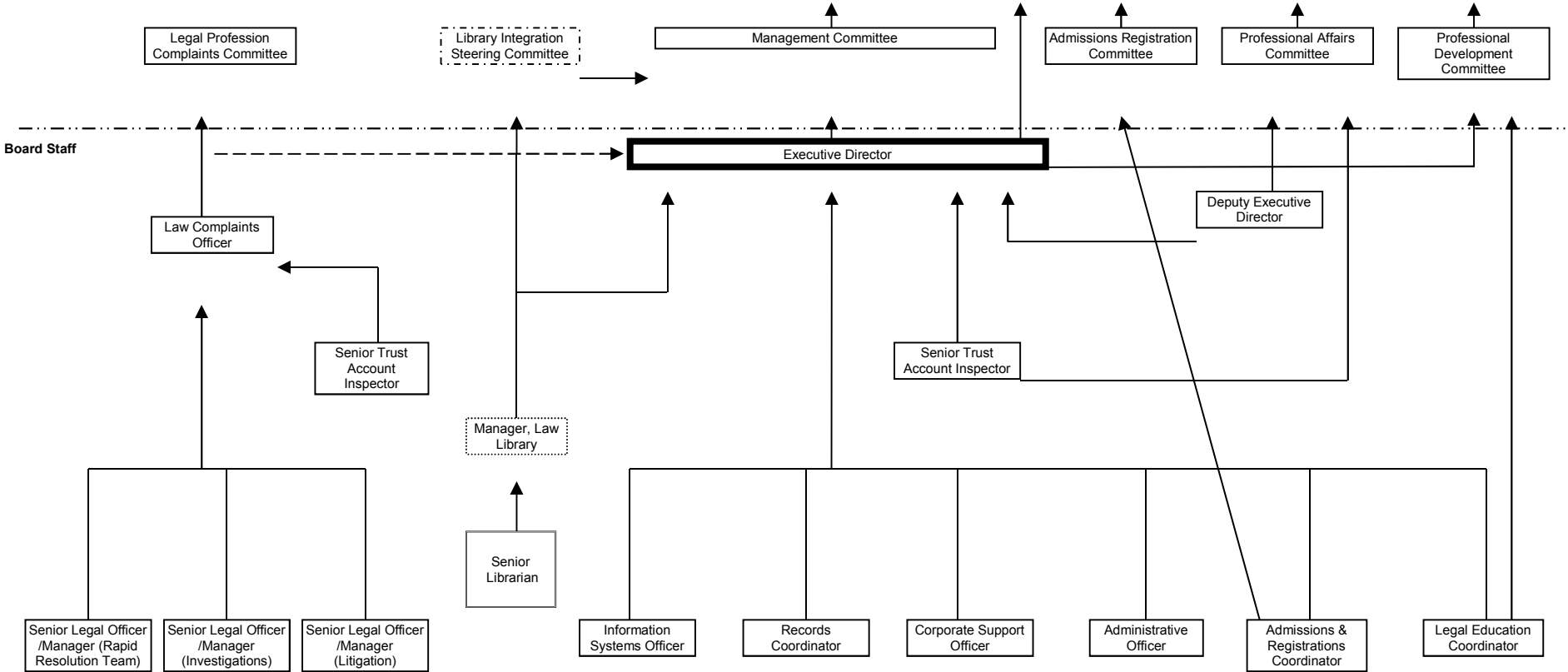
The LPCC is comprised of members of the Board and community representatives. Pursuant to section 571 of the LPA 2008, the LPCC provides a separate annual report in relation to its activities to the Attorney General.

Staff

As at 30 June 2014, the following numbers of staff were in full-time, part-time or contract employment with the Board:

Divisions	No of Staff
Office of the Board	19
Law library	5 (1 casual)
LPCC	24
Trust Account Inspector	3
Chairperson	1

LEGAL PRACTICE BOARD of WESTERN AUSTRALIA
Management Structure



Key

---> Reporting on administrative Matters only

—> Reports to

MANAGEMENT COMMITTEE

The Role of the Management Committee

The Management Committee exercises powers delegated to it by the Board in relation to the management of the Board's human, physical and financial resources.

Committee Process

The Management Committee usually meets every second month and receives and considers information and reports from the Executive Director and the Corporate Support Officer in regard to resourcing and financial issues.

When the need arises to address a pressing issue, either special meetings are called or resolutions are determined by electronic quorum. The Management Committee's primary focus is on strategic direction of the Board and the implementation, corporate governance and maintenance of appropriate policies, systems and processes.

Financial Resources

The Board is primarily self-funded through fees accompanying applications for practising certificates, admission, continuing professional development quality assured status and individual CPD event approval.

Until the year under review approximately 10% of the Board's funding came from Government through contribution by grant toward the cost of maintaining the Law Library and also funding the cost of the accommodation of the Offices of the Board and the Legal Profession Complaints Committee.

The Government has now implemented the staged withdrawal of accommodation funding to the Board and the Law Library grant will not continue following completion of the Law Library integration with the Government legal libraries in June 2016.

Effectively, from 1 July 2016 there will be no further Government funding provided to the Board.

Practising Certificate Fees

As a result of the withdrawal of Government funding, the Management Committee recommended to the Board that it was necessary to increase the fee accompanying practising certificate applications to \$1,250 per

annum. The Board accepted that recommendation and implemented the increase for the 2015-2016 practising certificate year.

In reaching its decision to recommend the fee increase the Management Committee noted that fees accompanying practising certificate applications had been kept at the same rate for a period of 7 years (to the benefit of the profession). However, with the requirement for the Board to meet its own accommodation costs (rental and on-costs), the effects of normal cost price increases and to ensure that available finances would be sufficient to meet the Board's statutory regulatory obligations, it was decided that the increase was warranted. It is hoped that in future, the only practising fee increases will be to manage normal cost increases.

The Board will be continuing with its representations to the Government to re-establish funding for the Board's accommodation given the statutory obligations and functions being exercised by the Board or to otherwise obtain a level of funding support.

Accommodation Leases

One of the conditions of the staged withdrawal of the Government's funding for the Board's accommodation was the additional requirement that the Board become the Lessee of its occupied premises.

Accordingly, the Management Committee oversaw the assignment of the leases for the premises occupied by both the Office of the Board and the Legal Profession Complaints Committee and the necessary variations required to transfer the leasing obligations from Government to the Board. Both leases are now vested in the Board and all ongoing obligations thereunder will remain under the supervision of the Management Committee.

The terms of the current leases will expire in June 2017. The Management Committee has already commenced the process to assess the current rental market and opportunities with the view to obtaining the best possible terms for future accommodation for the Board offices.

The Law Library

The Management Committee will continue to oversee the Law Library Integration Project which will ultimately see the Law Library in the Supreme Court combined with the Government law libraries and the removal of the Board's obligation to fund and maintain the Law Library.

The Management Committee negotiated and recommended to the Board the final terms of a Memorandum of Understanding (**MoU**) with the Department of the Attorney General. That MoU sets the terms for the balance of the library integration. The Management Committee will also



participate in discussions with the Department of the Attorney General and the Law Society in the year ahead in regard to the profession's ongoing contribution to the funding of the integrated library and how that contribution will be implemented.

National Regulation

Following its identification of the significant negative fiscal impacts if Western Australia were to adopt the *Uniform Law* as entered into by Victoria and New South Wales on 1 July 2015, the Management Committee has continued to monitor developments in that regard. Whilst the Committee acknowledges that efficient and effective national regulation would be desirable, it is not of the view that this is achieved through the imposition of an additional national governance structure on top of the existing structures in all jurisdictions, including the Board within this jurisdiction, without any corresponding savings in efficiencies or cost to the Western Australian profession and public.

The Board is however reviewing the Legal Profession Act and the Uniform Law to identify any changes in the WA legislation that would improve the regulation of the profession and recognise and provide a better interface with the international practice of law.

Human Resources

The Management Committee determines policy in relation to the appointment and management of Board staff.

The year under review saw the number of staff remain relatively stable at 44 full time equivalents.

An additional staff member was brought into the information technology area to assist in the expansion and further development and effectiveness in the utilisation of the ever-developing IT needs and to support the ongoing management of security and confidentiality of Board records.

Physical Resources

The Management Committee has responsibility for the physical resources of the Board i.e. accommodation, information technology etc.

The electronic document and records management system - 'Objective' - was again upgraded during the reporting year.

Further website development has taken place with the establishment of a web portal enabling the loading and access by the Board's volunteer members of all committee and meeting documentation.



The Committee continues to work towards the reduction of paper based administration.

Acknowledgements

I would like to acknowledge the support and assistance of my Deputy Convenor, John Syminton, and the dedication of my fellow Committee members for their conscientious preparation for the many complex issues requiring consideration at the Committee's meetings.

Thanks are extended to all of the Board's employees for their efforts during the year, and to the Executive Director, Graeme Geldart, Deputy Executive Director, Libby Fulham, and Corporate Support Officer, Chelle Ellery, for their management of the Board's resources and support to the Committee.

Anna Liscia
Convenor
Management Committee



ADMISSIONS AND REGISTRATION COMMITTEE

Convenor: Ms Sabina Schlink

Deputy Convenor: Ms Elizabeth Macknay

Resignations: Ms Noelle Hossen did not stand for re-election to the Board and resigned from the Committee in May 2015.

Mr Laurie Levy SC resigned in December 2014 following his appointment as a Judge of the District Court.

New members: Ms Rebecca Heath was appointed to the Committee in May 2015

Ongoing members:

Mr John Syminton (Chairperson); Mr S Davies SC; Mr John Fiocco; Dr JJ Hockley; Mr Matthew Howard SC; Mr John Ley; Ms Anna Liscia; Mr Joseph McGrath SC; Mr James Thomson SC; Mr Sam Vandongen SC; Mr Robert Wilson SC.

Pursuant to the instrument of delegation from the Full Board, the Admissions and Registration Committee (**Admissions Committee**) is responsible for the majority of the functions and powers of the *Legal Profession Act 2008 (Act)* that regulate:

- the admission of lawyers;
- the registration and practice of foreign lawyers;
- the grant of practising certificates, and imposition of conditions, when an applicant has not previously held a local practising certificate, or has not held an Australian practising certificate in the past 5 years; and
- supervised legal practice requirements.

Eligibility for Admission

Academic Qualifications and Practical Legal Training

Approved Academic Qualifications

The five universities offering approved law degrees in Western Australia are:

- The University of Western Australia;
- Murdoch University;
- The University of Notre Dame;

- Edith Cowan University (This university has been approved to offer a law degree online); and
- Curtin University.

A Bachelor of Laws or Juris Doctor degree from one of the above universities will only be accepted as an approved academic qualification for admission to the legal profession in Western Australia, if the granting of the qualification required the successful completion of coursework covering all the prescribed areas of knowledge described in the *Uniform Admission Rules*, as published by the Law Admissions Consultative Committee (LACC).

The University of Western Australia no longer offers a Bachelor of Laws degree. The first students in the Juris Doctor degree commenced in semester 1 of 2013. The Committee has reviewed and approved course outlines for units covering the prescribed areas of knowledge required under the Uniform Admission Rules, as the new units have been introduced.

The Committee thanks Dr John Hockley and Mr Rob Wilson SC for their contribution to the work of the Committee in reviewing the course outlines and reporting to the Committee.

Dr Hockley and Mr Wilson SC have also reviewed course outlines for the final year units of the Bachelor of Laws degree offered by Curtin University, and the Committee has reviewed those units on their recommendation.

The newly structured Bachelor of Laws degree at Murdoch University commenced in the first semester of 2015 and the Committee will review the course outlines for those units as they are available.

The Admissions Committee continues to recognise as “corresponding academic qualifications”, any Australian law degree that meets admission requirements in the Australian state or territory in which it was obtained, provided all of the prescribed areas of knowledge as set out in the *Uniform Admission Rules*, have been successfully completed.

During the year under review, the Committee considered a number of “stale” qualifications, in particular Australian law degrees that were completed more than 5 years ago. The Committee considers the qualifications having regard to the Common Considerations Relevant to Stale Qualifications described in the LACC’s Uniform Admission Rules. As well as considering whether the applicant has completed all of the 11 prescribed areas of knowledge described in the Uniform Admission Rules, the Committee considers the lapse of time since the degree was completed, the employment undertaken by the applicant since the degree was completed, and whether there have been significant changes to the relevant areas of law since the degree was completed.



Approved Practical Legal Training

Two practical legal training (**PLT**) options continue to be available in Western Australia, i.e. the WA College of Law PLT course, or 12 months articles of clerkship.

The number of law graduates registering articles of clerkship remained steady. In the current year 19 law graduates registered articles of clerkship, compared with 20 registrations in the year ended June 2014. Articled clerks must complete the Articles Training Program conducted by the Leo Cussen Institute. The Leo Cussen Institute runs the face-to-face program in Perth once a year. Students must attend the full-time course for a period of 3 weeks, or 4 weeks if they are completing the Administrative Law and Industrial Relations Law practice units in addition to the core course.

The WA College of Law PLT Program remains the only approved PLT course in Western Australia. In June 2014 the Committee reaccredited the course for a further 5 years.

The PLT Competency Standards for Entry Level Lawyers (**PLT Competency Standards**) revised and recommended by the Law Admissions Consultative Committee (LACC) were adopted by all Australian admitting authorities and boards in 2014 and took effect in January 2015.

Under the PLT Competency Standards for Entry Level Lawyers, law students must not commence PLT until the academic qualification has been completed, unless the early commencement has been approved by the Committee. Guidelines for the approval of early commencement of PLT were adopted by the Committee in February 2015, and published on the Board's website. Approval will only be given if the applicant has completed all of the units covering the prescribed areas of knowledge, and the applicant demonstrates that there are exceptional circumstances that make it impractical for the applicant to defer commencement of the PLT until after the academic qualifications have been completed.

The Committee has considered a significant number of applications for approval or the early commencement of PLT since the requirement commenced in January 2015.

The Committee continues to recognise PLT courses undertaken in other jurisdictions as "corresponding practical legal training" for the purpose of admission in this jurisdiction, if the PLT course has been approved as meeting the PLT requirements for admission in the Australian jurisdiction in which it was completed.

Assessment of Overseas Applicants for Admission

The Admissions Committee assesses overseas qualified law graduates and legal practitioners for admission to the legal profession in Western Australia. In considering applications the Admissions Committee has regard to the *Uniform Principles for Assessing Qualifications of Overseas Applicants for Admission to the Australian Legal Profession (Uniform Principles)* prepared by the Law Admissions Consultative Committee (**LACC**).

The Uniform Principles require all overseas applicants to complete Constitutional Law at a Western Australian law school and practical legal training in Office and Trust Accounting and Ethics and Professional Responsibility at the WA College of Law. Other requirements are considered on a case by case basis.

There was a slight decrease in the number of overseas assessments, i.e. down to 109 assessments compared to 116 in the previous year.

