

**LEGAL PRACTICE BOARD**  
OF WESTERN AUSTRALIA

**ANNUAL REPORT**  
**2012-2013**





# CONTENTS

<b>REPORT FROM THE CHAIRPERSON</b>	<b>1</b>
<b>REPORT FROM THE ACTING EXECUTIVE DIRECTOR</b>	<b>5</b>
<b>THE LEGAL PRACTICE BOARD</b>	<b>9</b>
<b>PROFILE OF THE CURRENT WA LEGAL PROFESSION</b>	<b>16</b>
<b>MANAGEMENT COMMITTEE</b>	<b>20</b>
<b>ADMISSIONS AND REGISTRATION COMMITTEE</b>	<b>23</b>
<b>PROFESSIONAL AFFAIRS COMMITTEE</b>	<b>34</b>
<b>REPORT FROM THE LEGAL EDUCATION COORDINATOR</b>	<b>49</b>
<b>REPORT FROM THE LAW LIBRARIAN</b>	<b>52</b>
<b>REPORT FROM THE SENIOR TRUST ACCOUNT INSPECTOR</b>	<b>55</b>
<b>REPORT FROM THE RECORDS COORDINATOR</b>	<b>59</b>
<b>DISCLOSURES AND OTHER LEGAL REQUIREMENTS</b>	<b>61</b>
<b>FINANCIAL REPORT</b>	<b>64</b>

## **REPORT FROM THE CHAIRPERSON**

### **Ian Weldon**

In respect to the time period covered by this report, Ian Weldon was the Chairperson of the Board from 1 April 2012 to April 2013.

Ian was the Chairperson of the Board during a difficult time. Among other things, Anne Seghezzi, who was the Executive Director of the Board on 1 July 2012, ceased to be the Executive Director in April 2013. From the time that Anne Seghezzi ceased to be the Executive Director, there was no Executive Director of the Board which caused significant difficulty for Ian.

Ian, who was an elected member of the Board, resigned from the Board on 11 April 2013.

Ian has been an elected member of the Board for 17 years. During that time, he has served on a number of Board committees and made a substantial contribution to those committees. In addition, he acted as Chairperson from April 2012 to April 2013.

On behalf of the Board I thank Ian for his dedicated work for the Board during this period as an elected member of the Board and as Chairperson.

### **Executive Director**

As noted above, Anne Seghezzi was Executive Director of the Board on 1 July 2012 and ceased to be the Executive Director in April 2013.

In April 2013 a decision was made to appoint Libby Fulham, the Board's Legal Officer, as Acting Executive Director. Libby was the Acting Executive Director from 18 April 2013 until 16 September 2013.

A decision was made to engage Geoff Blades of Lester Blades to undertake an executive search for a new Executive Director. It was also decided that an ad hoc committee, known as the Executive Director Selection Committee, would assist in the process for the selection and appointment of a new Executive Director. The Executive Director Selection Committee consisted of Anna Liscia as Convenor of the Management Committee, Sabina Schlink as Convenor of the Admissions and Registrations Committee, John Ley as Deputy Chairperson of the Legal Profession Complaints Committee, Bruno Fiannaca SC as Deputy Convenor of the Professional Affairs Committee and me as Chairperson.

### **Graeme Geldart**

Among the candidates who expressed an interest in being appointed as Executive Director was Graeme Geldart.

Graeme was the Executive Director of the Board for a period of approximately 4 years but left the Board early in 2012 for the purpose of resolving some medical issues.

As noted, Graeme was a candidate for the position of Executive Director and having resolved health issues, Graeme was appointed as Executive Director of the Board from 17 September 2013.

It has been a pleasure to work with Graeme, who has extensive experience and knowledge in the operations of the Board and his clarity of thought, maturity and common sense are again proving invaluable.

### **Peter van Hattem SC, Deputy Chairperson**

Peter van Hattem SC has been the Deputy Chairperson of the Board since April 2011.

Peter has continued as Deputy Chairperson of the Board.

Peter has provided considerable assistance to me in my position as Chairperson and in addition has assisted Board staff in dealing with difficult issues.

Peter has always been readily available to provide assistance and I would like to thank him publicly for his contribution to the affairs of the Board.

### **The Law Library**

As noted in the report by Ian Weldon as Chairperson for 2011/2012, the Board owns and manages the Law Library at the Supreme Court and has a statutory obligation to maintain the library.

In his report for 2011/2012 Ian outlined financial issues relating to the funding of the library and noted a government announcement that a new Supreme Court building would be developed on the site of the old Treasury building and that it seemed certain that this development would require some reorganisation of the library facilities and resources available to the Courts, the legal profession and to litigants.

The current position is that a decision has been made that the library will move to the old Treasury building once the construction of the new building on the old Treasury site has been completed.

In the meantime discussions are taking place with the government concerning the library.

### **The National Legal Profession and Legislative Reform**

In his report last year, Ian Weldon advised that the Board would continue to be involved at a national level with other regulatory bodies and law societies in an effort to work towards consistency and the possible adoption of standard regulatory legislation across all jurisdictions.

In the last year, other Australian jurisdictions have been working towards adoption of Uniform Legal Profession Legislation (ULPL), and it is expected that NSW and Victoria will adopt this legislation. Ian also indicated that a working group had been established in Western Australia to consider reforms to or the replacement of the Legal Profession Act 2008 (WA).

It is understood that drafts of the new ULPL legislation have been prepared and will shortly be available for comment.

## **Practising Certificates**

The Board is now into its fifth year of processing online applications for practising certificate renewals. Board staff continue to work on the improvement of the online renewal process, but the emphasis has to be on the practitioner to ensure they have submitted their application to renew their certificate in the renewal period, between 1 May and 30 June each year.

I am pleased that the standard fee to accompany an application to renew a practising certificate has been retained at \$1,000. As the Board's operating expenses have continued to increase, it is expected that the standard fee will be subject to review.

2012/2013 saw the implementation of the 'barrister only' and 'volunteer or pro bono only' conditions on practising certificates. The Board has received 217 requests from barristers, or those who intend to practice solely as barristers, for the 'barrister only' condition to be imposed on their practising certificates. The Board has received 12 requests from practitioners who intend to undertake only pro bono work under that certificate.

## **Judy Robinson**

It is with great sadness that the Board lost one of its most valuable staff members in March 2013 when Ms Judy Robinson passed away unexpectedly. Judy was the Board's Corporate Support Officer and managed many of the Board financial and human resources matters, as well as back-office management services - administrative, professional, technical and logistical - that assist the Board in the delivery of its core services.

Judy was without doubt one of the Board's most valuable employees. Judy was a warm and compassionate person and dedicated to her work at the Board. Judy had worked at the Board for over 11 years, and she will be greatly missed by the staff and members of the Board.

## **Acknowledgements**

I have already mentioned the contribution that Ian Weldon made to the Board. On behalf of the Board I would like to extend a special thank you to Ian who retired from the Board after many years of dedicated and valued service both as a long term Board member and past Chairperson of the Board.

Special thanks are extended to all members of the Board who continue to selflessly donate their time and expertise to serve on the Board and its Committees. It is a unique feature of the Board that the tireless efforts of the members in maintaining a protective role for members of the public is a credit to the operation of the Board and should be greatly appreciated by the profession and the community.

Particular thanks are also extended to Chris Zelestis QC (Chairperson of the Legal Profession Complaints Committee), Patricia Cahill SC (Convenor of the Professional Affairs Committee), Sabina Schlink (Convenor of the Admissions and Registration Committee), Anna Liscia (Past Chairperson and Convenor of the Management Committee), Justice Kenneth Martin (Chairperson of the Law Library Advisory Committee) for their leadership, and also, of course, to all Deputy Convenors and Committee members.

I would like to extend my sincere thanks to the Board staff across all of its divisions for their expert, dedicated and committed work on behalf of the Board and its Committees. The staff contribution ensures that the most efficient service possible is provided for the regulation of legal services in Western Australia. Most importantly, the staff have the confidence of the Board members and have assisted the Board in becoming an efficient and competent regulator.

I have also already mentioned the sad passing of Judy Robinson, the Board's Corporate Support Officer. It is pleasing to note that the Board has been able to secure the services of Linda MacPherson to take over the position of Corporate Support Officer.