There was a slight increase in the number of overseas legal practitioners admitted to practice in Western Australia. In the year ended 30 June 2014, 23 of the new admittees had previously been admitted overseas. In the year ended 30 June 2015, 31 of the new admittees had previously been admitted overseas.

Admission Policies: Law Admissions Consultative Committee

The Law Admissions Consultative Committee (**LACC**) is a consultative committee that makes recommendations to Australian admitting authorities and admissions boards, with the aim of achieving uniformity of admission requirements in Australia. Ms Liscia is the Admissions Committee representative on the LACC.

During the year under review the Admissions Committee continued to consider matters raised by LACC including:

- Proposal for a limited review of the academic requirements for admission; and
- Proposals for national accreditation of PLT courses.

Suitability for Admission and Readmission

The Admissions Committee considers the suitability for admission of any applicant who has disclosed a suitability matter in their application.

The Committee considered 46 new applications for admission in which the applicants had disclosed matters that included traffic offences, parking



finances, transport infringements, Liquor Act infringements, disorderly conduct, drug possession offences, shoplifting as a juvenile, minor depression and other health matters, Centrelink overpayments disciplinary investigations by other bodies and academic misconduct. Two applicants were requested to provide further information, and 4 applications were deferred to allow the applicants to meet with two members of the Committee to discuss the disclosures.

All of the applicants were found to be fit and proper to be admitted.

An additional application was considered. No disclosures were made in the application but the applicant was requested to meet with two members of the Committee to discuss aspects of the application about which the Committee had concerns. The applicant left the country to assist a sick relative before the meeting was arranged and the application remains on hold.

At the date of the last annual report, the Committee was considering an application in which the applicant had disclosed traffic offences, failure to pay fines, bankruptcy, a history of engaging in escort work, a history of drug use, child support debt and tax matters that had not been finalised. The applicant met with two members of the Committee and was requested to provide further information. A senior member of the profession assisted the applicant with her application. The Committee found the applicant to be a fit and proper person to be admitted, and provided extensive reasons for the Supreme Court to support its findings. The applicant has since been admitted to practice.

In addition, as at 30 June 2015 the Committee was considering an application for admission in which the applicant had disclosed academic misconduct including the falsification of documents.

Two practitioners who have previously been struck off the roll have also applied for readmission and those applications are still under consideration by the Committee.

Applications for an Early Declaration of Suitability to be Admitted

Prospective applicants for admission may apply for an early determination of suitability to be admitted.

One application for an early declaration of suitability to be admitted was lodged in the year under review. The applicant made many disclosures including a long history of cannabis use, Centrelink overpayments, stealing, dishonesty, loan defaults and traffic offences. The application has not yet been decided.

Applications for the Grant of a Practising Certificate

The Admissions Committee considers all applications for the grant of a practising certificate in circumstances where an applicant has disclosed a suitability matter or show cause event in the application. The Admissions Committee also considers applications for the grant of a practising certificate from applicants who had not held an Australian practising certificate for 5 years or more.

It is common for the Admissions Committee to impose a 12 month restricted practice condition if the applicant has been absent from practice for a significant period of time.

One application for the grant of a practising certificate was considered during the year under review. The applicant had a long practice history in South Africa and had been admitted in NSW in 2008 but had never practised in Australia. The applicant made no disclosures in his application and sought to be excused from the requirement to provide a certificate of good standing from South Africa. The Committee did not excuse the applicant from providing the certificate of good standing. Enquiries made by the Board revealed that the applicant was subject to disciplinary proceedings in South Africa. The Board refused the application and gave notice to the refusal to the other Australian regulatory authorities responsible for issuing practising certificates. The Committee has subsequently received notice that the applicant has been struck off the roll in South Africa.

The Committee also refused to grant a practising certificate to a lawyer who had relocated overseas some years ago, advising that he did not intend to return to practice in this jurisdiction. At the time of his departure, he was subject to unresolved complaints before the Legal Profession Complaints Committee. After requesting further information and considering responses from the applicant, the Committee was not satisfied that the applicant was a fit and proper person to hold a practising certificate, and refused to grant a practising certificate. The person has sought a review of the Committee's decision in the State Administrative Tribunal and that application was ongoing as at 30 June 2015.

Restricted Practice and Supervised Legal Practice

The Admissions Committee considers submissions from practitioners relating to restricted practice and supervised legal practice including:

- Applications for reductions in the required period of supervised legal practice under s.50(7) of the Act, particularly in relation to practitioners, recently admitted in Western Australia, who have previously practised overseas. A reduction from 2 years to 12 months is generally given if an applicant has more than 2 years recent post-admission experience in a common law jurisdiction.



- Applications for exemptions under s.50(7) of the Act from the requirement to engage in restricted legal practice, having regard to the practitioner's prior legal practice and supervision arrangements. Newly admitted legal practitioners who have extensive overseas experience and intend only to work in-house in Western Australia, are sometimes granted an exemption from having to complete a period of restricted practice, subject to a condition that the practitioner only engages in legal practice of a specified in-house corporation and does not operate a trust account.
- Retrospective approval of part-time employment and supervision arrangements.
- Approval of proposed supervision arrangements, where the supervising practitioner is not located primarily in the same physical location as the restricted practitioner.

Representation at Meetings and Conferences:

- **Law Admissions Consultative Committee (LACC)**

As referred to earlier in this report, the LACC is a consultative committee that provides recommendations to Australian admitting authorities and admissions boards, with the aim of achieving uniformity of admission requirements in Australia. The Committee meets in Melbourne at least 3 times per year. Ms Liscia is the Committee's representative on LACC. Ms Liscia attended 3 LACC meetings in Melbourne during the year under review.

- **Administrators of Australasian Law Admitting Authorities (AALAA)**

The AALAA meets annually, on the day preceding the CORO conference, to discuss matters of mutual interest and to exchange information about admission policies and practices in the various Australian jurisdictions, and in New Zealand.

The Admissions & Registrations Coordinator, Ms Deb MacDonald, and the Admissions Officer, Ms Lorna Starling, attended the 15th Annual Meeting of the AALAA in Wellington, New Zealand in October 2014.

- **Conference of Regulatory Officers (CORO)**

This annual conference addresses all aspects of regulation of the legal profession, including matters relating to the admission of practitioners, the granting of practising certificates, and restricted practice requirements in Australian jurisdictions and New Zealand.

Ms MacDonald and Ms Starling attended this conference in Wellington, New Zealand in October 2014, along with other officers of the Board.

A representative of the Committee also sits on the University of Western Australia Advisory Board for the Faculty of Law. Ms Liscia sat from June 2011 until February 2015, and I would like to thank her for this contribution to the activities of the Committee. I replaced Ms Liscia as the Board's representative in February 2015.

During the year under review, the Committee also reviewed all of the approved forms relevant to the matters for which the Committee has delegated responsibility.

In concluding this report, I would like to personally thank all of the members of the Committee for their contributions during the year. In particular, I would like to thank those members who have reviewed course outlines, reviewed applications, met with applicants for admission, and prepared reports and recommendations to assist the Committee in its deliberations.

Statistics pertaining to matters considered by the Admissions Committee from 1 July 2014 to 30 June 2015

Assessment of qualifications		
Qualified	Admitted	Number
Australia	Singapore	1
Australia	Malaysia	2
England & Wales	Not admitted	21
England & Wales	England & Wales	14
England & Wales	England & Wales/US	1
England & Wales	England & Wales/Malaysia	1
England & Wales	Hong Kong/England and Wales	2
England & Wales	Malaysia	4
England & Wales	Singapore	1
Ireland	Not admitted	4
Ireland	Ireland/UK	1
Scotland	Not admitted	2
Scotland	Scotland	2
Belgium	Not admitted	1
Bosnia	Not admitted	1
France	Not admitted	1
Israel	Israel	1
Egypt	Egypt	2
Africa - Nigeria	Africa - Nigeria	1
South Africa	Not admitted	6
South Africa	South Africa	10
South Africa	South Africa/England and Wales/Jersey Channel	1
South Africa	Zimbabwe	1
Sri Lanka	Sri Lanka	6
India	Not admitted	2
India	India	3
Pakistan	Pakistan	2
Hong Kong	Not admitted	1
Indonesia	Not admitted	2
Cook Islands	Cook Islands	1



Assessment of qualifications		
Qualified	Admitted	Number
Philippines	Philippines	3
Canada	Canada	1
United States	Not admitted	1
United States	United States	4
West Indies	West Indies	1
Brazil	Brazil	1
Total assessments		109

i.e. approx 6% decrease (116 in 2014)

Articles of Clerkship Registrations	
Registrations – male articulated clerks	8
Registrations – female articulated clerks	11
Total Registrations	19

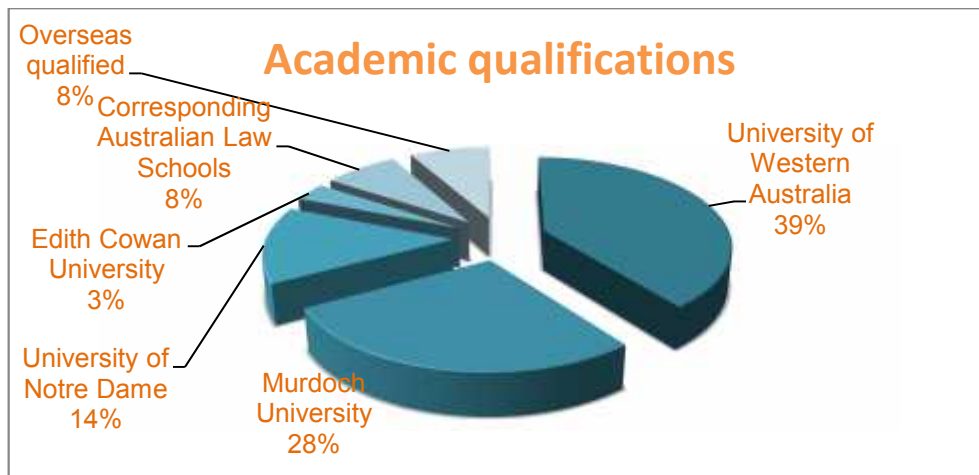
(Stable – in 2014 there were 20 registrations)

Articled clerks were graduates from	
University of Western Australia	6
Murdoch University	7
University of Notre Dame	2
Edith Cowan University	1
Corresponding Australian Law Schools	1
Overseas qualified	2
Total articulated clerks	19

Admissions	
Admitted pursuant to s26 of the <i>Legal Profession Act 2008</i>	426
Admitted pursuant to the Mutual Recognition (WA) Act 2001 or unknown	5
Admitted pursuant to the Trans-Tasman Mutual Recognition (WA) Act 2008	6
Total Admissions	437

(In 2014, 477 were admitted. – 8% decrease)

Of the **426** lawyers admitted pursuant to the *Legal Profession Act 2008*, 158 were male and 268 were female, and they were qualified as follows:



Academic qualifications	
University of Western Australia	168
Murdoch University	118
University of Notre Dame	59
Edith Cowan University	14
Corresponding Australian Law Schools	32
Overseas qualified	35**

**Of the 35 overseas qualified persons admitted, 31 had previously been admitted overseas:	
England & Wales	16
England & Wales/USA	1
England & Wales/Scotland	1
England & Wales/Malaysia	1
England & Wales/Singapore	1
Scotland	1
Ireland	3
Singapore	1
Malaysia	2
Malaysia/Singapore	1
South Africa	3
Total Previous Admitted Overseas	31

Practical legal training completed	
Articles of clerkship	24
WA College of Law PLT Course	296
Corresponding Aust PLT course - ANU	71
Corresponding Aust PLT course - other	3
Overseas assessed	32

Registered Foreign Lawyers

At 1 July 2015 there were 4 registered foreign lawyers.

- There was 1 new registration and 1 cancellation during the year.
- All 4 registered foreign lawyers renewed their registration for the 2015/2016 year.

The renewals approved for the 2014/2015 year were	
Malaysia	1
Germany	3

Sabina Schlink

Convenor

Admissions and Registration Committee



PROFESSIONAL AFFAIRS COMMITTEE

Convenor:	Mr J Fiocco (April 2015 to date)
Deputy Convenor:	Mr B Fiannaca SC (Convenor October 2014 to April 2015)
Members:	Mr MH Zilko SC Mr GMG McIntyre SC (period of absence December 2014 to May 2015) Mr GTW Tannin SC Mr PCS van Hattem SC Ms PE Cahill SC* (Convenor to October 2014) Mr PD Quinlan SC Mr RS Hooper SC Mr MN Solomon SC Mr J Vaughan SC* Mr JG Syminton Mr AJ Pascoe (Deputy Convenor December 2014 to April 2015) Ms EE Macknay Ms A Liscia* Mr SE Creek* Ms VJ Hodgins * Part year

The Professional Affairs Committee (**PAC**) convened on 22 occasions between 1 July 2014 and 30 June 2015. This included 11 scheduled meetings and 1 special meeting and included the PAC passing electronic resolutions without meeting on 10 occasions.

The PAC exercises delegated decision-making power in relation to:

- the grant and renewal of local practising certificates, subject to conditions in certain circumstances;
- regulation of interstate practitioners practising in Western Australia;
- regulation of local practising certificates, including:
 - ▣ monitoring of compliance with conditions imposed on practising certificates; including the variation and revocation of conditions.
 - ▣ the amendment, suspension or cancellation of local practising certificates.
- the regulation of business structures operating legal practices, including incorporated legal practices and the legal practitioner directors who control and manage these legal practices;

- the regulation of the administration and management of trust accounts;
- external intervention in respect of law practices; and
- the reservation of legal work and related matters, including the prosecution of persons engaging in unqualified practice and approval of lay associates.

Prior to November 2013 the PAC was also responsible, on behalf of the Legal Practice Board (**Board**), for monitoring compliance with Continuous Professional Development (**CPD**) requirements. At its meeting held on 27 November 2013 the full Board approved the establishment of a Professional Development Committee (**PDC**). The PDC has been established to exercise delegated powers of the Board in the area of professional development (including professional education and CPD). The PAC retains delegated power in relation to compliance with professional development, but it will not be exercising that delegated power unless it is in relation to conditions imposed by the PAC and where there are other matters before the PAC that require it to exercise that delegated power. Further information on the PDC is set out in this section of the report under the headings “*Conditions on Practising Certificates*” and “*Compliance with Continuous Professional Development Requirements*”, and at page 57 of the overall report.

Practising Certificates - Suitability Matters

With respect to its delegated power to issue annual local practising certificates the PAC:

- must not grant a local practising certificate unless it is satisfied that the applicant is a “*fit and proper person*” to hold the certificate (s 45(4)(b) of the *Legal Profession Act 2008 (Act)*).
- must not renew a local practising certificate if it is satisfied that the applicant is not a “*fit and proper person*” to continue to hold the certificate(s 45(5)(b) of the Act)

The term ‘*fit and proper person*’ is not defined in the Act. However the Act sets out various matters that may be taken into account when considering whether a person is a fit and proper person to hold a local practising certificate, including:

Suitability matters (s 8 of the Act)

Whether a person:

- a) is currently of good fame and character;
- b) is or has been an insolvent under administration;
- c) has been convicted of an offence in Australia or a foreign country;



- d) has engaged in unauthorised legal practice in Australia or in a foreign country;
- e) is currently subject to an unresolved complaint or an investigation, charge or order under the Act, any of its predecessor(s) or a corresponding law;
- f) is the subject of current disciplinary action, or has been the subject of disciplinary action involving a finding of guilt, in another profession or occupation in Australia or a foreign country;
- g) has had their name removed from a roll of practitioners in Australia (and their name has not since been restored to that roll) or in a foreign country;
- h) has had their right to engage in legal practice suspended or cancelled in Australia or in a foreign country;
- i) has contravened, in Australia or a foreign country, a law about trust money or trust accounts;
- j) has had a supervisor, manager or receiver appointed to their law practice under the Act, any of its predecessor(s) or a corresponding Australian law;
- k) is or has been disqualified from being involved in a law practice under the Act, any of its predecessor(s) or corresponding Australian law;
- l) is currently unable to carry out the inherent requirements of practice as an Australian legal practitioner.

Other matters (s 38(2) of the Act)

Include whether a person:

- a) has obtained an Australian practising certificate because of incorrect or misleading information;
- b) has contravened a condition of an Australian practising certificate held by them;
- c) has contravened the Act, any of its predecessor(s) or a corresponding Australian law;
- d) has contravened an order of the Legal Profession Complaints Committee or the State Administrative Tribunal or Supreme Court (full bench) or relevant appellate body exercising jurisdiction under the Act or any of its predecessors or an order of a corresponding disciplinary body, tribunal or court;
- e)
 - i. has failed to pay a required contribution or levy to the Guarantee Fund; or
 - ii. has contravened a requirement imposed under this Act about professional indemnity insurance; or
 - iii. has failed to pay other costs, expenses or fines for which the person is liable under this Act or any of its predecessors;

and

- f) any other matters relating to the person the Board considers are appropriate.

Each practising certificate application where a relevant '*suitability matter*' arises is considered and determined on a case-by-case basis by the PAC as to whether the applicant is a "*fit and proper person*" to hold a local practising certificate.

Where a suitability matter in relation to a particular practitioner comes to the attention of the PAC during the currency of that practitioner's local practising certificate, the PAC will consider whether to cancel or suspend the certificate, whether to impose conditions on the certificate or whether to take no action.

During the 2014-2015 year, 238 separate suitability matters were considered by the PAC. This is a small increase from the previous reporting period.

Conditions on Practising Certificates

In some circumstances, the PAC may resolve that a practitioner should be granted or retain a local practising certificate only if certain conditions are attached to the certificate. These conditions can be concerned with matters such as restricting the holder to particular conditions concerning employment or supervision, restrictions on dealing with trust money, a requirement to undergo medical treatment, or a requirement to obtain a mentor.

Where appropriate, the PAC maintains a monitoring role as to the continuing necessity, appropriateness and sufficiency of the conditions imposed to meet public interest objectives.

Between 1 July 2014 and 30 June 2015, conditions were imposed on practitioners' practising certificates on 32 occasions, and conditions were removed from practitioners' practising certificates on 17 occasions. These numbers indicate a slight increase in the numbers from the previous reporting period, which reflect unsatisfied conditions imposed from previous reporting periods that have not been removed, and a slight increase in the removal of the '*Barrister only*' condition and '*Volunteer or pro bono only*' condition from practising certificates.

The establishment of the PDC, in conjunction with the revision of the Board's Instrument of Delegation on 2 April 2014 and again on 22 June 2015 to delegate to the PDC, Executive Director and the Deputy Executive Director, the power to grant exemptions from CPD requirements, vary CPD requirements and to approve single activities by an applicant and a QA provider, has significantly reduced the number of conditions imposed and managed by the PAC relating to CPD requirements.



The PAC retains delegated power to manage CPD conditions imposed by the PAC, and to impose conditions relating to CPD.

Further information on CPD and the PDC can be found in the overall report at page 57.

During the reporting period there was an increase in the number of practitioners required to report on the maintenance of their trust account or to not operate or otherwise be involved in a trust account, and there was a minor increase in the imposition of conditions requiring the practitioner to have a mentor approved by the Board.

'Barrister only' condition

Since 1 July 2012 the Board has made available a '*Barrister only*' condition for imposition on a barrister's local practising certificate issued.

The wording of the '*Barrister only*' condition states:

The holder requests and agrees pursuant to section 47(3)(i) of the Legal Profession Act 2008 that the following conditions be imposed upon this practising certificate, namely:

1. The holder will while engaging in legal practice work solely as an independent barrister, which comprises:
 - a) appearing as an advocate;
 - b) preparing to appear as an advocate;
 - c) negotiating for a client with an opponent to compromise a case;
 - d) representing a client in a mediation or arbitration or other method of alternative dispute resolution;
 - e) giving legal advice;
 - f) preparing or advising on documents to be used by a client or by others in relation to the client's case or other affairs;
 - g) carrying out work properly incidental to the kinds of work referred to in (a)-(f); and
 - h) such other work as is from time to time commonly carried out by barristers.

2. The holder must while engaging in legal practice be a sole practitioner, and must not:
 - a) practise in partnership with any person;
 - b) practise as the employer of any legal practitioner who acts as a legal practitioner in the course of that employment;
 - c) practise as the employee of any person;
 - d) be a legal practitioner director of an incorporated legal practice; or
 - e) be a member of a multi-disciplinary partnership.

The condition is set out in its entirety in an annexure attached to a barrister's local practising certificate. The following is displayed on the face of the certificate:

'Barrister only' condition - see details in Annexure A

Once imposed, the condition remains on a barrister's local practising certificate until the Board removes the condition after accepting the barrister's application to the Board for its removal.

Barristers with the '*Barrister only*' condition imposed on their local practising certificates must still comply with professional indemnity insurance and continuing professional development requirements.

The '*Barrister only*' condition can only be imposed by the Board on a barrister's local practising certificate with the agreement of the holder, pursuant to s 47(3)(i) of the Act. The arrangement is voluntary. However a legal practitioner who does not agree to the '*Barrister only*' condition will not be entitled to use the name, title or description of "barrister" (see: item 7 in reg 5(2) of the *Legal Profession Regulations 2009*).

The PAC is responsible for considering requests for the imposition and removal of the '*Barrister only*' condition on local practising certificates. During the 2014-2015 year, the Board received 18 requests to impose the condition. The PAC imposed the condition on all 18 local practising certificates. There were 6 applications to have the '*Barrister only*' condition removed during the year, which were accepted by the Board's Executive Director under delegated authority.

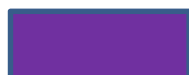
'Volunteer or pro bono only' condition

The Board has since 1 July 2012 made available a nil fee '*Volunteer or pro bono only*' condition for imposition on a local practising certificate.

The wording of the '*Volunteer or pro bono only*' condition states:

This practising certificate is issued free of fees on condition that the holder is only engaged in the provision of legal services on a not-for-profit basis and does not charge any person nor seek to recover a fee from any person, save that the holder may:

1. receive remuneration via a costs order in a matter if the holder has accepted a referral to act in that matter under Order 4.14 of the Federal Court of Australia Rules 2011 or under Order 12 of the Federal Circuit Court of Australia Rules 2001;
2. recover from a person any out of pocket disbursements reasonably paid by the holder on behalf of a person.



The condition is set out in its entirety in an annexure attached to a practitioner's local practising certificate. The following is displayed on the face of the certificate:

Volunteer or pro bono only condition - see details in Annexure A

Once imposed, the condition remains on the practitioner's local practising certificate until the Board removes the condition after accepting the practitioner's application to the Board for its removal.

Practitioners with the '*Volunteer or pro bono only*' condition imposed on their certificates must still comply with professional indemnity insurance and continuing professional development requirements.

The '*Volunteer or pro bono only*' condition can only be imposed on a practitioner's local practising certificate with the agreement of the holder, pursuant to s 47(3)(i) of the Act.

The PAC exercises delegated power in considering requests for the imposition and removal of the '*Volunteer or pro bono only*' condition on local practising certificates.

Since 1 July 2014, the PAC has imposed the "*volunteer or pro bono only*" condition on 19 local practising certificates with no requests being refused. There have been 8 applications to have the '*Volunteer or pro bono only*' condition removed, which were accepted by the Board's Executive Director under delegated authority. This represents a significant increase in the number of '*Volunteer or pro bono only*' conditions removed.

However the Admissions and Registration Committee (**ARC**) will also impose the '*Volunteer or pro bono only*' condition on practising certificates if the practitioner has not previously held a local practising certificate or has not held a practising certificate in the previous 5 years.

Further information on the ARC can be found in the overall report at page 26.

Disclosure of suitability matters

The Board has approved disclosure guidelines, available on the Board's website, for the purpose of:

- Informing applicants and practitioners that the Board places a duty and onus on each applicant and practitioner to disclose any matter that could influence the Board's decision whether the person is "*currently of good fame and character*" and a "*fit and proper person*"; and

- Informing applicants and practitioners that failure to do so, if subsequently discovered, can have serious consequences for an applicant or practitioner as they might be suspended or struck off the roll of practitioners, or have an application for the grant or renewal of a local practising certificate refused, if they have not made full disclosure; and
- Providing guidance to the PAC on its considerations of whether the person is “*currently of good fame and character*” and a “*fit and proper person*”, and PAC’s management of process in that regard.

Spent Convictions

The PAC has previously raised concerns that a person was not required to disclose a spent conviction in order to assist the Board assessing whether the person is a “*fit and proper person*” to hold a local practising certificate.

Amendments have now been made to the *Spent Conviction Act 1988* providing that the Legal Practice Board and Legal Profession Complaints Committee are excepted from the provisions of section 22 and Part 3 Division 4 in respect of all spent convictions. Effectively this means that Australian lawyers and applicants for the grant or renewal of a local practising certificate are required to disclose a spent conviction to the Board and that the conviction may be taken into account in considering whether the applicant is a “*fit and proper person*”. Additionally, if practitioners are handed a spent conviction during the practising certificate year they are required to disclose this to the Board under the applicable provisions of sections, 8, 51, 61 or 62 of the Legal Profession Act 2008.

The above effect extends to persons applying to become an Australian-registered foreign lawyer and Australian-registered foreign lawyers (see sections 8, 179 and 180 of the Act).

The Board’s application for a practising certificate has been amended to make it clear to applicants the effect of the amendments.

Notification of the amendments have been included on the Board’s website and in the Board’s renewal notice circulated to all practitioners via email.

Matters considered by the PAC

The following table sets out the matters considered by the PAC during the reporting period and the outcome of that consideration, including the consideration of suitability matters, and the imposition and removal of conditions on local practising certificates. The table also includes the ‘*Barrister only*’ and ‘*Volunteer or pro bono only*’ conditions imposed on local practising certificates during the reporting period.



Matter	Outcome	No
Pending disciplinary matter before the Legal Profession Complaints Committee / interstate disciplinary tribunal	Local practising certificate issued notwithstanding the pending complaint (40). Application for renewal deferred pending further information (2).	42 (including 8 who had failed to disclose the pending complaint)
Disciplinary action relating to another profession or occupation that involved a finding of guilt	With explanation and supporting evidence provided, local practising certificate issued	1
Traffic offences, including drink driving	With details provided, local practising certificate issued (10). Local practising certificate already issued at time of consideration. With details provided and noted, no action taken (10). Local practising certificate not renewed. Health issues (1).	21
Convicted of a tax offence	Local practising certificate issued subject to conditions requiring practitioner to provide the Board with periodic reports of compliance with BAS obligations.	2
Convicted of disorderly conduct	Local practising certificate already issued. Explanation provided and no further action taken (1 included driving offences)	2
Charged with a serious offence	Local practising certificate issued with conditions that the practitioner provide periodic reports from psychologist (1). Local practising certificate already issued, practitioner required to keep Board informed of progress of charges (3).	4
Breach of violence restraining order	Local practising certificate issued. Explanation provided and noted, no action taken.	1
Findings of dishonesty	Local practising certificate cancelled	1
Contravened a condition on a practising certificate	Local practising certificate issued. Explanation provided and noted, no action taken (1). Notification to WA Bar Association about Supreme Court rule practice and possible breach (1).	2

<p>Contravened a law about trust money or trust accounts</p>	<p>Practising certificate issued (2). Local practising certificate issued with conditions that the practitioner provide periodic trust account reconciliations and report from the law practice's external examiner (5). Local practising certificate imposed with conditions that the practitioner not operate a trust account (1) Local practising certificate application withdrawn. No explanation for previous contravention provided (1).</p>	<p>9</p>
<p>Health condition</p>	<p>Local practising certificate issued subject to the following conditions: Practitioner required to attend appointments for periodic assessments by treating practitioner. Practitioner required to comply with treatment regime recommended by treating consultant psychiatrist. Requirement to provide a periodic report from treating practitioner (2). Local practising certificate issued subject to the following conditions: Practitioner required to undergo medical treatment, the provision of periodic reports to the Board. Requirement to provide a periodic report from a practitioner approved by the Board. Requirement to provide a periodic report from a mentor approved by the Board (1). Local practising certificate application withdrawn. Previous serious mental health issues. Failure to provide sufficient information to satisfy the application was a fit and proper person (1).</p>	<p>4</p>
<p>Failed to file documents in proceedings</p>	<p>Local practising certificate issues. Explanation provided, no further action taken.</p>	<p>1</p>



Is or has become bankrupt	<p>Local practising certificate issued subject to the following conditions:</p> <p>Practitioner not to operate or be involved in a trust account.</p> <p>Requirement to provide quarterly reports from trustee on compliance with bankruptcy requirements (5).</p> <p>Local practising certificate issued subject to the following conditions:</p> <p>Practitioner not to operate or be involved in a trust account.</p> <p>Requirement to provide quarterly reports from trustee on compliance with bankruptcy requirements.</p> <p>Requirement to provide correspondence to and from trustee. (1).</p> <p>Local practising certificate already issued, issued with notice to impose the following conditions:</p> <p>Practitioner not to operate or be involved in a trust account.</p> <p>Requirement to provide quarterly reports from trustee on compliance with bankruptcy requirements (1)</p>	7 (including one being referred to LPCC for failure to respond to Board's requests).
Failure to provide proof of professional indemnity insurance	Local practising certificate issued, with explanation provided and compliance with insurance, no further action taken.	2
Non compliance with requirement to provide prescribed fees with application	<p>Refused to consider application and no practising certificate issued. Includes consideration of practitioner's failure to comply with Board's requests for payment (1).</p> <p>Local practising certificate issued. Fees paid and explanation provided (1).</p>	2
Failure to comply with Board's requests (other than non compliance with requirement to provide prescribed fees with application)	Conduct referred to Legal Profession Complaints Committee. Practising certificate cancelled (decision later reconsidered consequent upon application by practitioner for review.	1
Failure to comply with CPD requirements	Local practising certificate issued subject to the condition that the practitioner complete a minimum number of CPD points for the following CPD year and to provide periodic reports to the Board on progress together with evidence of the completion of appropriate CPD activities.	1 (including that the condition was satisfied and formally removed during the reporting period)