Finally, I would like to express my thanks to Libby Fulham for the work which she undertook as Acting Executive Director. Libby became Acting Executive Director at the time when Board activities were at their highest. Libby calmly and quietly dealt with members of the Board, members of the public and the staff at the Board and she was able to show the leadership that was required at that time. In particular, Libby was of particular assistance to me as Chairperson of the Board.

**John Syminton**

**Chairperson**

**November 2013**

## REPORT FROM THE ACTING EXECUTIVE DIRECTOR

There were a number of significant developments within the Board's operations during the year under review:

- ◆ The cessation and appointment of a new Executive Director;
- ◆ The appointment of a new Chairperson;
- ◆ Continued discussion in relation to the adoption by NSW and Victoria of uniform legal profession legislation and any consideration Western Australia may have in adopting that legislation; and
- ◆ Continued negotiations on the integration of the Law Library at the Supreme Court with the library at the Department of the Attorney General.

Such developments are in addition to the regular statutory operations of the Board that 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.

### Position of Executive Director

Ms Anne Seghezzi was engaged as the Executive Director and Secretary at the commencement of the 2012/2013 year and ceased in April 2013.

The Board then considered the nature of the role of the person to eventually replace Ms Seghezzi as Executive Director and that recruitment process commenced in April 2013.



In the intervening period, Tony Mylotte was appointed as acting Secretary for a period and on 18 April 2013 I was appointed as Acting Executive Director and Secretary until the recruitment process for a new Executive Director was complete and a suitable replacement had been found.

Looking forward, I am pleased that an appointment was made and it is with immense pleasure that the Board has welcomed Graeme Geldart back into the role of Executive Director from 17 September 2013.

The position of Acting Executive Director and Secretary has had its challenges, not least of which was securing the welfare of the staff through a period of disruption, grief and the very busy renewal period from April 2013 onwards. It was also imperative that I continued to provide maximum support to the Board's Professional Affairs Committee, which was a core function of my substantive position at the Board. However, it is abundantly clear that the Board staff have the trust and support of the Board members and they have assisted me in meeting all the challenges arising from this acting role.

### **New Chairperson**

After the election held in April 2012, Mr Ian Weldon was appointed Chairperson of the Board. Ian's appointment coincided with the departure of Graeme Geldart as Executive Director, the commencement of Anne Seghezzi as Executive Director and the departure of one of the Board's Legal Officers. In April 2013, following an election by Board members, Mr John Syminton was appointed Chairperson of the Board.

In my position as the remaining Legal Officer, I had the distinct pleasure of working closely with Ian Weldon, as he came into the role of Chairperson. In what turned out to be a tumultuous period for the staff at the Board, Ian's eye for detail and expert grammatical and corporate knowledge provided me with immense assistance.

It has also been my honour to work equally well with John Syminton as the new Chairperson, but largely in my position as Acting Executive Director. John has provided immeasurable support and encouragement to me and the Board staff across all divisions. John has freely given his time and advice concerning the Board's operations. It is with great pride that I await the future developments at the Board under the guidance of John Syminton as the new Chairperson and Graeme Geldart as the new Executive Director.

### **Uniform Legal Profession Legislation**

It is anticipated that NSW and Victoria will bring into force uniform legal profession legislation (ULPL) some time in 2014. At the time of writing this report, the ULPL has not been available to peruse for comparison and comment in relation to the current Legal Profession Act 2008 (WA).

It is expected that the current Attorney General will not be averse to considering the adoption of the ULPL in Western Australia, but will be guided by the views of the Board. It is also expected that the current Solicitor General will convene a working committee to consider the ULPL once it is available for scrutiny.

## Law Library

The Management Committee has continued to progress one of the major aims of the Board during the year in review that is to arrange for the government to consider, and, if possible, approve a more appropriate funding model for the Law Library at the Supreme Court.

## Staffing

Staffing levels have remained consistent across the divisions of the Board (Office of the Board, Legal Profession Complaints Committee, and the Law Library). Positions that have become vacant have generally been filled. The exception is the legal team at the Office of the Board, with the loss of one Legal Officer in July 2012, who has not been replaced. With the appointment of the new Executive Director, it is anticipated that a restructure of the Board's legal team will occur early into that appointment.

Unfortunately, the Board suffered a great loss with the sad passing of Judy Robinson, our Corporate Support Officer, in March 2013. Judy had worked at the Board in excess of 11 years and she was an invaluable staff member and friend. Judy will be missed.

## The Future

Further strategic planning for the Board's operations will be forefront for the incoming Executive Director. It is anticipated that a review of the requirements of the Board and the resources it has available will be the focus of the new Executive Director in the year ahead.

The Board will also look at initiatives, including activities, to inform, educate, support and advise the profession on its obligations and the expectations of the standards expected by the profession and members of the public whom they serve. In that regard, it is expected that the new Executive Director will expand the Board's educative role.

## Vote of Thanks

As I have already mentioned, I give my thanks to the Board's Chairperson, Mr John Syminton, who has provided me with a vast amount of guidance and support in the position of Acting Executive Director. Equal thanks is to be given to Peter van Hattem SC, the Deputy Chairperson, and Anna Liscia, the Convenor of the Management Committee, whose assistance has been extremely valuable and much appreciated.

A special vote of thanks goes to Patricia Cahill SC (Convenor of the Professional Affairs Committee). Patricia has not only been an exceptional Convenor, but a valuable mentor and it is a privilege to work closely with a woman of such high standing in the legal profession in Western Australia.

Additionally, to the Convenors of each of the Board's other Committees and Advisory Committees during the year under review – Sabina Schlink (Admissions and Registration), Chris Zelestis QC (Legal Profession Complaints Committee), the Hon. Justice Kenneth Martin (Law Library Advisory Committee) – and to the Deputy Convenors and Committee members – I extend my sincere gratitude for your selfless pro-bono contributions made to the Board and the regulation of the profession, and for guiding the policy behind the operations of the Board.

The Board is comprised of many of the most distinguished members of our legal community, and in my time working with the Board I have come to appreciate the significant personal contributions made by Board members, particularly the Convenors and members of Board Committees, to upholding the good standing of the legal profession in Western Australia.

Thanks are also due to the dedicated staff of the Board, including Gael Roberts, the Law Complaints Officer at the Legal Profession Complaints Committee; Catherine Macgill, Law Librarian at the Supreme Court Library; Deb MacDonald, who supports our Admissions and Registrations Committee; Tony Mylotte, who manages the issue of practising certificates; Julie Bain, who manages Continuing Professional Development matters; Bruce Bentley, the Board's Senior Trust Account Inspector, Linda MacPherson who has commenced as the new Corporate Support Officer; and Larry Knowles who has commenced as the new Records Coordinator. I am grateful for the dedication and expertise in the delivery of the important tasks that we undertake in the regulation of the legal profession and the associated protection of the public interest in that regard.

**Libby Fulham**

**Deputy Executive Director**

**November 2013**

## 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 (LPCC) 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.

### 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 2013 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 2012 there were 24 Senior Counsel resident and practising in Western Australia, who had nominated as members of the Board.

### During the year under review:

On 28 November 2012 the following practitioners were appointed as Senior Counsel and nominated as members of the Board:

- ◆ Mr RS Hooper SC; and
- ◆ Mr JA Thomson SC.

On 07 August 2012 His Excellency MJ McCusker AC, CVO, QC requested the Board suspend his practising certificate during his term as Governor and therefore ceased to be a member of the Board.

### **Total number of Silks at 30 June 2013**

At the conclusion of the year under review the Board had a total of 28 Queens Counsel and Senior Counsel as members of the Board.

### **Elected Members**

- ◆ 1 July 2012 to April 2013 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, Ms SM Schlink, Mr JG Syminton, Mr I Weldon and Mr RG Wilson.
  
- ◆ April 2013 election to 30 June 2013
  - ◇ 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, Ms SM Schlink, Mr JG Syminton, Mr I Weldon and Mr RG Wilson.
  
  - ◇ On 11 April 2013 Mr Ian Weldon resigned from the Board and therefore ceased being a member of the Board having been a member since his election in 1996. His invaluable contribution to the Board is hereby acknowledged.
  
  - ◇ On 24 June 2013 Mr AJ Pascoe was appointed to the Board to fill a casual vacancy with his term of office expiring in April 2014.
  
- ◆ Appointment of Chairperson and Deputy Chairperson
  - ◇ Mr JG Syminton was appointed Chairperson on 11 April 2013, effective for the ensuing year.
  
  - ◇ Mr PCS van Hattem SC was appointed Deputy Chairperson on 3 April 2013, effective for the ensuing year.

## Board Members as at 30 June 2013

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 Mr CG Colvin 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 RM Mitchell SC Mr LM Levy SC Ms PE Cahill 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	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 Mr RG Wilson	

## Committees

### 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 Committees so constituted in the year under review are:

- ◆ Admissions and Registration Committee;
- ◆ Professional Affairs Committee; and
- ◆ Management Committee.

A summary of the main areas of responsibility and activities of the above committees during the 2012 - 2013 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 below. These Committees' reports also detail 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 this reporting year, the Law Library Advisory Committee continued to hold meetings to supervise the business of the Law Library.

### Meeting Overview

During this reporting year, the Committees of the Board met on the following occasions:

<b>Management Committee</b>	<b>Total Meetings held 5</b>	
<b>Name</b>	<b>Meetings Applicable*</b>	<b>Attended</b>
<b>Ms Anna Liscia Convenor</b>	5	5
<b>Mr John Syminton Deputy convenor</b>	3	1
<b>Mr Matt Zilko SC</b>	4	0
<b>Mr Peter van Hattem SC</b>	5	4
<b>Mr Robert Mitchell SC</b>	5	3
<b>Mr Mark Ritter SC</b>	5	0
<b>Mr Sam Vandongen SC</b>	5	1
<b>Mr Simon Creek</b>	5	1
<b>Mr Sam Vandongen SC</b>	5	1
<b>Mr Kanagammah Dharmananda SC</b>	5	3
<b>Mr Ian Weldon</b>	4	4
<b>Dr John Hockley</b>	5	3
<b>Ms Valerie Hodgins</b>	5	0
<b>Mr Simon Creek</b>	5	3
<b>Ms Sabina Schlink</b>	5	2
<b>Mr John Ley</b>	5	2

Admissions and Registration Committee		Total Meetings held: 11
<i>(19 special meetings were held they are not included in this table)</i>		
Name	Meetings Applicable*	Attended
Ms Sabina Schlink Convenor (Deputy Convenor until 5 September 2012)	11	7
Ms Elizabeth Macknay (Deputy convenor from October 2012)	11	5
Mr Grant Donaldson SC (Convenor till 5 September 2012)	11	0
Mr Laurie Levy SC	11	8
Mr Matt Howard SC	11	8
Mr Kanagammah Dharmananda SC (resigned from committee June 2013)	11	4
Mr Sam Vandongen SC	11	3
Mr Peter Quinlan SC	11	1
Mr James Thomson SC	11	4
Mr Joseph McGrath SC	11	3
Mr John Fiocco	11	7
Dr John Hockley	11	4
Ms Noelle Hossen	11	6
Mr John Ley	11	10
Ms Anna Liscia	11	7
Mr Robert Wilson	11	7
Professional Affairs Committee		Total meetings held: 11
<i>(Special meetings have not been included in this table)</i>		
Name	Meetings Applicable*	Attended
Ms Patricia Cahill SC (Convenor)	11	6
Mr Bruno Fiannaca SC (Deputy Convenor)	11	8
Mr Matthew Zilko SC	11	6
Mr Gregory McIntyre SC	11	7
Mr George Tannin SC	11	7
Mr Peter van Hattem SC	11	10
Mr Peter Quinlan SC	11	1
Mr Matthew Howard SC	11	3
Mr Stephen Davies SC	11	4
Ms Simon Creek	11	3
Ms Valerie Hodgins	11	6
Ms Anna Liscia	11	7
Ms Elizabeth Macknay	11	5
Mr Ian Weldon	8	8
Mr John Syminton	2	2

\* Some members of the Board were appointed to the committee or retired from the committee part way through the year. Applicable meetings refer to the number of meetings held during time of appointment.



## Organisational Structure

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

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

\*(The Branch Library in the Central Law Courts was closed on 20 July 2012)

### 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. A Branch Library was operated at the Central Law Courts.

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, articled 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 is supported by the Law Library Advisory Committee, currently 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 2013, the following numbers of staff were in full-time, part-time or contract employment with the Board:

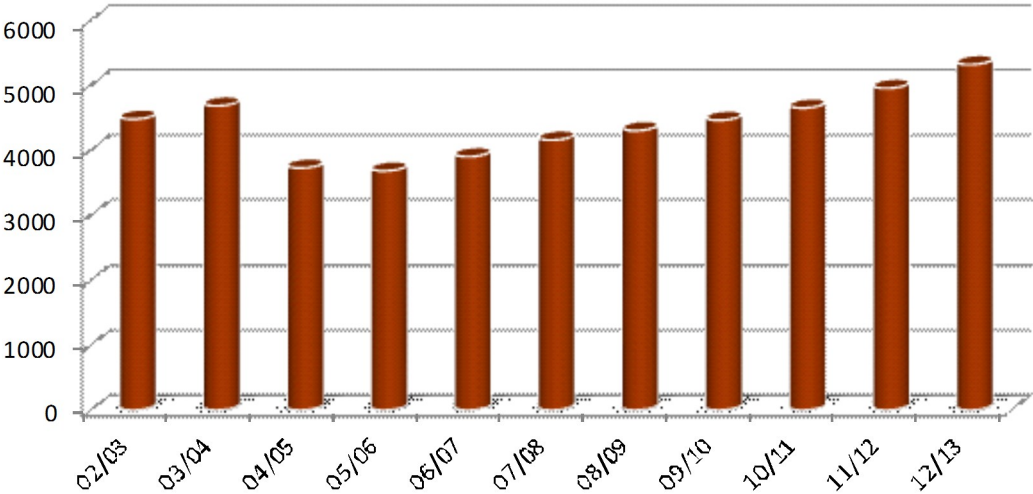
Divisions	No of Staff
Office of the Board	17
Law library	5
LPCC	21
Trust Account Inspector	3

# PROFILE OF THE CURRENT WA LEGAL PROFESSION

## Practising Certificates

The number of practising certificates issued during the 2012-2013 financial year was 5321 which represents a 7.4% increase in the number of certificates issued in the previous period.

**Number of practising certificates over the past 10 years**



## Renewal of Practising Certificates

The timing of the renewal of practising certificates is contained with the *Legal Profession Act 2008 (LPA)* and the *Legal Profession Rules 2009 (Rules)*. A certificated practitioner must apply for the renewal of the practising certificate during the standard renewal period or the late fee period as prescribed by the Rules. The Rules prescribe the standard renewal period as 01 May to 31 May and the late fee period as 01 June to 30 June. Applications received during the late fee period are subject to a 25% penalty surcharge. Applications for renewal of practising certificates made during the standard renewal period and the late fee period are renewed from 01 July.

Pursuant to section 44(4) of the LPA 2008, the Board may reject an application for renewal of a practising certificate made during the late fee period and must reject an application for renewal made outside of the renewal periods. However, pursuant to section 44(5) of the LPA 2008 the Board may accept an application outside of the late fee period if it is made within 6 months after the late fee period and the Board is satisfied that the delay was caused by reasons beyond the control of the applicant or other special circumstances warranting acceptance.

For the financial year 2012/2013 the Board recorded a decrease in the number of practitioners not renewing their practising certificates by 30 June 2013:

- ◆ 28 practising certificate renewals were lodged up to two weeks late; and
- ◆ 41 practising certificate renewals were lodged more than two weeks late.

Application forms received for the renewal of a practising certificate for 2011/2012 period			
Application Format	Standard Renewal Period	Late Fee Period	Total Applications
Online Application Form	4405	238	4643
Manual Paper Forms	253	59	312
<b>Total Applications Received</b>	<b>4658</b>	<b>297</b>	<b>4955</b>
Non Renewals	35	4	39

Format of application forms for the renewal of a practising certificate for the last 3 years		
Reporting Year	Manual Paper	Online Application
2009/2010	3%	97%
2010/2011	5%	95%
2011/2012	10%	90%
2012/2013	5.9%	94.1%

Late application forms for the renewal of a practising certificate for the last 3 years					
Reporting Year	No. Applications 2 weeks late	% of applications 2 weeks late	No. Application over 2 weeks late	% of applications over	Total applications
2009/2010	27	24%	86	76%	113
2010/2011	51	43%	69	58%	120
2011/2012	80	47%	89	53%	169
2012/2013	28	41%	41	59%	69

For the financial year 2013/2014 the Board once again used the online renewal process. Once again there was no discount for applying on line, resulting in on line application and manual applications paying the standard application fee of \$1000. Again, if a practitioner requested a manual application Board staff no longer pre-populated the application form with information contained within the Board's database. However, the on-line applications continued to be pre-populated with the information contained within the Board's database.