<p>Contravened the Act</p>	<p>Failure to obtain approval to be employed as a lay associate of a law practice. With explanation no further action taken (21) (including 4 matters where there was no practising certificate application, 12 practising certificates issued, 5 practising certificate applications being referred to the Admissions and Registration Committee, of which one application being withdrawn and conduct referred to the LPCC).</p> <p>Failure to give notice of commencement of an incorporated legal practice (8) (including 3 matters where the incorporated legal practice wrote to all affected clients, 3 matters where no further action was taken, 2 matter remained unresolved).</p> <p>Failure to give notice of an incorporated legal practice ceasing (3).</p> <p>Failure to give notice of commencement of partner of multi-disciplinary partnership (1).</p> <p>Failure by interstate practitioner to notify commencement of practice in WA (4).</p>	<p>37</p>
<p>Engaged in legal practice unlawfully</p>	<p>Breach of s 12(2). Local practising certificate already issued. Required to write to affected clients (1).</p> <p>Breach of restricted practice requirements. Local practising certificate application withdrawn. Matter referred to ARC and LPCC (1)</p> <p>Breach of s 13(1). Local practising certificate application withdrawn. Matter referred to ARC and LPCC (1)</p> <p>Use of title contrary to s 14(1). Explanation noted and no further action taken (1).</p>	<p>4</p>
<p>Applicant subject to imposed mentoring conditions</p>	<p>Local practising certificate issued subject to conditions that the practitioner meets with an approved mentor who provides periodic reports to the Board. Carried over from previous year (4).</p> <p>Initial imposition of condition (1).</p>	<p>5</p>
<p>Applicant subject to orders of the State Administrative Tribunal imposing conditions on practice</p>	<p>Local practising certificate issued subject to conditions in accordance with Tribunal order. Carried over from previous year (3).</p> <p>Initial imposition of condition (2).</p>	<p>5</p>



Subject to orders of the State Administrative Tribunal or the Supreme Court	<p>Noted that practitioner reprimanded (2).</p> <p>Noted that practitioner found guilty of unsatisfactory professional conduct (2).</p> <p>Noted that practitioner found guilty of professional misconduct (2).</p> <p>Noted that practitioner found guilty of professional misconduct and referred to full bench of Supreme Court of Western Australia seeking order for name to be struck from roll of practitioners (2).</p> <p>Noted that name struck from roll of practitioners at Supreme Court of Western Australia (6)(one on appeal).</p>	14
Consideration of ILP Audit	<p>Findings of concern giving rise to consideration of conditions (1).</p> <p>Audit yet to be completed (1).</p>	2
'Barrister only' condition	<p>'<i>Barrister only</i>' condition imposed at the request of the practitioner on the practitioner's practising certificate (18).</p> <p>'<i>Barrister only</i>' condition removed at the request of the practitioner from the practitioner's practising certificate (6).</p>	24
'Volunteer or pro bono only' condition	<p>'<i>Volunteer or pro bono only</i>' condition imposed at the request of the practitioner on the practitioner's practising certificate (19).</p> <p>'<i>Volunteer or pro bono only</i>' condition removed at the request of the practitioner, from the practitioner's practising certificate (8).</p>	27
Total		221

Failure to apply for renewal of a practising certificate within the renewal period of 1 May 2014 to 30 June 2014

Section 44 of the Act provides that a person who holds a current local practising certificate must make an application to renew that certificate before that certificate expires.

Section 44(4) provides that the Board may exercise its discretion to accept an application for renewal of a certificate lodged after the expiry of that certificate and treat it as if it were received prior to the expiry of the original certificate. That discretion is limited to the Board being satisfied that the delay was caused by 1) reasons beyond the control of the applicant or; 2) other special circumstances warranting acceptance of the application.

During 2014-2015, the PAC was referred 91 applications to renew practising certificates lodged with the Board after 30 June 2014.

- Eighty-Seven (87) applications to renew practising certificates were considered and accepted.
- One (1) application to renew a practising certificate, as at 1 July 2014, was considered and refused. That application was however reconsidered and accepted as an application for the renewal of a practising certificate and a practising certificate was issued by the PAC effective from 1 July 2014.
- One (1) application to renew a practising certificate, as at 1 July 2014, was withdrawn prior to consideration of accepting that application.
- Two (2) applications to renew practising certificates, as at 1 July 2014, were considered and refused.

These figures indicate a significant increase in late applications from the previous reporting period, increasing from 35 to 91. There is no apparent reason for the increase in late applications. The Board has put in place measures to ensure the profession is aware of the requirement to lodge an application to renew a local practising certificate in the prescribed period.

Refund of Fees

Rule 2 of the Legal Profession Rules 2009 (Rules) provides that the fee payable for an application for the grant or renewal of a practising certificate is the relevant fee payable in Schedule 1 of the Rules.

Rule 55 provides that if the Board determines that, in a particular case, it is not practicable for a person to comply with any of the rules or that there are other special circumstances, the Board may excuse a person from complying with that rule to the extent and subject to any conditions determined by the Board.

The Executive Director and Deputy Executive Director have the delegated power to excuse a person from complying with the Rules, if the non-compliance is of a trivial or technical nature, and subject to any conditions determined by the Board, pursuant to rule 55 of the Rules. The PAC has delegated power to excuse a person from complying with the Rules, subject to any conditions determined by the Board, pursuant to rule 55 of the Rules.

During 2014-2015, the Board considered 56 applications for the refund of the fee payable for an application for the grant or renewal of a local practising certificate. Fifty-Two (52) applications were accepted and the applicants excused from complying with the Rules.



Of the 52 applications that were accepted, 7 were approved for a refund of the late fee payable, 12 were approved for the refund of the fee after the application was withdrawn, 27 were approved for the refund of the fee payable after overpaying the prescribed fee, 4 were approved for the refund of the fee payable to the firm after the practitioner left the firm and paying the fee payable through their new firm, 1 was approved for the refund of the fee after the applicant applied to have the '*Volunteer or pro bono only*' condition imposed on the certificate issued. 4 applications were refused and the applicants were required to comply with the Rules.

These figures indicate a significant difference from the previous reporting period in relation to those refunds being accepted, increasing from 24 to 56. The increase is in part attributable to the refund of fees for overpayments made with applications and where the practitioner had left the firm. The workload for the Board in this regard is not expected to increase in the next reporting period. The Board is updating its policy on the refund of fees accompanying an application for a local practising certificate.

Lay Associate applications

Section 15(2)(a) of the Act provides that a law practice must not have a lay associate whom any principal or other legal practitioner associate of the practice knows to be an Australian lawyer unless the lay associate is approved by the Board under s.15(3).

Section 15(3) provides that the Board may, on application by a law practice or the lay associate, approve a lay associate.

The Executive Director and Deputy Executive Director have the delegated power to approve a prospective lay associate application, except in cases where the approval would be conditional. In those instances and where the Executive Director does not approve the application, the application is considered by the PAC.

In June 2015 the Board delegated to the Executive Director and Deputy Executive Director the power to consider a breach of s 15(2) of the Act and decide to take no action if satisfied that the breach was inadvertent and if there have been no breaches of the Act by the law practice or the lay associate.

During the 2014-2015 year, the Board considered 120 applications for prospective approval, approving 116 and refusing 4, 2 refusals being made by the PAC. The PAC also considered 21 lay associate applications where the associate had commenced working for the law practice prior to obtaining approval from the Board. The PAC considers that it does not have the power under the Act to give approval retrospectively. In each of those 21 cases, the PAC considered an explanation from either or both of

the law practice and the lay associate, and resolved not to take the apparent breach of s 15 of the Act any further.

These figures indicate a difference in the consideration of lay associate matters from the previous reporting period, increasing from 33 to 141. The increase is attributable to increased awareness of matters where a lay associate has failed to obtain approval from the Board prior to commencing at a law practice, and the exercise of delegated power by the Executive Director and Deputy Executive Director in approving prospective applications. A policy of the approval of lay associates has been implemented by the Board. The workload for the Board in this regard is not expected to increase in the next reporting period.

Business Structures – Incorporated Legal Practices and Multi Disciplinary Practices

During 2014-2015, the Board was notified of the commencement of 86 Incorporated Legal Practices (**ILPs**) and the Board was notified that 20 ILPs ceased practice. This brings the total number of ILPs in Western Australia to 478. The Board was notified of the commencement of 3 new Multi Disciplinary Practices (**MDPs**) and no MDPs ceased practice. This brings the total number of MDPs in Western Australia to 11.

During the 2014-2015 year, the PAC considered 7 instances of the failure of an ILP to give the Board the required notice of its intention to commence practice before commencing to provide legal services in possible contravention of s 102 of the Act. A corporation that contravenes s 102 is not entitled to recover any amount for any legal services provided during the period of time it was in default and is also liable to be fined.

Of the 7 matters considered:

- The PAC considered three (3) ILPs may have breached their obligations under s 102 of the Act, and they were required to write to each affected client to inform those clients of the position and advise them of their right to request a refund of fees pursuant to s 102 of the Act, and then to advise the Board in writing that this had been done;
- The PAC considered that three (3) ILPs had provided substantive compliance with their obligations under s 102 of the Act, and took the matters no further.
- The PAC considered one (1) ILP had not breached their obligations under s 102 of the Act and took the matter no further, however during the reporting period this matter was unresolved.

The PAC also considered three (3) instances of an ILP's failure to give the Board the required notice of its ceasing to provide legal services in possible contravention of s 104 of the Act. A corporation that contravenes s 104 is



liable to a fine. In all cases, the PAC noted explanations from the corporations as to the circumstances of their apparent breach of the Act.

The PAC also considered one (1) instance of an ILP becoming insolvent. In this instance, the liquidator refused to accept liability for the storage of the files of the law practice. The PAC considered the former principal practitioners of the law practice to be responsible for the client files of the law practice in their capacity as a practitioner with designated responsibility for the carriage of the client matter. This matter remains unresolved. However, many of the practitioners have accepted their responsibility as the practitioner with designated responsibility and the resolution of the practicalities of carrying out that responsibility is ongoing.

The PAC also considered two (2) instances where a director, and name holder of an ILP was not an Australian legal practitioner holding an unrestricted practising certificate, and one (1) instance of an ILP using a name similar to that of another ILP. The PAC have held the view that where a person, who is not an Australian legal practitioner and holding an unrestricted practising certificate, uses their name in the name of the ILP, the name of the ILP may be misleading and that might be the grounds for an allegation of professional misconduct.

Of the three (3) matters considered:

- The PAC accepted undertakings provided advising of the ILP's methods of ensuring the public and clients are aware a director of the ILP was not an Australian legal practitioner holding an unrestricted practising certificate.
- The PAC considered the name may be misleading to the public, however took the matter no further as the person who was not an Australian legal practitioner, not holding an unrestricted practising certificate was no longer with the law practice.
- The PAC referred the conduct of an ILP using a name similar to that of another ILP to the LPCC for consideration.

During the 2014-2015 year, the PAC considered one (1) instance of a legal practitioner in an existing MDP failing to give the Board the required notice of intention to commence practice before commencing to provide legal services in possible contravention of s 133 of the Act. A legal practitioner who contravenes s 133 is liable to be fined. In this instance, the Board noted the explanation from the MDP and the legal practitioner as to the circumstances of the apparent breach of the Act.

The number of ILPs is increasing and it is expected that there will be a steady increase in the number of matters where the law practice has failed to give the Board the required notice of its commencement or ceasing to provide legal services in Western Australia. The Board has included a question in the application form for a practising certificate relating to ILPs to

assist in early identification of non-complying ILPs. There may be increased work load in relation to managing insolvent ILPs.

Trust Account Investigations

The PAC has responsibility for ensuring that practitioners are complying with the requirements prescribed for the administration and management of trust accounts.

Section 237 of the Act requires a law practice to have an external examination of its trust records each financial year.

Section 239 of the Act requires a law practice to have a final external examination of its trust records within 60 days of closing a trust account.

During the 2014-2015 period the PAC considered 13 matters where the law practice sought the Board to exercise its discretion and not take any action in relation to an omission to have an external examination in the current financial year.

On the basis that the law practice did not receive any trust money for the relevant period, on 3 occasions the Board exercised its discretion to not take any action in relation to omissions to have an external examination in the previous financial year , and on 6 occasions the Board exercised its discretion to not take any action in relation to omissions to have a final external examination.

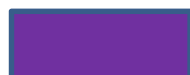
On two (2) occasions the Board exercised its discretion to not take any action with respect to omissions to have a final external examination due to the inactivity of the trust account.

On one (1) occasion the Board exercised its discretion to not take any action to an omission to have a final external examination in the previous financial year on the basis that there was only one transaction in the trust account in the relevant period.

On one (1) occasion the Board considered a circumstance where the law practice was the defendant in an action involving payment of trust money from which trust irregularities may arise. The Board has asked the law practice to keep the Board informed of the outcome of those proceedings.

During the period the *Legal Profession Regulations 2009 (Regulations)* were amended to permit the Board to give exemptions from any specified requirement of both Part 9 of the LPA and Part 7 of the Regulations.

In June 2015 the Board delegated to the Executive Director and Deputy Executive Director the power to consider a breach of sections 237 and 239 the Act and decide to take no action if satisfied that the law practice has not held or received trust money exceeding \$1,000 during the relevant period,



and if there are no other matters of concern in relation to the law practice or the principal(s) of the law practice. Where the Executive Director or Deputy Executive Director does not consider the breach, the breach is considered by the PAC.

Information on Trust Account Investigations can be found in this report at page 67.

External Intervention

Part 14 of the Act empowers the Board (or, in this instance its delegate the PAC), when it becomes aware of specific circumstances, to appoint a supervisor of trust money of a law practice, to appoint manager for a law practice or to apply to the State Administrative Tribunal for an order appointing a receiver for a law practice. In making its determination, the PAC considers, amongst other things, the interests of the clients of the practice in relation to trust money or trust property.

The table below shows the number of external interventions undertaken in 2013-2014.

Part of Act	Type of External Intervention	Opening Balance	Commenced	Closed	Closing Balance
Part 14 – Division 3	Supervisor of trust money	0	2	1	1
Part 14 – Division 4	Manager	8	3	2	9
Part 14 – Division 5	Receiver	0	0	0	0

When appropriate, the PAC also provided informal assistance to practitioners to help them manage or wind up their practices without the need for formal intervention.

The number of external intervention matters has not significantly increased from the last reporting period.

As referred to under “*Business Structures*”, the Board has appointed joint and several managers to an insolvent ILP in liquidation. The liquidators have denied liability for the cost of storage of client files. The PAC considered the former principal practitioners of the law practice to be responsible for the client files of the law practice in their capacity as a practitioner with designated responsibility for the carriage of the client matter. This matter remains unresolved. However, many of the practitioners have accepted their responsibility as the practitioner with designated responsibility and the resolution of the practicalities of carrying out that responsibility is ongoing.

Unqualified Legal Practice

The PAC is responsible for investigating complaints regarding, and if required, instituting proceedings against, unqualified persons who perform legal work for reward or who hold themselves out as legal practitioners.

It is an ongoing concern to the PAC that the community is exposed to the risks of unqualified people offering so called '*legal services*'. A member of the public utilising those services can have no confidence that the person providing the services has any minimum level of legal training or competence or the protection of professional indemnity insurance.

Unqualified people are not subject to the statutory and professional obligations that are imposed upon legal practitioners for the purpose of safeguarding the interests of clients, and who have dealings with other legal practitioners, and the administration of justice.

If a member of the public is dissatisfied with the legal services provided by an unqualified person or that person's conduct towards them, there is no recourse to the Legal Profession Complaints Committee nor, in the case of loss or damage being suffered, there is recourse to the mandatory statutory professional indemnity scheme.

During 2014-2015, the Board was notified, or became aware, of seven (7) new matters regarding possible unqualified legal practice.

This is to be contrasted with the forty-two (42) matters during the previous reporting period. The instances of unqualified legal practice have decreased for reasons unknown to the Board. It is expected though that there will be an increase in the number of unqualified legal practice matters in the future and will create additional work for the Board.

The Board is developing guidelines with regard to the prosecution of unqualified legal practice that will assist in the investigation and consideration of these matters.

Of the new matters considered,

- Four (4) matters involved an Australian lawyer. Of those matters:
 - ▣ One (1) matter was resolved after obtaining an explanation, and the person's practising certificate application was withdrawn. The conduct of the Australian lawyer was referred to the ARC and LPCC.
 - ▣ One (1) matter was resolved after requiring the Australian lawyer to write to the effected clients informing them the person did not hold a practising certificate and their rights to request a refund of fees paid.



- One (1) matter involved the absence of explanation, but limited prospects of success in a prosecution. The conduct was referred to the ARC and PAC.
 - One (1) matter was resolved after obtaining an explanation of the use of a title.
- Two (2) matters were resolved after the unqualified persons provided explanations for the conduct complained of. Of those matters:
 - One (1) matter related to a migration agent and was resolved after the agent removed the offending material from their website.
 - One (1) matter was resolved after the person provided the Board with an undertaking; and
- One (1) matter related to a person who the Board was unable to locate and that matter remains unresolved.

Of the three (3) matters carried over from the previous reporting period:

- Prosecution proceedings were ongoing in one matter, where there were two (2) persons involved. In September 2013 and January 2014 the prosecution was heard with both persons being found guilty and each ordered to pay a fine, and costs to the Board. the convicted offenders lodged an appeal which was heard in April 2015, being dismissed. An application has been lodged in the Court of Appeal and is yet to be listed for directions.
- Prosecution proceedings were ongoing in another matter, where in January 2015 the person involved was found guilty and was ordered to pay a fine, and costs to the Board.
- Prosecution proceedings were ongoing in another matter, where the two (2) persons involved pleaded guilty and in August 2015 both persons being found guilty were ordered to pay a fine, and costs to the Board.

The PAC does not believe the public interest always requires it to bring prosecution proceedings whenever it is satisfied there are reasonable prospects of success. The PAC recognises that there are in some instances other more cost-effective ways to protect the interests of the public and the reputation of the profession as opposed to prosecuting through the court system and in those cases exercises its discretion accordingly.

John Fiocco
 Convenor
 Professional Affairs Committee
 November 2015

PROFESSIONAL DEVELOPMENT COMMITTEE

Convenor	Mr Joshua Thomson SC
Deputy Convenor	Mr Andrew Pascoe
Members	Ms Katrina Banks-Smith SC Mr Martin Cuerden SC Ms Karen Farley SC Mr Christopher Shanahan SC (On leave of absence) Mr John Vaughan SC Mr John Syminton Mr Melvin Yeo (Joined the committee April 2015) Ms Rebecca Heath (Joined committee April 2015)
Resignations	Mr Simon Creek Resigned August 2014 Mr Laurie Levy SC Resigned December 2014 (appointed as a judge to the District Court) Ms Linda Petrusca SC Resigned June 2015 (appointed as judge to the District Court)

The Role of the Professional Development Committee

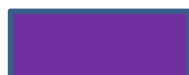
The Professional Development Committee (**the committee**) exercises powers delegated to it by the Legal Practice Board (**the Board**) in relation to continuing legal education. The role of the committee is to determine and review policy in regard to continuing legal education including continuing professional development and post admission education. The committee also monitors compliance with continuing professional development obligations and imposes conditions on the practising certificates of practitioners where required in regard to continuing legal education compliance matters.

Committee Process

The committee met on 7 occasions during the year in review, including 2 special meetings.

Continuing Professional Development Scheme Review

During 2013-2014 the committee had undertaken a full review of the existing continuing professional development scheme. Arising from that



review the committee recommended the implementation of changes to the continuing professional development scheme during the year under review. This required the amendment of Division 2 of the Legal Profession Rules 2009 to reflect the changes to the scheme. The Legal Profession Amendment *Rules 2015* were published in the government gazette on 20 February 2015 and took effect on 1 April 2015.

The significant amendment to the continuing professional development Rules was the introduction of 4 competency areas replacing the previous 3. An extra competency area of “Practice Management” was introduced in line with the Board’s commitment to improve the standard of practice management within the profession. This also brings Western Australia in line with the majority of other jurisdictions who also have 4 competency areas.

To inform the profession of the changes the Board placed an article in the Law Society’s “Brief” magazine and ran a notice in the Law Society’s “Friday Facts” for a number of weeks. The Board also circulated a notice to all practitioners advising of the amendments, informed all QA Providers, and posted the relevant information on the Board’s website together with the link to the fully amended Rules.

Practice Management Scheme

One of the remits of the committee was to consider the prospect of the introduction of a mandatory Practice Management Course for all practitioners wishing to undertake practice in the capacity of a principal of a law practice as defined in section 6(3) of the *Legal Profession Act 2008*. On 8 April 2015 the Board agreed to the recommendation from the committee that the introduction of a Practice Management Course be approved.

To facilitate the introduction of a Practice Management Course it is necessary to prepare and have enacted enabling legislation through amendments to the *Legal Profession Rules*. It is anticipated that the rule amendments and course introduction process will be complete and operational for the “local practising certificate” renewal year from 1 July 2016.

The Board has published several articles in the Law Society’s “Brief” magazine to inform the profession on the Board’s reasoning for and its intention to introduce a Practice Management Course. The Board has also sought expressions of interest from potential providers for the Practice Management Course. The Board will undertake an extensive information program for the profession prior to the introduction of the Practice Management Course requirement.



CPD Audit for CPD Year 1 April 2013 - 31 March 2014

For the continuing professional development year 1 April 2013 – 31 March 2014, 497 (approximately 10%) of certificated practitioners were selected at random and requested to complete the continuing professional development audit form and return to the office of the Board.

- Of the 497 all but 14 made initial contact with the Board.
- Upon follow-up of the remaining 14 practitioners only 2 practitioners failed to respond.

19 practitioners were found to have been non compliant with their continuing professional development requirements for the 2013-2014 continuing professional development year. All practitioners sought and were granted a variation to their continuing professional development condition and were required to make up outstanding points in the 2014-2015 continuing professional development year. These practitioners were followed up at the end of the 2015 continuing professional development year and ultimately 6 practitioners chose not to renew their practising certificates and 4 practitioners, who had not met their requirement to make up the outstanding points, were referred to the committee for further consideration.

Practice Certificate Renewals

Of the practising certificate renewal applications received for the year commencing 1 July 2015, 44 practitioners advised that they had not met their Continuing Professional Development compliance. This is a slight reduction on the figures from the previous reporting year (in which 49 practitioners indicated that they had not met their Continuing Professional Development compliance).

Of the 44 practitioners the following applied:

- 22 were practising overseas and subsequently applied for an exemption under Rule 17 of the *Legal Profession Rules 2009*;
- 6 were admitted post 1 April 2015 or had not held a practising certificate for the continuing professional development period;
- 2 had answered “No” by mistake and on review were found to have complied; and
- 14 answered “No” and declared that they had not met their Continuing Professional Development compliance.



Conditions Imposed

The committee, The Executive Director and the Deputy Executive Director have the delegated power to impose conditions on the practising certificates of practitioners where it is decided that it is appropriate to do so.

As a result of the follow up of the 19 practitioners granted variations for the previous continuing professional development year, 6 were non renewals for the year under review and 4 were found not to have complied. The circumstances of the non-compliance by those 4 practitioners were referred to the committee for consideration and conditions were imposed on their practising certificates in the following terms:

That the practitioner complete a minimum number of CPD points for the following CPD year (as stipulated) and that for the following CPD year practitioners are to provide periodical reports to the Board on progress together with evidence of the completion of appropriate CPD activities.

Of the 14 practitioners who, on application for renewal of their practising certificate, declared that they had failed to comply with the continuing professional development obligations, conditions were imposed on their practising certificates in similar terms to the above.

During the period in review the committee also granted an exemption from the requirement to meet the CPD compliance condition on the practising certificate of 6 senior practitioners, as follows:

- 4 special exemptions were granted under Rule 17(2) of the *Legal Profession Rules 2009* to senior practitioners who have given more than 40 years service to the profession and who are considered by the profession to be experts in their field of practice; and
- 2 further exemptions were granted under Rule 17 (3)(f) of the *Legal Profession Rules 2009* to practitioners with more than 40 years of practice and who agreed to a condition being imposed on their practising certificate that they work as an "Employee Only".

The committee did not consider any matters relating to a practitioner's fitness to practice in the reporting period, though it is forecast that the committee will consider such matters in the next reporting period.

Approval of QA Providers and Activities

Currently the Board has 125 approved Quality Assured providers with 15 new Quality Assured providers being approved in the year under review. Applications to become a Quality Assured provider were received from a variety of organisations including, a tertiary institution, professional specialist bodies, discussion groups and law firms.

For the first time the committee exercised its power to withdraw the Quality Assured provider status of an approved Quality Assured provider. This was done after receiving several complaints from members of the profession regarding the unsatisfactory business methods applied by the provider organization. The provider was invited to address the issues raised and after due consideration the committee resolved to withdraw the Quality Assured provider status of the organisation.

Once again the Board received a large number of requests for approval of continuing professional development activities delivered by organisations that choose to have their activities approved on activity sessional basis. The 160 approved for the year in review was 12 more than the previous year. The increase is due to existing providers providing more activities and also to new provider organisations targeting continuing professional development events to the legal profession.

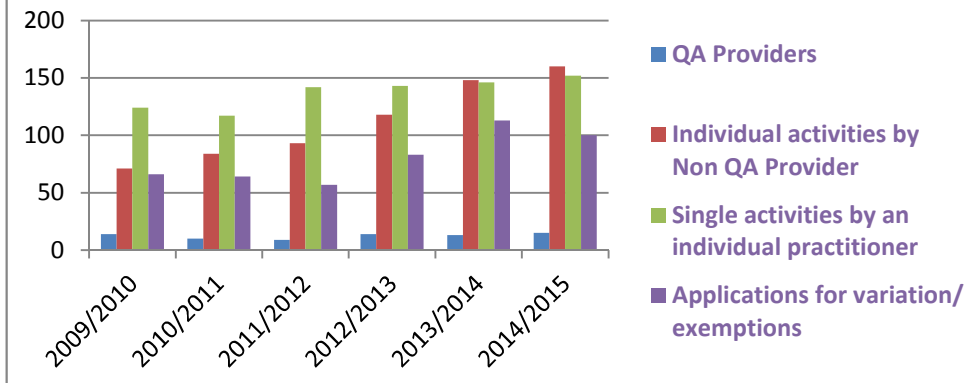
The Board also continues to regularly receive applications from practitioners who have attended continuing professional development activities that have not been approved by the Board or delivered by a Quality Assured provider. The slight increase in these applications reflects practitioner attendance at specialist activities that relate to their specialist areas of practice but do not attract sufficient attendance to warrant providers seeking formal Board approval.

Applications for variations or exemptions to continuing professional development obligations have fallen in the year under review.

Application type (1 July -30 June)	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
QA Providers	14	10	9	14	13	15
Individual activities by Non QA Provider	71	84	93	118	148	160
Single activities by an individual practitioner	124	117	142	143	146	152
Applications for variation/ exemptions	66	64	57	83	113	100



Breakdown of CPD Applications for Past 5 Years



Conferences

During the year in review the Legal Education Coordinator attended the annual Continuing Legal Education Australasian Association (CLEAA) Conference in Sydney and the annual Conference of Regulatory Officers (CORO) in Wellington, New Zealand. Both conferences offer the opportunity to exchange knowledge, information and ideas, and to build networks, with those charged with the management of continuing legal education and professional development in other jurisdictions.

Acknowledgements

I would like to extend my sincere thanks for the contribution and support provided by the Deputy Convenor of the committee, Mr Andrew Pascoe, to my fellow committee members, and to the support staff at the Board.

Joshua Thomson SC

Convenor

Professional Development Committee

REPORT FROM THE INFORMATION SYSTEMS OFFICER

Information Systems and Technology Initiatives

Technology and business systems play a large and important role in supporting the delivery of the Board's services to a high standard. To ensure the continuation of this high standard, extensive internal analysis of business processes, information systems and technologies were undertaken in the reporting year with a focus on the following key areas.

- Website Development
- Information security
- Information accessibility
- System capabilities and enhancements

Website Redevelopment

Previously the Board's website was hosted and maintained by an external service provider. This arrangement proved difficult to maintain up-to-date information or allow navigational and layout changes in a time and cost effective manner. The Board took the decision to invest in a new web content management system which was implemented in August 2014. This has enabled the Board's website to be managed internally by the Board's IT staff. The new system led to a new website being launched. Turnaround time for information to be updated has greatly reduced. Further enhancements are now able to be planned for and implemented internally in a much more time and cost effective manner.

Online application for a local practising certificate (LPB Form1).

With the new web content management system and the Board's website now hosted internally, considerable work was carried out to migrate the online application for a local practising certificate service from its original hosting site. Issues surrounding the resetting of passwords increased due to the changes in the mechanics of the login system. This issue is to be reviewed and resolved in the next reporting period.

Information Security

Cybersecurity continues to be one of our biggest challenges in this digital information age. As part of the Board's security management program, a yearly review of the of the Board's network security was conducted. The review identified:



- An increase in the amount of spam being received;
- An increase in virus detection reported;
- An increase in time spent monitoring and keeping systems clear of viruses;
- Current security software requiring an upgrade or replacement in order to keep up with the ever changing and evolving threats;
- Information and data protection was appropriately in place and enforced on all core business database systems and websites; and
- An increase in vulnerabilities associated with system updates existing on hardware. These were addressed and resolved.

Information Accessibility

During the reporting year a number of initiatives were undertaken to improve the ease of accessibility to information, while at the same time keeping information secure and safe from cyber threats.