Renewal notices were issued once again electronically via email. On 30 April 2013 an email was sent to each practitioner who held a current WA practising certificate and every interstate practitioner resident in WA practising on their interstate practising certificate inviting them to either apply to renew their practising certificate on line or apply on line for the grant of a local practising certificate. Each practitioner was sent a log in and if they could not remember their password from last year was asked to use the forgotten password link to receive a new automatically generated password by email.

<b>Composition of the Legal Profession</b>	<b>Resident Females</b>	<b>Non-Resident Females</b>	<b>Resident Males</b>	<b>Non-Resident Males</b>	<b>Totals</b>
Barristers	38	0	171	0	209
Commonwealth Government	38	1	28	0	67
Consultants	16	0	32	1	49
Director	95	0	340	2	437
Employees	1386	46	978	33	2443
Equity Partner	36	0	260	6	302
Fixed Profit-share Partner	13	0	40	2	55
Inhouse	324	17	290	16	647
Lay Associates	1	0	0	0	1
Locum	1	0	0	0	1
Not practising (certificated)	274	15	144	18	451
Salaried Partner	25	1	33	5	64
Sole Practitioners	134	0	350	2	486
Judiciary <sup>^</sup>	1	0	2	0	3
Deceased <sup>^</sup>	1	0	3	0	4
Struck Off /Suspended <sup>^</sup>	0	0	2	0	2
State Government <sup>*</sup>	41	1	18	0	60
Legal Practitioner Partner of a Multidisciplinary Partnership	7	0	34	3	44
<b>Practice Certificates ISSUED</b>	<b>2431</b>	<b>81</b>	<b>2726</b>	<b>88</b>	<b>5326</b>
S.36 Practitioners					
** State Solicitor's Office	59	0	49	1	109
**Director of Public Prosecutions (State)	56	0	54	0	110
**Other Departments	183	3	132	1	319
<b>TOTAL PRACTITIONERS</b>	<b>2729</b>	<b>84</b>	<b>2961</b>	<b>90</b>	<b>5864</b>

<sup>^</sup> held a practising certificate during 2012/2013, however by 30 June 2013, were appointed judiciary/deceased/struck off/suspended.

<sup>\*</sup> State Government employees who held a practising certificate during 2012 - 2013

<sup>\*\*</sup> State Government employees taken to be certificated pursuant to Section 36 of the Legal Profession Act 2008.

Letters were only issued to practitioners who did not have an email address registered with the Board. 80 letters were issued to practitioners who did not have an email address registered with the Board. This is a decrease of 70.5% on the same period last year and is an area the Board has worked hard on to improve.

Once again an additional 'administrator's' log in was made available upon request to law practices to allow the law practices to monitor the renewals status of their practitioners and to allow for bulk payment of the practising certificate application fees.

By 30 June 2013 a total of 4955 applications for the renewal of practising certificates for the financial year 2012/2013 had been received. Of these 4643 applications were made on line and 312 were manual applications. In addition a total of 35 non-renewal notices had been received by the Board.

During the standard renewal period a total of 4658 applications for renewal of practising certificates were received, of these 253 were manual applications. In addition a total of 35 non-renewal notices were received.

During the late fee period a total of 297 applications for renewal of practising certificates were received, of these 59 were manual applications. No further non-renewal notices were received during this period.

The number of applications received during the standard renewal period increased compared to last year. In the last financial year 86.2% of the applications were received in the standard renewal period compared to 94.1% in the year under review. The reason for the decrease is unknown at this stage.

The number of manual applications received decreased. In the period under review the number of manual applications decreased to 312 which is a decrease of 26.6% on the number received the previous year. This reversal on previous years means that the percentage of applications made on line increased to 93.7% of all applications received for the grant or renewal of a local practising certificate.

## **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 Committee meets every second month, although in 2013 the meetings have been held monthly due to the very sad loss of the Board's Corporate Support Officer and the need for the Committee to take a much more active role in the Board's financial affairs during the recruitment and training of a new Corporate Support Officer. The Committee 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 an urgent issue, resolutions are determined by a resolution without meeting, using email. The Committee's primary focus is on strategic issues and the implementation and maintenance of appropriate policies, systems and processes.

### **Reduction in Funding for the Law Library**

As the Chairperson has indicated in his report, the Board has significantly cut funding to the Law Library at the Supreme Court to ensure the Board remains solvent, to allow the Board to concentrate on its regulatory functions rather than other functions it performs by reason of history and to encourage the Attorney General to integrate the Law Library with the other libraries operated by the Department of the Attorney General.

Prior to the reduction in funding, the Law Library accounted for approximately 17% of the Board's expenditure, amounting to some \$1,273,598, whilst being utilised by approximately 4% of the legal profession who take out practising certificates. That funding now accounts for approximately 9% of the Board's expenses, amounting to approximately \$812,646.

It is anticipated that the funding for the Law Library will continue in some form after it is (hopefully) integrated with the libraries of the Department of the Attorney General. However, it remains the Board's focus to attend to securing the future of the remaining Law Library staff, ensure that any funding model has a minimal impact on practising certificate fees and that practitioners retain rights of access to the collections of the integrated libraries, given the fact that without the actions of the profession the Law Library would not have been established or funded as it has been to date.

### **Human Resources**

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

The number of staff employed at the end of this financial year sits at 46, a decreased by 1 person from 2011/2012, however the number of approved positions was unchanged.

As has already been mentioned by the Chairperson and Acting Executive Director in their reports, we suffered the sad and sudden loss of Ms Judy Robinson, the Board's Corporate Support Officer, in March 2013. Judy's role was instrumental in the efficient running of the

Management Committee and it was my immense pleasure to work closely with Judy in my time as the previous Chairperson and as the current Convenor of the Management Committee.

It has also been noted by the Chairperson and the Acting Executive Director that the Board was without an Executive Director for the second half of the period to which this report relates, and that Ms Libby Fulham was appointed Acting Executive Director in April 2013 until a suitable replacement could be found.

The Management Committee agreed to engage a specialist recruitment firm to undertake an executive search process with regard to the appointment of a new Executive Director for the Board, to appoint a Sub-Committee to assess candidates identified by the recruiter, undertake interviews with suitable candidates and generally assist in the process for the appointment of a new Executive Director. With input and comment by the recruiter, 3 candidates were interviewed for the position, and it was recommended to the Management Committee that Mr Graeme Geldart be appointed as the Executive Director. The Management Committee accepted the recommendation by the sub-Committee and Graeme will commence in his role as Executive Director in September 2013.

### **Physical Resources**

The Office of the Board and the Legal Profession Complaints Committee remain at their respective sites at 533 Hay Street and 55 St Georges Terrace, with the Law Library being situated at the Supreme Court Building.

The electronic records management system known as 'Objective' has continued to be upgraded and implemented throughout the Board with the aim of linking all Board records across the Board's three premises.

The outcome of a review of IT systems across all three divisions of the Board's operations has resulted in a recommendation to move to a Citrix environment for accessing the Board's electronic records. It is expected that the system will undergo an upgrade in the forthcoming year which will ensure all staff are using the same operating platforms and will allow greater ease of searching for records. It is anticipated that the implementation of a further module will allow Board members access to records through a web-portal, which will minimise wastage of paper and other Board resources.

### **Financial Resources**

The Board is primarily self-funded, with contributions provided by the State government by way of a grant toward the cost of maintaining the Law Library (which is actively used by the Supreme Court) and by funding the cost of accommodation of the Offices of the Board and the Legal Profession Complaints Committee.

The great majority of the Board's revenue is provided by the profession in the form of fees for annual legal practising certificates, which funds are applied to meet all other operating costs of the Board. In addition the Board has reserve funds that have been built up over the years.

It is planned that the Board will meet its expenses from its income in the next financial year, without recourse to the Board's reserve funds.