Online Portal for Board Members

The implementation of the new web content management system provides for better integration with core business systems laying a foundation to enable the secure release and sharing of information held within the Board's core business systems. Part of the implementation was the delivery of an online service to Board members allowing secure online access to Board papers, agendas and minutes that is now hosted internally on Board premises. This service has been well received and used by all Board members.

Digitising Records

Recognising the importance of quick and easy access to complete records in order to accomplish Board processes, the Board has moved towards ensuring all received and created records are stored electronically within Objective, the Board's Electronic Documents and Records Management System (EDRMS). To achieve this, dedicated scanning software and equipment was implemented in May 2015 at both the Office of the Board and the Legal Profession Complaints Committee. The first phase of digitising incoming correspondence commenced in May 2015 with a plan to have all incoming correspondence digitised across all divisions of the Board.

Mobile Equipment

In the reporting year, 27 mobile devices (25 Laptops and 2 mobile phones) were purchased and distributed to a number of Board staff to allow secure remote access to the Board's network from outside the office. This is to ensure and support work efficiencies during offsite inspections, training and development and conference attendances. Mobile devices have also been

distributed where required to support a healthy work and home life balance for staff.

System Capabilities and Enhancements

Extensive system analysis was undertaken during the reporting year to identify areas of improvements. The analysis identified the following:

- Difficulties of efficiently and effectively communicating with the legal profession;
- Core business systems capabilities not utilised to their full potential;
- A need for more staff training in the use of business systems;
- A large amount of time undertaken on manual processing to achieve business outcomes;
- The need for HR and Payroll systems to be upgraded;
- Large amount of time spent in searching for information located in different systems and documents; and
- The need for workflows and process automation to assist with more efficient process management.

IT Staff Development

Objective Collaborate Conference 2014

This annual conference provides information managers, administrators and IT personnel of organisations using the Objective EDRMS the opportunity to engage with Objective Corporation's team of experts and learn about upgrades and implementation strategies. The Applications Support Officer and the Information Systems Officer attended this conference.

NiUG iMIS Conference 2014

This conference provides new learning opportunities from hands-on training and the chance to network with other iMIS users. The Applications Support Officer and the IT Support Officer attended this conference.

Objectives for 2015-2016

- Alternative anti-virus and anti-spam solutions to be evaluated and implemented to reduce the number of spam received and viruses infiltrating the Board's network systems;
- Continue digitisation project;
- Integrate core business systems in order to improve efficiencies and productivity;
- Upgrading of HR and Payroll software systems;
- Upgrade of iMIS (practitioners database) for better process and task automation;



- Upgrade of SQL Database for compatibility with upgraded iMIS system; and
- Upgrade of Objective for enhanced workflow capabilities.

Analisa Zainal
Information Systems Officer



REPORT FROM THE SENIOR TRUST INSPECTOR

The Legal Practice Board (Board) has two full time Trust Account Inspectors.

Educative Trust Accounts:

Seminars

Five trust account seminars on “Trust Account Obligations, Irregularities and Targeting” conducted in Perth were attended by 345 persons. The attendees included practitioners, office staff and external examiners.

The trust account inspectors also participated in seminars conducted by the Law Society of Western Australia in Bunbury, Albany and Geraldton where attendance has been estimated at approximately 100.

Reporting of Trust Irregularities

The reporting of irregularities to the Board is a requirement of s.227 of the LPA. The number of reported irregularities continues to increase as practitioners become increasing aware of the requirement and the continued education of the profession.

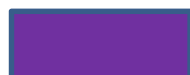
Quarter Ended	30/9/2008	31/12/2008	31/3/2009	30/6/2009
Reported	N/A	4	7	10
Quarter Ended	30/9/2009	31/12/2009	31/3/2010	30/6/2010
Reported	40	44	38	56
Quarter Ended	30/9/2010	31/12/2010	31/3/2011	30/6/2011
Reported	45	54	66	182
Quarter Ended	30/9/2011	31/12/2011	31/3/2012	30/6/2012
Reported	175	135	198	247
Quarter Ended	30/9/2012	31/12/2012	31/3/2013	30/6/2013
Reported	208	160	199	277
Quarter Ended	30/9/2013	31/12/2013	31/3/2014	30/6/2014
Reported	239	218	221	278
Quarter Ended	30/9/2014	31/12/2014	31/3/2015	30/6/2015
Reported	217	239	236	349

For the 2014/15 financial year 1041 irregularities were reported which is a growth of 9% on 2013/14. The growth is as a result of an increased awareness of reporting obligations.

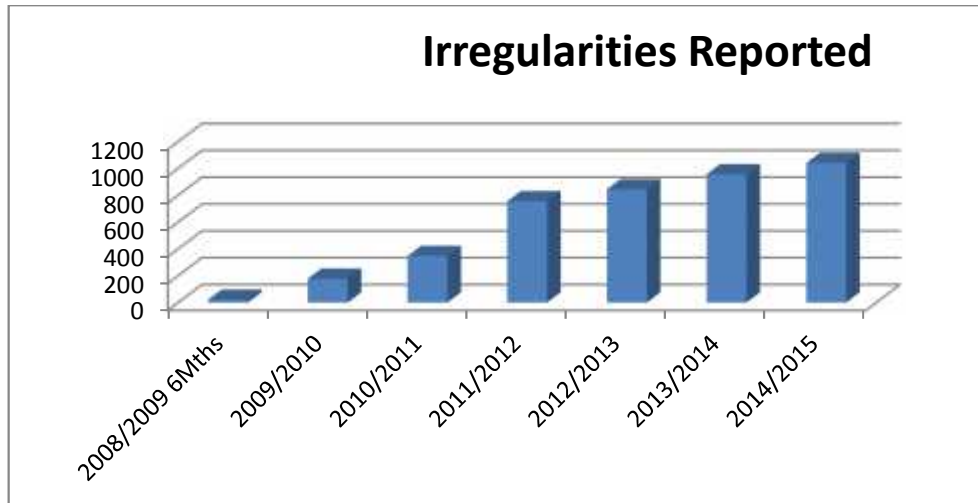
Figures for irregularities do not include irregularities identified and reported as part of the annual external examination, or audit, process.

Roughly categorised the errors comprised:

- 32% Trust funds deposited, in error, to the general account by either the client or the law practice;



- 25% Overdrawn trust ledgers due to transposition errors, bank errors and drawing against uncleared funds; and
- 10% related to bank errors, generally fees being charged to trust but also lost deposits, delays in processing deposits, processing to the incorrect account.



External Examiners Reports (EER)

671 law practices maintained one or more trust accounts in WA as at 30th June 2015.

A further 31 Law Practices operating in Western Australia maintain their trust account in another State.

	2015	2014	2013	2012	2011	2010	2009
Law Practices with Trust Accounts	671	636	637	595	620	617	492
EERs Lodged and Approved	637	586	585	586	575	557	465
Waivers Granted	12	13	15	10	20	9	4
EERs Outstanding	22	28	37	27	25	51	23
EERs Qualified & Trivial	116	111	121	77	89	149	53
EERs Qualified & Trivial %	19%	19%	20%	13%	16%	27%	11%

A law practice that maintains a trust account is required to have its trust records externally examined at least once a year by an external examiner (auditor). The external examiner is required to lodge an external examiner's report ("Report") with the Board by 31 May each year. From 2010 the Board has requested that a Declaration and Trust Money Statement ("Declaration") be lodged with each report. The Declaration is designed to seek answers to specific areas of concern in relation to trust accounts and have generally been well accepted by law practices and practitioners.

Contact with the auditors following a review of the Report and Declaration by Board based trust inspectors, along with auditor attendance at Board seminars, has resulted in an increase in auditor qualifications in the

Reports lodged. Many of the contraventions reported are contraventions that would normally be identified during routine field inspections of trust records

Of the EERs reviewed 116 were qualified. The majority of qualifications relate to the manner in which trust records were maintained rather than fraud and defalcations.

There are approximately 22 law practices that have not lodged an EER, these include closed practices, practices where a manager or supervisor is appointed as well as some where the practitioners are in default often due to strike off action or suspension of the practising certificates.

Inspections

Formal field inspections are being conducted on a targeted basis. Targeting is based upon intelligence received, the analysis of the Reports and Declarations received by the Board and Reports or Declarations not received by the Board.

Inspections conducted:

Year	Commenced	Finalised	Pending	
2007/2008	16	16	0	Board & Complaints
2008/2009	50	35	15	Board & Complaints
2009/2010	8	9	6	Board Only
2010/2011	8	10	4	Board Only
2011/2012	19	21	2	Board Only
2012/2013	17	16	4	Board Only
2013/2014	17	17	4#	Board Only
2014/2015	17	21	0	Board Only

Incorrectly reported as 0 in 2013/2014

NB: since the 2009/2010 year the Legal Profession Complaint Committee has reported independently of the Board.

Bruce Bentley
Senior Trust Inspector



REPORT FROM THE RECORDS COORDINATOR

The Legal Practice Board (Board) records are managed within the framework of the *State Records Act 2000*, and the *Principles and Standards 2002* produced by the State Records Commission.

The Board utilises the Objective Electronic Document Records Management System (EDRMS) to facilitate the management of all Board records. 'Ezescan' scanning software was installed in Objective in March 2015 and tested throughout April and went 'live' in May.

Records Management Team

The Records Management section has two dedicated & experienced staff to ensure efficient management of the Board's corporate information, through its compliance with the State Records Act 2000, and internal management processes.

Record Keeping Plan

The Board's 2009 Recordkeeping Plan (RKP) was due for its 5 year review in October 2014. The RKP was updated and submitted to the State Records Office in August 2015 for approval by the State Records Commission at its next meeting in November 2015. Changes to the Recordkeeping Plan include the development of the Business Classification Scheme/File Plan to meet core functional and operational processes.

Record Keeping Improvement Strategy

To provide an efficient and cost effective records management system, the records team will continue to review processes in line with this strategy.

Implemented strategies to date include 'Ezescan' scanning software which will improve the way hardcopy documentation is managed electronically. 'Ezescan' was installed in March 2015 and tested throughout April and went 'live' in May. Scanners are located in the Reception area at the Office of the Board and Legal Profession Complaints Committee. The Reception area is the main point of receipt, for incoming hardcopy documents, received over the counter, Australia Post and courier deliveries. All reception staff have received scanner training.

In association with managing hardcopy documents via Ezescan, the Records team will be evaluating implementing *State Records Commission Standard 8 - Managing Digital Information*.

The development and gradual roll out of the new Business Classification Structure /File Plan (BCS/FP) will continue, via consultation with key staff in

all Divisions. The alignment of the BCS/FP Files, with the General Disposal Schedule (State Government) and corporate Retention & Disposal Schedule will improve the management and disposal of electronic records.

Recordkeeping policy and procedures are reviewed on an annual basis, or as required and updated to reflect legislative or operational changes.

Retention and Disposal of Records

The State Records Commission (SRC) approved the Board's Retention & Disposal Schedule in November 2014.

The Records Team has commenced an archival program to sentence LPB/LPCC items currently stored at Compu-stor, our offsite storage provider and where the program involves evaluating records due for destruction, or for further retention.

The records are assessed against the Retention & Disposal schedule and corporate Retention and Disposal schedule.

The culling and sentencing of these records will provide significant cost savings to the Board in the short and long term for offsite storage.

Record Keeping Training, Seminars & Conferences

Efficient Record keeping is an important asset to any organisation, therefore the Board supports records management training as essential and ongoing for all staff.

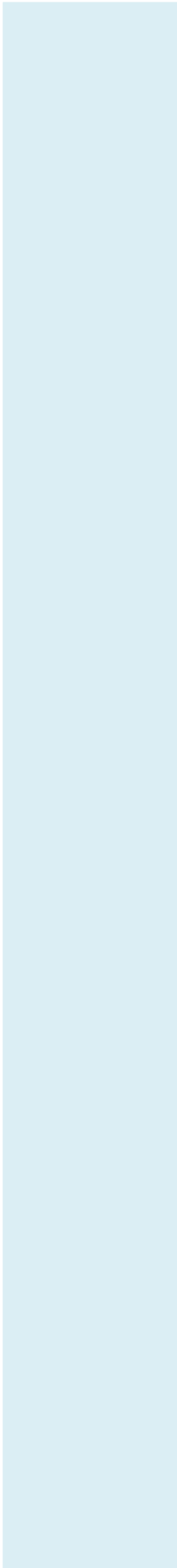
All new staff under take induction, within which records management and EDRMS training is included, as part of their introduction to employment with the Board.

Apart from basic induction records management training, the records team also conduct record keeping awareness sessions, to keep staff informed of their record keeping responsibilities.

The Records team attended the 2014 Objective 'Collaborate' conference, with the theme being 'Automation, Adaptive Case Management and Workflows. Workflow is an area of Objective we are actively trying to utilise as part of the development of the new Business Classification Scheme and File Plan and to streamline processes.

In June 2015, I attended a forum in Melbourne with the theme 'The Next Steps towards True Digital Business'. Topics covered were; making EDRM utilisation, improving user take-up & moving to a digital environment, as well as dealing with change in a company going from hard copy to increased digital.





We have over the past 12 months, provided two Curtin University students doing records management studies, the opportunity to do short term practicum work and to gain valuable work experience.

Larry Knowles
Records Coordinator



REPORT FROM THE LAW LIBRARIAN

Introduction

The Law Library at the Supreme Court was established in 1898. Under the provisions of the Legal Profession Act 2008 ownership of the Law Library is vested in the Legal Practice Board of Western Australia.

The Law Library at the Supreme Court holds one of the major legal research collections of the State of Western Australia and provides an effective reference and research service for the legal community of Western Australia.

The Law Library Advisory Committee

The Legal Practice Board has been supported in the management of the library by The Law Library Advisory Committee since 1974.

Since 2012 the Legal Practice Board and the Department of the Attorney General have been engaged in a project to integrate the legal libraries of both institutions.

Progress on the library integration project during 2014-15 indicated that the role of the Advisory committee would no longer be relevant. The Library Integration Steering Committee chaired by Mr. Paul D. Evans, State Solicitor, accepted the responsibilities of the former Advisory Committee and meets bi-monthly.

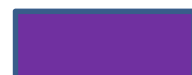
Members of the outgoing Law Library Advisory Committee were:

- Justice Kenneth Martin. Chairperson Supreme Court of WA
- Justice Stephen Hall Supreme Court of WA
- Mr. John Syminton. Chairperson of the Legal Practice Board WA
- Ms. Sabina Schlink. Elected member of the Legal Practice Board WA
- Mr. Rod Hooper. Legal Practice Board WA
- Mr. Gavan Jones. Director of Higher Courts DotAG
- Mr. Paul D. Evans. State Solicitor

Dr. John Hockley. WA Bar Association and Elected member of the Legal Practice Board WA

Mr. Matthew Keogh. President of the Law Society of WA

The final meeting of the Law Library Advisory Committee was held on April 21 2015. The chairperson Justice Kenneth Martin thanked the committee and in particular the librarians who over the years had organised the agendas and minutes.