## **Acknowledgements**

I would like to acknowledge the support and assistance of my Deputy Convenor and Chairperson, Mr John Syminton and the dedication of my fellow Committee members for their conscientious preparation for debate, attendance and participation at Committee meetings. The amount of time and effort required to prepare for and participate in meetings cannot be overstated and without the selfless dedication of my Committee members, the Board could not function as effectively as it does.

Thanks are extended to all of the Board's employees for their efforts during the year, including the new Corporate Support Officer, Ms Linda MacPherson for her management of the Board's finances, and the Acting Executive Director, Ms Libby Fulham, for her support to the Committee during a trying period.

**Anna Liscia**

**Convenor**

**September 2013**

## ADMISSIONS AND REGISTRATION COMMITTEE

**Convenor:** **Ms S Schlink** (formerly the Deputy Convenor and nominated as Convenor on 5 September 2012.)  
[Mr GR Donaldson SC ceased as Convenor on 5 September 2012, having held the position for nearly 7 years.]

**Deputy Convenor:** **Ms E Macknay** was nominated as Deputy Convenor on 31 October 2012.  
[Ms S Schlink ceased as Deputy Convenor on 5 September 2012, having been nominated as the Convenor on 5 September 2012.]

**Ongoing members:**  
Ms A Liscia; Mr J Fiocco; Dr JJ Hockley; Ms N Hossen; Mr L Levy SC; Mr J Ley; Mr M Howard SC; Mr J McGrath SC; Mr P Quinlan SC; Mr J Thomson SC; Mr S Vandongen SC; Mr R Wilson SC.

**Resignations:**  
Mr GR Donaldson SC  
Mr Kanaga Dharmananda SC

Pursuant to the instrument of delegation from the Full Board, the Admissions and Registration Committee (**ARC**) is responsible for the majority of functions and powers of the *Legal Profession Act 2008 (Act)* that regulate the admission of lawyers and the registration and practice of foreign lawyers.

Since February 2012 the ARC has also been responsible for many of the functions and powers of the Act that relate to the grant of practising certificates; conditions on the grant of practising certificates and restricted practice.

### ELIGIBILITY FOR ADMISSION – ACADEMIC QUALIFICATIONS AND PRACTICAL LEGAL TRAINING

#### Approved Academic Qualifications

As reported in last year's report, Curtin University applied in April 2012 for approval of a proposed law degree course to be included as an approved academic qualification under rule 5 of the *Legal Profession (Admission) Rules 2009 (Admission Rules)*. On 28 August 2013 the ARC recommended to the Full Board that rule 5 of the Admission Rules be amended to include the Curtin University Bachelor of Laws degree in the table of approved academic qualifications. As it will not be necessary for law students at Curtin University to satisfactorily complete all of the prescribed areas of knowledge required for admission to the legal profession (more commonly referred to as the "Priestley 11 subjects") in order to be awarded a Bachelor of Laws degree, the ARC also requested that rule 5 of the Admission Rules be amended to provide that an academic qualification listed in the table would only be an approved academic qualification for admission if those subjects had been successfully completed.

The Full Board requested the amendment and the amendment to the Admission Rules was gazetted on 5 April 2013.

There are now five universities offering approved law degrees in Western Australia:

- ◆ The University of Western Australia;
- ◆ Murdoch University;
- ◆ The University of Notre Dame;
- ◆ Edith Cowan University \*; and
- ◆ Curtin University.

(\*This university has received approval to offer a law degree on line.)

In addition, the ARC continues to recognise as “corresponding” any Australian law degree that meets admission requirements in the State or Territory in which it was obtained, provided all of the prescribed areas of knowledge as set out in the *Uniform Admission Rules*, also known as the “Priestley 11” subjects, have been completed.

### **Approved Practical Legal Training**

There are two practical legal training (**PLT**) options in Western Australia, i.e. completion of an approved PLT course or 12 months articles of clerkship.

#### **PLT Courses**

The WA College of Law PLT Program remains the only approved PLT course in Western Australia. The only significant change to the program is that, on 5 June 2013 the ARC agreed to allow the College of Law to change the work experience rules to allow the College, in some circumstances, to recognise work experience completed outside of Western Australia.

The ARC continues to recognise as “corresponding” any Australian PLT course that meets admission requirements in the State or Territory in which it was completed.

In Western Australia, a student must generally complete the academic requirements for admission before commencing PLT. It is possible to commence some PLT courses offered in other Australian jurisdictions before the academic requirements for admission have been completed. This issue is being considered by LACC and the ARC. The ARC is currently considering whether the current policy of recognising other Australian PLT courses as “corresponding” should be amended in circumstances where the PLT has been commenced before the academic requirements have been completed.

#### **Articles of Clerkship**

Law graduates who have been offered articles of clerkship must apply for registration with the Board. In addition to completing the 12 month term of articles, the articulated clerks must complete the Leo Cussen Articles Training Program.

Practitioners must apply for Board approval each time they take an articulated clerk. The Executive Director has delegated authority to approve some applications. However, the ARC considers all applications from practitioners who are not principals of a law practice, or who have been subject to disciplinary findings, or who are the subject of a pending complaint.

The number of articulated clerk registrations decreased from 59 in the year ended 30 June 2012, to 41 in the current year.

### **Assessment of Overseas Applicants for Admission**

The ARC assesses overseas qualified law graduates and legal practitioners for admission to the legal profession in Western Australia. In considering applications the ARC 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 & Trust Accounting and Ethics & Professional Responsibility at the WA College of Law. Other requirements are considered on a case by case basis.

From December 2010 until October 2012, the ARC issued compliance certificates to some very experienced UK legal practitioners to enable them to be immediately admitted, on the basis that the practitioner gave an undertaking to complete further study and training in the 12 months following admission. The practitioner was also required to agree to a condition to that effect being imposed on their practising certificate. That policy was reviewed, and discontinued, in October 2012. As a result, all overseas experienced practitioners must now complete all required further study and training before they can be admitted to practice.

There was a slight increase in the number of overseas assessments, i.e. up from 93 last year to 98 in the year under review.

There was also an increase in the number of overseas legal practitioners admitted to practice in Western Australia. In the year ended 30 June 2011, only 8 new admittees had previously been admitted overseas. In the year ended 30 June 2012 that number increased to 22 and in the current year, 29 of the new admittees had previously been admitted overseas.

### **Admission Policies: Law Admissions Consultative Committee (LACC)**

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. Ms Liscia is the ARC's representative on LACC.

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

- ◆ Consideration of whether practical legal training should commence during or after completion of the academic qualifications;
- ◆ Ongoing review of the *Uniform Principles for Assessing Overseas Applicants*;
- ◆ Review of admission requirements for non-admitted UK law graduates and those who have completed a one year post-graduate legal qualification in the UK;
- ◆ Standards for accrediting and reviewing PLT courses and providers; and
- ◆ Ongoing consideration of the Disclosure Guidelines for applicants for admission.

A revised version of LACC's Suitability Disclosure Guidelines for applicants for admission was adopted by the ARC on 27 March 2013. The Disclosure Guidelines were adapted slightly to reflect requirements specific to Western Australia and in particular, to draw the applicant's attention to the spent conviction legislation in this State.

### **Suitability for Admission and Readmission**

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

In most cases the ARC decides the application on the papers. An applicant with several disclosures or recent disclosures is required to meet with two members of the ARC to discuss the disclosures before the application is progressed.

In some cases ARC resolves to hold a formal hearing to consider the application.

The necessity to hold formal hearings fluctuates from year to year. There were four hearings in the year under review which was a very high number of hearings compared with previous years. One application in particular was considered over 6 full days.

Each hearing requires 4 members of the ARC to sit, in order to form a quorum. The members of the ARC who volunteered their time to sit on the various hearings were:

Mr Kanaga Dharmananda SC  
Mr Matt Howard SC (sat on 3 hearings)  
Mr John Ley  
Ms Anna Liscia (sat on 3 hearings)  
Ms Elizabeth Macknay  
Ms Noelle Hossen  
Mr Laurie Levy SC  
Mr Peter Quinlan SC  
Ms Sabina Schlink  
Mr Rob Wilson (sat on 3 hearings)

In sitting on a hearing, making a decision and writing the reasons for that decision these members made a substantial contribution, without which it would have been difficult for the ARC to exercise its obligations under the Act.

It was reported in last year's annual report that there was one partly heard application for admission before the ARC. That application was exceptionally complex in that it required nearly 6 days of hearings. The issues considered included whether the applicant had engaged in unqualified legal practice, previous adverse findings by courts and professional bodies, the candour and honesty shown by the applicant, and the applicant's insight into his professional obligations. The ARC was not satisfied that the applicant was a fit and proper person to be admitted and refused to issue a compliance certificate.

Another application that was before the ARC at the beginning of this year related to an application wherein the applicant had disclosed a conviction for stalking. In the two day hearing the ARC gave consideration to the conduct that gave rise to the stalking conviction, as well as the conduct prior to and subsequent to the conviction, the honesty and candour of the applicant, the mental health of the applicant, the risk of repetition of the offending and the reputation and standing of the profession. The ARC was satisfied that the applicant was fit and proper, and the applicant has since been admitted to the legal profession.

Many applicants for admission disclosed matters in their applications, including traffic infringements and offences, academic misconduct, and convictions for disorderly conduct. Some applicants were required to meet with ARC members before the application was determined, however all were ultimately determined on the papers and there were no other resolutions to hold formal hearings made during the year under review.

In December 2012 an unusual circumstance occurred in that, a third party contacted the Board to object to a proposed admission shortly before the admission ceremony was to take place and after the ARC had given a compliance certificate to the applicant and the Supreme Court. The objector was therefore directed to the Supreme Court. The Supreme Court held a mediation and the applicant was subsequently admitted at a private ceremony.

### **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.

It was reported in last year's annual report that the ARC had resolved to hold two hearings to consider applications for an early determination of suitability:

- ◆ From a person seeking to be readmitted who was struck off the roll for perverting the course of justice; and
- ◆ From a person who had convictions for threatening to kill.

In March 2013 the ARC refused to make a declaration in relation to the person seeking readmission. Two important considerations in refusing to make the declaration were the reputation of the legal profession and the relatively short period of time that had elapsed since the person had been struck off the roll.

In considering the second application the ARC carefully considered:

- ◆ The seriousness of the convictions;
- ◆ The behaviour of the applicant, both prior to and subsequent to the period in which the offences occurred;
- ◆ The mental health of the applicant at the time of the offences and in the present day;
- ◆ The reputation of the legal profession;
- ◆ The possibility of a recurrence of the behaviour leading to the offences; and
- ◆ The reputation of the legal profession.

After careful consideration the ARC granted the declaration. That applicant subsequently made an application for admission and has been admitted to practice.

There were five other applications considered by the ARC during the year under review. All were determined on the papers and the ARC gave a declaration to each applicant, there are no pending applications currently before the Board.

### **Applications for the Grant of a Practising Certificate**

The ARC considers all applications for the grant of a practising certificate in circumstances where an applicant has disclosed a suitability matter or show cause in the application. The ARC 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.

### **Restricted Practice and Supervised legal Practice**

From February 2012 the ARC considered submissions from practitioners relating to restricted practice and supervised legal practice including:

- ◆ Reductions in the required period of supervised legal practice under s.50(7) of the Act, particularly in relation to practitioners who had recently been admitted in Western Australia, having previously practised in overseas common law jurisdictions;
- ◆ 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;
- ◆ Retrospective approval of part-time employment and supervision arrangements; and
- ◆ Approval of proposed supervision arrangements where the supervising practitioner was not located primarily in the same physical location as the restricted practitioner.

The ARC is conducting a review of restricted practice and supervised legal practice requirements, and in particular is considering whether it might be appropriate to request the Full Board to consider amending the rules and/or whether the to revise the Board's supervised legal practice guidelines in relation to:

- ◆ The secondment of restricted practitioners by a law practice to the offices of a client corporation;
- ◆ Undertaking restricted practice or supervised legal practice on a voluntary or pro bono basis;
- ◆ Arrangements for the supervision of restricted practitioners who are employed by sole practitioners, when that sole practitioner is on leave or otherwise absent from the office; and
- ◆ WA government and Commonwealth government lawyers who have not completed the required experience.

**Statistics pertaining to matters considered by ARC from 1 July 2012 to 30 June 2013  
Assessment of qualifications are displayed in the following tables.**



Qualified	Admitted	Number
Australia	Malaysia	1
Australia	Singapore	1
Australia	Netherlands	1
New Zealand	Not admitted	1
England & Wales	Not admitted	14
England & Wales	England & Wales	16
England & Wales	England & Wales/Scotland	1
England & Wales	Ireland	1
England & Wales	France	1
England & Wales	England & Wales/Malaysia	1
England & Wales	Malaysia	2
Ireland	Not admitted	6
Ireland	Ireland	5
Ireland	Ireland/England & Wales	1
Ireland	Ireland/ England & Wales/ US	1
Scotland	Not admitted	3
Scotland	Scotland	2
South Africa	Not admitted	3
South Africa	South Africa	11
South Africa	South Africa/England & Wales	1
Singapore	Singapore	1
Canada	Canada	2
Canada	Canada & US	1
United States	Not admitted	1
United States	United States	3
Sri Lanka	Sri Lanka	2
Malaysia	Malaysia	1
Columbia	Columbia	1
Brazil	Not admitted	1
Philippines	Philippines	1
India	Not admitted	1
India	India	1
Iran	Not admitted	1
China	China	1
Rhodesia	Rhodesia	1
Africa	Not admitted	2
France	Not admitted	1
France	France & UK	1
Belgium	Not admitted	1
Sweden	Sweden	1
<b>Total assessments</b>	<b>98</b>	

i.e. approx. 5% increase

### Articles of Clerkship Registrations

Registrations – male articulated clerks	21
Registrations – female articulated clerks	20
<b>Total Registrations</b>	<b>41</b>

i.e. approx. 30% decrease

### Articled clerks were graduates from:

University of Western Australia	13
Murdoch University	12
University of Notre Dame	12
Edith Cowan University	2
Corresponding Australian Law Schools	2
Overseas qualified	41

### Admissions

Admitted pursuant to s26 of the <i>Legal Profession Act 2008</i>	452
Admitted pursuant to the <i>Mutual Recognition (WA) Act 2001</i>	19
Admitted pursuant to the <i>Trans-Tasman Mutual Recognition (WA) Act 2008</i>	14
<b>Total Admissions</b>	<b>485</b>

Of the **452** lawyers admitted pursuant to the *Legal Profession Act 2008*, 184 were male and 268 were female, and they were qualified as follows:

### Academic qualifications:

University of Western Australia	147
Murdoch University	147
University of Notre Dame	66
Edith Cowan University	22
Corresponding Australian Law Schools	38
Overseas qualified	32**

\*\*Of the 32 overseas qualified persons admitted, **29** had previously been admitted Overseas:

England & Wales	12
Northern Ireland	1
Ireland	3
Canada	1
Singapore	1
South Africa	9
Sri Lanka	1
USA and Lebanon	1

### Practical legal training completed

Articles of clerkship	53
WA College of Law PLT Course	303
Corresponding Aust PLT course - ANU	52
Corresponding Aust PLT course - other	18
Overseas assessed	26

## Registered Foreign Lawyers

At 1 July 2012 there were 6 registered foreign lawyers. There were no new registrations and all renewed their registration for the 2012/2013 year, the renewals approved for the 2013/2014 year were:

France/England & Wales	1
Germany	4
India	1

**Sabina Schlink**

**Convenor**

## PROFESSIONAL AFFAIRS COMMITTEE

Convenor:	Ms PE Cahill SC (January 2013 to date)
Deputy Convenor:	Mr B Fiannaca SC (January 2013 to date)
Members:	Mr MH Zilko SC (Convenor from July 2012 to December 2012)
	Mr GMG McIntyre SC (Deputy Convenor from July 2012 to December 2012)
	Mr GTW Tannin SC
	Mr PCS van Hattem SC
	Mr PD Quinlan SC
	Mr RS Hooper SC*
	Mr Joshua A Thomson SC*
	Mr SE Creek
	Ms VJ Hodgins
	Ms NA Hossen
	Ms AM Liscia
	Ms EE Macknay
	Mr I Weldon*
	* Part year

The Professional Affairs Committee (PAC) convened on 24 occasions between 1 July 2012 and 30 June 2013. This included 10 scheduled meetings and 3 special meetings and included the PAC making resolutions without meeting on 11 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 the practise certificates, including:
  - ◇ monitoring of compliance with conditions imposed on practising certificates; including the variation and revocation of conditions;
  - ◇ the amendment, suspension or cancellation of practising certificates;
  - ◇ monitoring of compliance with continuous professional development requirements;
- ◆ the regulation of business structures, including incorporated legal practices and the legal practitioner directors who control and manage them;
- ◆ 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.