Library Services

Subscriptions to both the standard (14 accounts) and online (39 accounts) PLEAS databases which provide access to the judgments of the Western Australian courts remained stable during 2014-15.

There was another significant fall in the number of hard copy resources used in the library during the past year. Numbers of books shelved have dropped from 10,128 in 2012-13 to 8,379 in 2013-14 to 6,735 in 2014-15.

The increase in the provision of government services via free internet sites (State Law Publisher and Parliament in particular) has affected the use of hard copy resources as has the lack of updated material especially that which was previously provided in loose leaf services.

There was a rise in the use of electronic databases from within the library.

The Law Library continues to have a unique role in the provision of that information which is not digitized, especially the treatise area. A constant 43% of users who visit the library do not request assistance; they browse the collection, study and copy or print from the resources. Over 50% of total reference queries answered came from users in person; over 2440 in the past year. The average reference enquiries per month were 327.

Document deliveries to practitioners remained steady at a little over 300 over the year, however, the number of inter-library loans to participating libraries fell by 25 %.

The number of registered visitors (self-represented litigants, students and others) who attended the library fell significantly to a more consistent level of 165. During the previous year numbers had been inflated by two particularly regular litigants.

Tours and information sessions continued to be conducted for articulated clerks, legal support staff in private firms and government agencies and for the new associates working with the Supreme Court and Court of Appeal judges. In all 95 participants attended these sessions which were coordinated by the customer services librarian, Mrs. Lisa Webb.

Library Resources

While the library continued to subscribe to the major law reports series and some commentary online there were few new resources added to the collection.

Staff

There was no staff movement during the financial year.



A total of 90 hours staff training was completed throughout the year in the areas of product familiarisation, accountancy practice and occupational health training as well as attendance at library CPD's and conferences.

Customer services librarian Mrs. Lisa Webb was awarded a bursary from the WA Branch of the Australian Law Librarians Association to attend the annual Law Librarians' Association conference in Adelaide in September 2014.

Community Involvement

Practitioners from the public and private sector attended the 8 CPD sessions in the use of Lexis Nexis, Jade Barnet and Westlaw AU. Practitioners qualified for one CPD point for legal skills and practice (Competency Area 2) through attending the hour long sessions.

A database of Supreme Court judgments for the years 1964 to 1991 had been developed by the library staff over a number of years. With the assistance of the Chief Justice Wayne Martin this database has been provided to AustLII for upload to their national database. This will be a significant addition to the holdings of the judgments of Western Australian that are available freely to the public.

Future

The library integration project between the Department of the Attorney General and the Legal Practice Board has been progressed through the year. Library staff from the Departmental library have been deployed to the Law Library to assess the latter's collection and re-catalogue items required for transfer.

It is expected that the Law Library will close the doors to practitioners at the end of June 2016. Practitioners will then have access to the integrated library in the new Justice precinct.

Thanks

I note the continuing professional attitude of the library staff with thanks.

Catherine Macgill
Law Librarian



DISCLOSURES AND OTHER LEGAL REQUIREMENTS

Compliance with Public Sector Standards and Ethical Codes – As per the Public Sector Management Act (**PSM**) (1994) s 31 (2).

The Legal Practice Board of Western Australia (**the Board**) has fully complied with the PSM (1994) s 31 (2) as it relates to the operations of the Board. The Board continues to be fully compliant with regard to the public sector standards, the Code of Ethics and the Public Sector Commission's (**the Commission**) Code of Conduct.

The Board is committed to maintain a high standard of accountability, integrity and transparency in all its functions and activities in line with the public sector standards. As part of this the Board is continuing its program of regular review and updating all the Board's policies relating to both its internal and external functions, including but not limited to human resources and work force management. The Board has a commitment to continue to maintain and review its own code of conduct for both Board members and Board staff in line with the Commission's Instruction No 8.

In accordance with the PSMA 1994 s 31 (2) the Board provides the following information regarding compliance during the period under review.

Public Sector Standards:

- Nil breach claims;
- Information on standards is provided at recruitment and the Code of Ethics is included in the Offer of Employment contract;
- All employees receive an induction manual on employment with the Board. The code of Ethics is included in the Board's employee induction manual. The employee's induction manual sets out the Board's policies and conditions of employment and all employees are required to sign a document stating they have read the manual;
- Training is provided to persons on recruitment panels to ensure compliance with the relevant standards; and
- The Board's policies are consistent with ethical principles and are subject to regular review and update.

As per the Commission's Instruction No 8 the Board's Code of Conduct policy for both staff and Board members address's the following seven areas:

- Personal behavior;
- Communications and official information;
- Fraudulent or corrupt behavior;
- Use of public resources;
- Recordkeeping and use of information;
- Conflicts of interest and gifts and benefits; and

- Reporting suspected breaches of the code.

The Board is committed to continually seeking to review and update its current practices through avenues such as; the auditing and review of its functions, performance management, ongoing training and seeking feedback from all stakeholders.

OCCUPATIONAL SAFETY, HEALTH, INJURY MANAGEMENT AND WELLNESS

In accordance with the Commission's Circular 2009-11 Code of Practice: Occupational Safety and Health (**OS&H**) in the Western Australia Public Sector, the Board is committed to promoting a safe healthy and congenial workplace. To this end the Board has the following policies and initiatives in place:

- A comprehensive OS&H policy document which outlines the Board's procedures for dealing with OH&S matters. The Board has an appointed OS&H Officer who is compliant with Worksafe standards and responds to any OS&H issues that may arise. The Board provides information on OS&H matters to all new staff on induction.
- The Board has an appointed Injury Management Coordinator.
 - For the year under review there were no reported cases of OS&H injury.
- The Board has 2 appointed staff contact officers and 1 appointed grievance officer.
 - During the year under review 1 staff grievance was received and this was dealt with in accordance with the Board's grievance policy.
- 6 Board staff have attended Surf Lifesaving WA's first aid course. It is the intention of the Board to purchase a defibrillator in the new financial year.
- Periodical reviews of the ergonomic conditions within the office are conducted with a view to improving the working conditions for all staff.
- Where possible the Board seeks to accommodate flexible working arrangements for staff.
- Access is available for all staff to counselling services through its nominated service provider Relationships Australia.
- A wellness program is in place that it is continuing to grow. Currently the Board provides fresh fruit weekly for the benefit of the Staff and also regularly organises a visiting massage therapist for the benefit of the staff. The Board will continue to develop this program with the input of the staff.
- The Board staff participates in various social/community activities, including each year holding a morning tea to raise funds for the



Cancer Council. In addition to this the Board staff also contribute items each year to the Salvation Army's Christmas Appeal.

All endeavors are made to be environmentally conscious and encourage recycling; for example all superseded electronic equipment is sent to an appropriate recycling facility.

It is a committed operational objective of the Board to continue to maintain the Board as a safe, healthy, welcoming and community aware work environment for all Board staff.

Freedom of Information

In accordance with the Freedom of Information Act 1992 the Board has a dually appointed Freedom of Information Officer. The Board's Freedom of Information statement is available on the Board's web site.

- One freedom of information application was received and dealt with in the year under review.

Corruption Prevention

The Board has acknowledged the risk of corruption when managing organisational risk. As part of the induction of new staff, they are made aware of the policies, practices and procedures of the Board in dealing with private and confidential information collected and held by the Board.

During meetings of the Board and its Committees, the policy of the disclosure of conflicting interests, and the related self-disqualification from deliberating a matter because of a potential rise of conflicting interests is strongly upheld.

Public Interest Disclosure

In accordance with the Public Interest Disclosure Act 2013 the Board has a dually appointed Public disclosure officer and policies and procedures in place for making public disclosures.

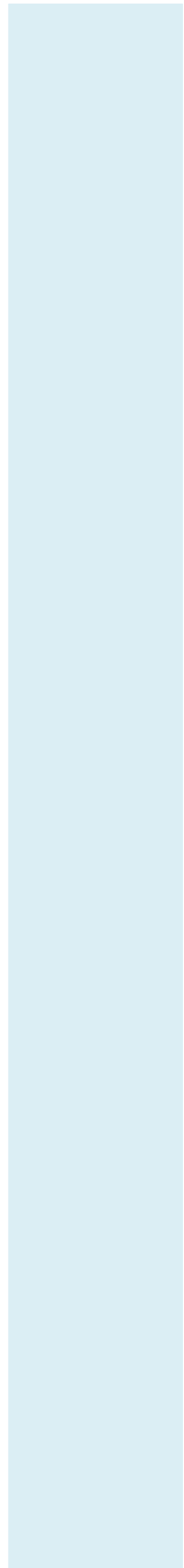
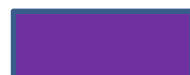
- No requests were received during the year under review.

Substantive Equality

The Board is committed to providing equal employment opportunity's to all its employees, it encourages diversity and has devised policy statements with a view to encouraging and supporting staff development and employment opportunities. Policy statements are provided to all new staff as part of their induction.

As previously stated the Board has a policy of providing flexible working conditions where appropriate. The Board's premises have facilities for wheelchair access to assist both staff and clients should it be required.

The Board recognizes that the legal profession is a diverse profession and as such the Board continually strives to perform its regulatory duties in a fair and equitable manner.



**LEGAL PRACTICE BOARD
OF WESTERN AUSTRALIA**

**Special Purpose Financial Report
For the financial year ended 30 June 2015**

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

SPECIAL PURPOSE FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

	<u>Page Number</u>
Statement by Executive Director	2
Independent Auditors' Report	3
Statement of Financial Position	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Cash Flows	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8-22

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

STATEMENT BY EXECUTIVE DIRECTOR

For the year ended 30 June 2015

As detailed in note 1 to the financial statements, the Legal Practice Board of Western Australia is not a reporting entity because in the opinion of the Board there are unlikely to exist users of the financial report who are unable to command the preparation of the reports tailored so as to satisfy specially all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Board's reporting requirements under Section 549, 550 and 551 of the Legal Profession Act 2008.

The Board declares that:

- (a) In the Board's opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
- (b) In the Board's opinion, the attached financial statements and notes thereto are in accordance with the Legal Profession Act 2008, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the entity.



Mr Graeme Geldart
Executive Director

Date: 7 December 2015
Perth WA

Independent Auditor's Report to the Board of the Legal Practice Board of Western Australia

We have audited the accompanying financial report, being a special purpose financial report, of the Legal Practice Board of Western Australia, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by the Executive Director as set out on pages 2, 5 to 22.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the financial reporting requirements of Section 549, 550 and 551 of the Legal Professional Act 2008 and is appropriate to meet the needs of the Board. The Board's responsibility also includes such internal control as management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Legal Practice Board as at 30 June 2015 and its financial performance for the year then ended in accordance with the financial reporting requirements of the Section 549, 550 and 551 of the Legal Professional Act 2008 as described in Note 1.

Deloitte

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Legal Practice Board of Western Australia to meet the financial reporting requirements of Sections 549, 550 and 551 of the Legal Profession Act 2008. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Board and should not be distributed to or used by parties other than the Board.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Peter Rupp
Partner
Chartered Accountants
Perth, 7 December 2015

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	<u>2015</u> \$	<u>2014</u> \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	10,112,445	8,486,150
Trade and Other Receivables	4	170,497	337,615
Other Current Assets	5	10,619	15,555
TOTAL CURRENT ASSETS		10,293,561	8,839,320
NON-CURRENT ASSETS			
Plant and Equipment	6	413,427	518,845
Software Systems	7	156,278	153,742
TOTAL NON-CURRENT ASSETS		569,705	672,587
TOTAL ASSETS		10,863,266	9,511,907
CURRENT LIABILITIES			
Trade and Other Payables	8	309,342	374,228
Provisions	9	888,404	456,270
Income in Advance	10	6,084,393	5,243,722
TOTAL CURRENT LIABILITIES		7,282,139	6,074,220
NON-CURRENT LIABILITIES			
Provisions	11	78,217	73,639
TOTAL NON-CURRENT LIABILITIES		78,217	73,639
TOTAL LIABILITIES		7,360,356	6,147,859
NET ASSETS		3,502,910	3,364,048
EQUITY			
Retained Earnings	12	3,502,910	3,364,048
TOTAL EQUITY		3,502,910	3,364,048

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	<u>2015</u>	<u>2014</u>
		\$	\$
REVENUE			
Office of the Board	13	6,508,098	6,163,448
Trust Account Inspector	14	632,251	645,770
Legal Profession Complaints Committee	15	504,948	182,084
Law Library	16	356,249	350,300
Income from State Government	17	1,246,304	1,668,597
TOTAL REVENUE		<hr/> 9,247,850	<hr/> 9,010,199
EXPENDITURE			
Office of the Board	13	3,061,228	2,535,384
Trust Account Inspector	14	626,221	459,626
Legal Profession Complaints Committee	15	3,253,370	2,709,225
Law Library	16	921,865	780,507
Expenditure from State Government	17	1,246,304	1,668,597
TOTAL EXPENDITURE		<hr/> 9,108,988	<hr/> 8,153,339
Profit for the year from continuing operations		<hr/> 138,862	<hr/> 856,860

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	<u>2015</u>	<u>2014</u>
		\$	\$
Cash flows from operating activities			
Receipts from customers		8,842,461	7,617,541
Payments to suppliers and employees		(7,240,698)	(6,369,116)
Interest received		171,811	173,335
Net cash provided by operating activities	19(b)	<hr/> 1,773,574	<hr/> 1,421,760
Cash flows from investing activities			
Payment for property, plant and equipment		<hr/> (147,279)	<hr/> (351,973)
Net cash used in investing activities		(147,279)	(351,973)
Net increase in cash and cash equivalents		<hr/> 1,626,295	<hr/> 1,069,787
Cash and cash equivalents at the beginning of the financial year		<hr/> 8,486,150	<hr/> 7,416,362
Cash and cash equivalents at the end of the financial year	19(a)	<hr/> 10,112,445	<hr/> 8,486,150

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Retained Earnings
	\$
Balance at 1 July 2013	2,507,188
Profit for the year	856,860
Total comprehensive income	<u>856,860</u>
Balance at 30 June 2014	3,364,048
Balance at 1 July 2014	3,364,048
Profit for the year	138,862
Total comprehensive income	<u>138,862</u>
Balance at 30 June 2015	<u>3,502,910</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDING 30 JUNE 2015**

1. Significant Accounting Policies

Financial Reporting Framework

The Legal Practice Board is not a reporting entity because in the opinion of the Board there are unlikely to exist users of the financial report who are unable to command the preparation of the report tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the Board's accountability requirements under Section 549, 550 and 551 of the Legal Profession Act 2008.

Statement of Compliance

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

Accounting standards applicable to 'not-for-profit' entities have been applied.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the financial statements, the entity is a for profit entity.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015; the comparative information presented in these financial statements for the year ended 30 June 2014.

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

1. Significant Accounting Policies (cont'd)

a) Depreciation

All assets are carried at cost less provision for depreciation.