### **Practising Certificates**

The PAC has delegated power to issue annual local practising certificates and must not do so unless it is satisfied that the applicant is a fit and proper person to hold one.

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 practising certificate, including:

#### **Suitability matters (section 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;
- (e) has engaged in unauthorised legal practice in a foreign country;
- (f) is currently subject to an unresolved complaint or investigation;
- (g) 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;
- (h) has had their name removed from the Roll in Australia or a foreign country;
- (i) has had their right to engage in legal practice suspended or cancelled in Australia or a foreign country;
- (j) has contravened, in Australia or a foreign country, a law about trust money or trust accounts;
- (k) has had a supervisor, manager or receiver appointed to their law practice under the Act or a corresponding Australian law;
- (l) is or has been disqualified from being involved in a law practice under the Act or corresponding Australian law;
- (m) is currently unable to carry out the inherent requirements of practice as an Australian legal practitioner.

### **Other Matters (section 38(2) of the Act)**

Include whether a person:

- (a) 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 or 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 or an order of a corresponding body exercising jurisdiction under the Act or a previous Act;
  - (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 a previous Act;
- and
- (f) any other matters relating to the person the Board considers are appropriate.

Each practising certificate application disclosing a relevant 'suitability matter' 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. The PAC also considers any relevant matters as they arise during the year and may, if necessary, amend, suspend, cancel, or impose/remove conditions upon a local practising certificate.

During the 2012-2013 year, 534 separate matters or circumstances were considered by the PAC concerning the grant, renewal, suspension, cancellation, or imposition/removal of conditions upon the practising certificates of individual practitioners.

### **Conditions on Practising Certificates**

In some circumstances, the PAC is only satisfied that a practitioner should be granted or retain a practising certificate 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, further legal education and so on.

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

Between 1 July 2012 and 30 June 2013, 27 practitioners had conditions imposed on their practising certificates, and 12 practitioners had conditions removed from their practising certificates.

Following a number of practitioners having a condition imposed and removed from their local practising certificates relating to CPD requirements, the PAC implemented a policy to give the 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.

Information on CPD can be found in this report at page 49.

### ***'Barrister only' Condition***

Some time ago the Supreme Court of Western Australia indicated to the Legal Practice Board (Board) and the Western Australian Bar Association that it intended to discontinue the practice of accepting undertakings from local legal practitioners who intend to practise solely in the manner of a barrister. Following discussions between representatives of the Western Australian Bar Association, the Law Society of Western Australia, the Legal Aid Commission and the Criminal Lawyers' Association, it was agreed that the Board will make available a *'Barrister only'* condition for imposition on a barrister's local practising certificate issued on and from 1 July 2012.

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 section 47(3)(i) of the Act. The arrangement is voluntary, but someone who does not agree to the *‘Barrister only’* condition will not be a barrister in terms of 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. Since its introduction, the Board has received 217 such requests pursuant to which, the PAC has imposed the condition on 216 local practising certificates and refused to impose the condition on 1 local practising certificate. There have been 2 applications to have the *‘Barrister only’* condition removed, which were accepted by the Board's Executive Director.

### ***'Volunteer or pro bono only' Condition***

Following a proposal by the Law Society of Western Australia the Board has agreed to make available a nil fee *'Volunteer or pro bono only'* condition for imposition on a local practising certificate issued on and from 1 July 2012.

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 Magistrates Court of Australia Rules;*
- 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 section 47(3) (i) of the Act. The PAC is responsible for considering requests for the imposition and removal of the *'Volunteer or pro bono only'* condition on local practising certificates.

The following table sets out the suitability and other matters considered by the PAC and the outcome of that consideration, including any conditions imposed or removed on a practitioner's local practising certificate. 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
<p><b>Pending disciplinary matter before the Legal Profession Complaints Committee / interstate disciplinary tribunal</b></p>	<p>Local practising certificate issued notwithstanding the pending complaint (65).</p> <p>Local practising certificate issued subject to the following conditions:</p> <p style="padding-left: 40px;">Required to have a mentor approved by the Board providing periodic reports (2).</p> <p style="padding-left: 40px;">Required to undertake legal education (1). Condition satisfied during reporting period and removed (1).</p> <p style="padding-left: 40px;">Required to complete ATP course and undergo period of supervised legal practice (1). Condition satisfied during reporting period and removed (1).</p> <p style="padding-left: 40px;">Required to restrict legal practice, provide periodic financial reports to the Board (1).</p> <p style="padding-left: 40px;">Required to restrict legal practice (1)</p> <p>Practising certificate issued, then suspended (1).</p> <p>Practising certificate issued, then cancelled (1).</p>	<p>76 (including 2 with conditions removed)</p>
<p><b>Lack of sufficient or recent experience in legal practice</b></p>	<p>Local practising certificate issued subject to conditions requiring practitioner to undergo a 24 month period of supervised legal practice (1). This condition was satisfied and removed during the reporting period (1).</p> <p>Local practising certificate granted subject to the removal of conditions requiring practitioner to undergo a period of supervised legal practice as it was considered that the practitioner's experience was sufficient to reduce the term to 9 months, now completed (1).</p>	<p>3 (including 2 with conditions removed-1 prior to grant)</p>

<b>Traffic offences, including drink driving</b>	With details provided, local practising certificate issued (24). Local practising certificate already issued at time of consideration, with details noted, this matter taken no further (2).	26
<b>Convicted of inadequate storage facility for firearms</b>	With details provided, local practising certificate issued.	1
<b>Convicted of obstructing a sandmining company.</b>	With details provided, local practising certificate issued.	1
<b>Convicted of a tax offence</b>	Application refused (1) Local practising certificate issued subject to conditions requiring practitioner to provide the Board with periodic reports of compliance with BAS obligations (1). Local practising certificate issued (1).	3
<b>Convicted of tax offence and other offences Centrelink debt, failure to lodge tax returns. Also subject to debt recovery. All previously disclosed in another Australian jurisdiction</b>	Local practising certificate issued.	1
<b>Charged with wilful murder. Acquitted on trial. Consideration of trial judge's findings</b>	Local practising certificate issued subject to conditions, and undertaking given not to engage in legal practice without giving the Board notice.	1
<b>Name removed from foreign roll but eligible to be reinstated on payment of fee</b>	Local practising certificate issued.	7
<b>Contravened the Act</b>	Explanation noted, local practising certificate issued and matter taken no further.	1
<b>Contravened a condition on a practising certificate</b>	Local practising certificate issued. Possible breach referred to jurisdiction issuing original certificate.	2
<b>Contravened a law about trust money or trust accounts</b>	Practising certificate issued.	9
<b>Is or has become a bankrupt</b>	Local practising certificate issued subject to conditions requiring periodic financial reports be sent to the Board including reports from Trustee in Bankruptcy and that the practitioner must not be involved in the maintenance of a trust account or receive trust money and practitioner must practise only as an employee.	4

<b>Health condition</b>	Local practising certificate issued (6). Local practising certificate issued subject to the following conditions: <ul style="list-style-type: none"> <li>Practitioner required to undergo medical treatment, the provision of periodic reports to the Board (1)</li> <li>Requirement to provide an annual report from a psychiatrist approved by the Board (1)</li> </ul> Local practising certificate initially issued, but subsequently suspended (1).	9
<b>Failure to comply with court order / order of State Administrative Tribunal</b>	Local practising certificate issued after full compliance with order (1). Local practising certificate issued after entering into a payment plan (1).	2
<b>Failure to lodge income tax return by due date</b>	With explanation, local practising certificate issued.	1
<b>Breach of undertaking to provide proof of professional indemnity insurance within 14 days of effective date of certificate with written explanation</b>	Local practising certificate already issued, with explanation provided, no further action taken (101). Notice to cancel local practising certificate issued (3). Local practising certificate issued once complied (1). Practitioner referred to LPCC (2). Local practising certificate suspended (1). Local practising certificate cancelled (1). Local practising certificate surrendered (1).	110
<b>Non compliance with (requirement to provide prescribed fees with application</b>	Local practising certificate issued once payment provided.	2
<b>Failure to provide required information with application</b>	Excused from complying with Rules once information obtained, local practising certificate then issued.	6
<b>Engaged in legal practice unlawfully</b>	Local practising certificate already issue, with explanation, no further action taken.	1