Depreciation is calculated on a straight-line basis so as to write off the net cost of each asset during its expected useful life to its estimated residual value at the following rates:

Office of the Board	15 – 50%
Law Library	15 – 27%
Legal Profession Complaints Committee	15 – 27%
Trust Account Inspector	15 – 27%
Software	15 – 27%

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Library publications have a carrying value of \$100,000 being their deemed cost. All purchases incurred for library publications or replacement publications, are expended in the purchase period rather than capitalised. In the opinion of the Board, the estimated insurance value of library books is approximately \$5,000,000. As residual value of Law Library books exceeds net costs, the depreciation on the Law Library books is nil.

b) Employee Benefits

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

Liabilities recognised in respect of employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Defined Contribution Plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

c) Property, Plant and Equipment

All plant and equipment received as donations are brought to account at fair value in the financial report as revenue and assets of the Board.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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.

Gains and losses arising on disposals or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset. It is recognised in profit or loss.

d) Intangible Assets

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

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

1. Significant Accounting Policies (cont'd)

e) Income Tax

The entity is exempt from income tax under Chapter 2 Division 50 s.50-25 of the Income Tax Assessment Act 1997.

f) Revenue Recognition

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Government Grants

Government grants are assistance by the government in the form of transfer of resources to the Legal Practice Board where there are no conditions specifically relating to the operating activities of the Legal Practice Board other than the requirements imposed on the Board under the Legal Profession Act 2008.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in profit or loss in the period in which it becomes receivable.

Certifications

Revenue from the issuance of certifications is recognised proportionately over the period to which the certification relates.

Rendering of Services

Revenue to provide services is recognised in the period to which the services relate.

g) Goods and Services Tax

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

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

h) Impairment of assets

At each reporting date the company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

1. Significant Accounting Policies (cont'd)

i) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand; cash in banks and investments in term deposits.

j) Provisions

Provisions are recognised when the entity has a present obligation as a result of a past event and it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

k) Financial Assets

Trade and Other Receivables

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

l) Trade and Other Payables

Trade and other payables are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services. Trade and other payables are initially recognised at fair value, net of transaction costs and subsequently recorded at amortised cost.

m) Resources received Free of Charge or for Nominal Cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses as appropriate at fair value.

n) Application of new and revised Accounting Standards

Standards and Interpretations adopted with no effect on financial statements

There are no new or revised Standards and Interpretations have been adopted in the current period. Other Standards and Interpretations that were adopted in these financial statements have no effect on amounts reported.

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
2 Auditors Remuneration		
Deloitte Touche Tohmatsu Audit of the financial report	<u>23,000</u>	<u>21,700</u>
3 Cash and Cash Equivalents		
Cash at Bank	6,468,136	4,878,511
Cash on Hand	1,300	1,300
Term Deposits	3,643,009	3,606,339
	<u>10,112,445</u>	<u>8,486,150</u>
4 Trade and Other Receivables		
Trade Receivables	309,376	418,885
Less Allowance for Doubtful Debts	(172,500)	(174,249)
Other Receivables	33,621	92,979
	<u>170,497</u>	<u>337,615</u>
Refer to Note 1(k)		
5 Other Current Assets		
Accrued Interest	<u>10,619</u>	<u>15,555</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

6. Plant and Equipment

	Office of the Board \$	Law Library \$	Legal Profession Complaints Committee \$	Trust Account Inspectors \$	Library Books \$	Total \$
Gross Carrying Amount						
Balance at 30 June 2014	1,264,384	202,079	563,272	13,518	100,000	2,143,253
Additions	101,223	6,429	22,902	-	-	130,554
Disposals	(85,372)	(42,573)	(30,171)	(5,834)	-	(163,950)
Balance at 30 June 2015	1,280,235	165,935	556,003	7,684	100,000	2,109,857
Accumulated Depreciation						
Balance at 30 June 2014	(1,059,885)	(185,343)	(367,322)	(11,857)	-	(1,624,407)
Current Dep'n	(89,303)	32,686	(21,014)	5,608	-	(72,023)
Balance at 30 June 2015	(1,149,188)	(152,657)	(388,336)	(6,249)	-	(1,696,430)
Net Book Value						
As at 30 June 2014	204,499	16,736	195,950	1,661	100,000	518,845
As at 30 June 2015	131,047	13,278	167,666	1,435	100,000	413,427

All plant and equipment are office equipment with the exception of the Law Library books.

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

7. Software Systems

	EDRMS	iMIS	Total
	\$	Database	\$
	\$	\$	\$
Gross Carrying Amount			
Balance at 30 June 2014	368,742	332,611	701,353
Additions	46,200	-	46,200
Balance at 30 June 2015	<u>414,942</u>	<u>332,611</u>	<u>747,553</u>
Accumulated Depreciation			
Balance at 30 June 2014	(304,825)	(242,786)	(547,611)
Current Depreciation	(18,406)	(25,258)	(43,664)
Balance at 30 June 2015	<u>(323,231)</u>	<u>(268,044)</u>	<u>(591,275)</u>
Net Book Value			
As at 30 June 2014	<u>63,917</u>	<u>89,825</u>	<u>153,742</u>
As at 30 June 2015	<u>91,711</u>	<u>64,567</u>	<u>156,278</u>

8 Trade and Other Payables

	<u>2015</u>	<u>2014</u>
	\$	\$
Trade Payables	80,626	78,097
Other Payables	84,093	151,934
Accruals	144,623	144,197
	<u>309,342</u>	<u>374,228</u>

9 Current Provisions

Provision for Annual Leave	437,218	248,298
Provision for Long Service Leave	451,186	207,972
	<u>888,404</u>	<u>456,270</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

10	Income in Advance	<u>2015</u>	<u>2014</u>
		\$	\$
	Publication Sales in Advance	4,850	6,150
	Continuing Professional Development Fees in Advance	98,840	86,020
	Photocopying in Advance	19,662	18,676
	PLEAS - Subscriptions in Advance	74,636	76,536
	Practice Certificates in Advance	5,855,025	5,019,840
	Solicitors Guarantee Fund	31,380	36,500
		<u>6,084,393</u>	<u>5,243,722</u>
11	Non-Current Provisions		
	Provision for Long Service Leave	<u>78,217</u>	<u>73,639</u>
12	Retained Earnings	<u>2015</u>	<u>2014</u>
		\$	\$
	Balance at Beginning of the year	3,364,048	2,507,188
	Net Profit for the year	138,862	856,860
	Balance at End of Year	<u>3,502,910</u>	<u>3,364,048</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2015

13 Office of the Board	<u>2015</u>	<u>2014</u>
	\$	\$
Income		
Assessment of Qualifications	35,000	34,400
Admissions	162,840	163,860
Articles Registration Fees	4,200	4,800
Bank Interest	166,875	180,535
Continuing Professional Development	240,419	156,191
Evidentiary Certificates	19,200	24,900
Fines	-	24,126
Foreign Lawyers	1,000	4,750
External Examiner Reimbursement	107,564	62,477
Practice Certificates	5,703,359	5,497,425
Miscellaneous Income	3,332	9,984
Rent – Hay Street Reimbursement	64,308	-
	<u>6,508,098</u>	<u>6,163,448</u>
Expenditure		
Electricity	9,448	-
Cleaning	5,373	-
Leasing Expenses	11,108	-
Advertising	23,553	19,936
Audit and Accounting Fees	23,000	31,746
Bank Charges	56,596	38,548
Bad Debts	-9,442	-
Computer Expenses	109,400	104,676
Conference	29,398	17,196
Depreciation	132,967	205,178
Facsimile & Phone	515	975
Fringe Benefits Tax	4,565	8,000
HR Consultant	-	33,011
Insurance	3,414	2,321
Legal Costs – LPB	410,895	87,017
Miscellaneous Costs	13,637	9,625
Parking	16,184	13,535
Payroll Tax	92,658	78,680
Postage and Petties	29,090	27,794
Professional Memberships	7,571	3,827
Printing and Stationery	16,051	16,824
Reference Materials	1,565	-
Relocation Costs	-	324
Salaries	1,837,534	1,646,948
Service and Maintenance	5,223	4,317
Storage	10,945	11,049
Superannuation Contributions	168,819	139,763
Mobile Phone	14,802	-
Training	15,306	14,009
Transcripts	616	1,048
Travel & Accommodation	13,253	13,450
Workers' Compensation	7,184	5,587
	<u>3,061,228</u>	<u>2,535,384</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

14 Trust Account Inspector	<u>2015</u>	<u>2014</u>
	\$	\$
Income		
TAI Reimbursements	461,007	465,036
General Admin Costs	156,028	171,629
Seminar Fees	15,216	9,105
	<u>632,251</u>	<u>645,770</u>
Expenditure		
Conference Attendance	9,744	3,288
CPA Membership	2,419	1,827
Depreciation	1,937	41
Fringe Benefits Tax	1,461	2,000
Insurance	550	418
Mileage	1,583	1,027
Parking	8,262	7,847
Payroll Tax	29,193	23,577
Printing & Stationery	697	51
Salary	513,772	376,467
Seminars	4,538	4,341
Superannuation Contributions	46,558	36,029
Telephone	1,871	-
Training	1,101	1,178
Travel and Accommodation	212	225
Workers' Compensation	2,323	1,310
	<u>626,221</u>	<u>459,626</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

15 Legal Profession Complaints Committee	<u>2015</u>	<u>2014</u>
	\$	\$
Income		
Costs Recovered	233,688	113,694
Fines	184,338	34,500
Fines – Summary Jurisdiction	750	4,000
Miscellaneous Income	4,406	29,891
Rental Reimbursement – St George Tce	81,766	-
	<u>504,948</u>	<u>182,085</u>
Expenditure		
Accommodation	106,110	-
Advertising	1,455	1,913
Computer Expenses	530	1,471
Conference Attendance	18,006	9,113
Depreciation	84,457	49,357
Fringe Benefits Tax	1,287	2,000
Insurance	1,232	631
Legal Costs	191,324	76,707
Parking	9,115	-
Payroll Tax	122,395	104,983
Postage and Petties	20,999	19,263
Printing and Stationery	16,148	15,751
Mobile Phone	10,268	592
Professional Fees & Memberships	30,655	20,865
Reference Materials	6,450	7,059
Salaries	2,362,441	2,168,258
Service and Maintenance	6,032	4,085
Storage	11,056	11,299
Superannuation Contributions	229,978	196,341
Training	6,882	7,312
Transcripts	1,672	2,753
Workers' Compensation	9,716	7,078
Miscellaneous Expenses	5,162	2,394
	<u>3,253,370</u>	<u>2,709,255</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

16 Law Library	<u>2015</u>	<u>2014</u>
	\$	\$
Income		
Library Photocopier and other income	30,363	27,064
PLEAS	75,886	73,236
Annual Grant	250,000	250,000
	<u>356,249</u>	<u>350,300</u>
Expenditure		
Serials	221,585	203,366
Monographs	7,057	4,762
Electronic Publications	201,392	183,245
Online/Library Services	863	1,913
Bank Charges	563	1,469
Cleaning and Binding	4,833	4,042
Computer & Consultancy	27,355	21,614
Conferences and Meetings	681	845
Depreciation	30,469	18,321
Fringe Benefits Tax	392	600
Institutional & Professional Memberships	455	454
Insurance	11,314	10,942
Minor Assets/ Office Equipment	-	-
Payroll Tax	15,454	13,903
Postage and Petties	2,085	3,053
Printing and Stationery	439	244
Promotions	-	-
Salaries	353,753	276,435
Staff Professional Memberships	641	700
Superannuation Contributions	28,923	25,015
Training	1,436	776
Workers' Compensation	1,311	928
Miscellaneous Expenses (Scanning Project)	4,830	551
Photocopier Costs	3,772	5,255
PLEAS - Costs	2,262	2,074
	<u>921,865</u>	<u>780,507</u>

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

17 Income from State Government

Resources received free of charge	<u>2015</u>	<u>2014</u>
	\$	\$

Determined on the basis of the following estimates provided by the Department of the Attorney General:

Office space rental	<u>1,246,304</u>	<u>1,668,597</u>
----------------------------	------------------	------------------

Where assets or services have been received free of charge or for nominal consideration, the Legal Practice Board recognises revenues equivalent to the fair value of the assets and/ or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

18 Employee Benefits

The aggregate employee benefit liability recognised and included in the financial statements is as follows:

Provision for employee benefits:	<u>2015</u>	<u>2014</u>
	\$	\$
Current (note 9)	888,404	456,270
Non-current (note 11)	78,217	73,639
	<u>966,621</u>	<u>529,909</u>

19 Notes to the cash flow statement

19(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	<u>10,112,445</u>	<u>8,486,150</u>
---------------------------	-------------------	------------------

19(b) Reconciliation of profit for the period to net cash flows from operating activities

	<u>2015</u>	<u>2014</u>
	\$	\$
Profit for the year	138,862	856,860
Loss on sale or disposal of non-current assets	-	-
Depreciation and amortisation of non-current assets	250,160	272,897

LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2015

19(b) Reconciliation of profit for the period to net cash flows from operating activities (cont'd)

Changes in net assets and liabilities:	<u>2015</u>	<u>2014</u>
	\$	\$
(Increase)/decrease in assets:		
Current receivables	107,760	389,713
Other current assets	64,295	58,606
Increase/(decrease) in liabilities:		
Current payables	(64,886)	(185,607)
Current provisions	840,671	129,576
Income in advance	-	955
Non-current provisions	436,712	(101,240)
Net cash from operating activities	<u>1,773,574</u>	<u>1,421,760</u>

20 Subsequent events

No subsequent events have occurred since that would impact on the accounts.

21 Additional Company Information

The Legal Practice Board of Western Australia is a statutory authority.

Registered Office and Principal Place of Business

5th Floor

Kings Building

533 Hay Street

PERTH WA 6000

Tel: (08) 6211 3600

22 Commitments for Expenditure

Operating Lease Commitments

Not longer than 1 year	-	-
------------------------	---	---

Longer than 1 year and not longer than 5 years	-	-
------------------------------------------------	---	---

Longer than 5 years	-	-
---------------------	---	---

<u>-</u>	<u>-</u>
----------	----------

23 Contingent liabilities

There are certain cases under appeal. Depending on the outcome of the cases there may be some orders for costs. As the outcome is not yet determined the amounts cannot be reliably estimated so there is no adjustment to the accounts at the statement of financial position date.

24 Related party transactions

During the financial year ended 30 June 2015, the following transactions occurred between the Legal Practice Board and Board members:

- Board Member P. E. Cahill SC provided legal services amounting to \$12,280.00;
- Board Member C. G. Colvin SC provided legal services amounting to \$1,218.00;
- Board Member K .F. Bank-Smith SC provided legal services amounting to \$35,826.66;
- Board Member P. D. Quinlan SC provided legal services amounting to \$3,050.00;
- Board Member L. Levy SC provided legal services amounting to \$2,850.00;

- Board Member M. Cuerden SC provided legal services amounting to \$33,150.00;
- Board Member J. Vaughan SC provided legal services amounting to \$16,800.00;
- Board Member S. Vandogen SC provided legal services amounting to \$14,900.00.