<b>Failure to comply with CPD requirements</b>	<p>Local practising certificate issued subject to the following conditions.</p> <ul style="list-style-type: none"> <li>• Complete a minimum number of CPD points for each of the current and following two CPD years and to provide quarterly reports to the Board on progress together with evidence of the completion of appropriate CPD activities (1).</li> <li>• Condition on certificate for exemption from compliance with CPD – practising for more than 40 years (1).</li> <li>• 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 (8). In the case of 7 practitioners, the condition was satisfied and formally removed.</li> </ul> <p>Local practising certificate cancelled (3). Variation to CPD requirements granted (1). No further action taken (6).</p>	27 (including 7 with conditions removed)
<b>Applicant subject to orders of the State Administrative Tribunal imposing conditions on practice</b>	<p>Local practising certificate issued subject to conditions in accordance with Tribunal order (3). Condition satisfied during the reporting period and condition removed (1). Local practising certificate suspended in accordance with Tribunal order (2).</p>	6 (including 1 with condition removed)
<b>Subject to orders of the Supreme Court</b>	Noted that name struck from roll of practitioners at Supreme Court of Western Australia.	3
<b>Non disclosure of suitability matter</b>	Local practising certificate cancelled.	1
<b>Obtained practising certificate through false or misleading information</b>	With explanation, local practising certificate issued (1). Local practising certificate cancelled (1).	2
<b>Refusal to respond to Board requests</b>	With explanation, local practising certificate issued.	1

<b>'Barrister only' condition</b>	At the request of the practitioner, the 'Barrister only' condition was imposed on the practitioner's practising certificate (216). The request by the practitioner that the 'Barrister only' condition be imposed on the practitioner's practising certificate was refused (1). At the request of the practitioner, the 'Barrister only' condition was removed from the practitioner's practising certificate by the Executive Director (2).	219 (including 2 with condition removed)
<b>'Volunteer or pro bono only' condition</b>	At the request of the practitioner, the 'Volunteer or pro bono only' condition was imposed on the practitioner's practising certificate.	7
<b>Total</b>		<b>532</b>

**Failure to apply for renewal of a practising certificate within the renewal period of 1 May 2013 to 3 June 2013.**

Section 44 of the Act provides that a person who holds a current 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 2012-2013, the PAC was referred 27 applications to renew practising certificates lodged with the Board after 30 June 2013. 27 applications were considered and accepted.

## **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.

During 2012-2013, the PAC considered 7 applications for the refund of the fee payable for an application for the grant or renewal of a local practising certificate. 3 applications were accepted and the applicants excused from complying with the Rules. 4 applications were refused and the applicants were required to comply with the Rules.

## **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 section 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 has 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.

During the 2012-2013 year, the PAC considered 5 applications for prospective approval, approving 4 and refusing 1. The PAC also considered 14 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 14 cases, the PAC decided to approve the lay associate (which approval was effective from the date of the PAC's decision) and upon receiving an explanation from the law practice and the associate, resolved not to take the apparent breach of s.15 of the Act any further.

## **Business Structures – Incorporated Legal Practices and Multi Disciplinary Practices**

During 2012-2013, 79 new Incorporated Legal Practices (ILPs) commenced practice and 17 ILPs ceased practice. This brings the total number of ILPs in Western Australia to 463. 5 new Multi Disciplinary Practices (MDPs) commenced practice and no MDPs ceased practice. This brings the total number of MDPs in Western Australia to 8.



During the 2012-2013 year, the PAC considered 13 instances of an ILP's failure to give the Board the required notice of its intention to commence practice before starting 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 13 matters considered:

- ◆ The PAC considered 8 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 4 ILPs had not breached their obligations under s.102 of the Act and took the matter no further; and
- ◆ One matter remains unresolved.

The PAC also considered 2 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 be fined. In both cases, the PAC noted explanations from the corporations as to the circumstances of their apparent breach of the Act.

During the 2012-2013 year, the PAC considered 1 instance of an MDP's failure to give the Board the required notice of its intention to commence practice before starting to provide legal services in possible contravention of s. 133 of the Act. A practitioner who contravenes s.133 is liable to be fined. In this instance, the Board noted an explanation from the MDP as to the circumstances of its apparent breach of the Act.

### **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.

Information on Trust Account Investigations can be found in this report at page 55.

### **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 or manager to a law practice or to apply to the State Administrative Tribunal for an order appointing a receiver to a law practice. In making its determination, the PAC considers, amongst other things, the interests of the clients of the practice.

The table below shows the number of external interventions undertaken in 2012-2013.

Part of Act	Type of External Intervention	Opening Balance	Commenced	Closed	Closing Balance
Part 14 – Division 3	Supervisor of trust money	1	0	1	0
Part 14 – Division 4	Manager	4	3	0	7
Part 14 – Division 5	Manager	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.

### 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 being disadvantaged by persons offering so called 'legal services' without appropriate legal training and with no financial protection against claims of negligence and/or unprofessional conduct. Unqualified legal practice also damages the reputation of the profession.

During 2012-2013, the Board received 28 new complaints regarding possible unqualified legal practice. This is to be contrasted with the 6 complaints received during the previous reporting period.

Of the new matters considered,

- ◆ Prosecution proceedings have commenced in one matter, involving 2 offenders, and has been adjourned part-heard (in July 2013) until January 2014;
- ◆ Police have commenced prosecution proceedings in one matter, involving allegations of fraud;
- ◆ 1 matter was resolved after the unqualified person removed offending material from his website;
- ◆ 2 matters were resolved after obtaining an undertaking from the unqualified person the conduct complained of would not be repeated and the affected clients were notified of the breach and their right to recovery of fees (one of which involved 1 of the Australian lawyers referred to above and the other involving a law student); and

- ◆ 1 matter was not taken any further after obtaining advice from counsel;
- ◆ 22 matters were resolved after the unqualified persons provided explanations for the conduct complained of. Of those matters:
  - ◇ 3 matters related to law students.
  - ◇ 9 matters related to an Australian lawyer not holding a local practising certificate.
  - ◇ 1 matter related to a foreign lawyer working in an in-house capacity.
  - ◇ 9 matters related to persons who were not Australian lawyers, or held a practising certificate, 2 complaints relating to the same person.
- ◆ Of the 2 matters carried over from the previous reporting period:
  - ◆ Prosecution proceedings were ongoing in one matter and were heard in September 2012. The offender was found guilty and ordered to pay a fine, and costs to the Board.
  - ◆ The offender in the other matter was extradited and the matter was closed.

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 sometimes other more cost-effective ways to protect the interests of the public and the reputation of the profession than by prosecuting through the court system and in those cases exercises its discretion accordingly.

**Patricia Cahill SC**

**Convenor**

**October 2013**

## REPORT FROM THE LEGAL EDUCATION COORDINATOR

July 2013 marks the 5<sup>th</sup> year that the mandatory continuing professional development (CPD) compliance scheme has been in operation in Western Australia.

WA would appear to be growing as a significant market for CPD and as such the number and variety of CPD events now available to WA practitioners both locally, nationally and internationally continues to grow making it easier for practitioners to target events that meet their specific needs and areas of practice.

During the 2012/2013 year a CPD Policy was developed, approved and came into operation in April 2013. The policy provides clear operating guidelines for the application of Division 2 of the Legal Profession Rules (the Rules) and confers the delegated authority for approval of most of the standard functions relating to the Rules to the Executive Director or in the Executive Director's absence to the Legal Education Coordinator. Any matters that the Executive Director cannot deal with are referred to the Professional Affairs Committee (PAC).

### CPD Audit

The Board undertook a CPD audit for the CPD year 1 April 2011 to 31 March 2012 in August 2012. Some 480 practitioners were contacted for audit of these all but 59 replied. The 59 were followed up with further correspondence and subsequently all practitioners responded to the audit.

As a result of the audit 2 practitioners were referred to PAC although of these 1 practitioner subsequently found that he had completed the information for the wrong year and had in fact complied.

In August 2012 those who did not respond to the 2010/2011 CPD audit were also followed up and a report on the results of this was provided to PAC.

### Approval of QA Providers and Activities

Currently the Board has some 106 approved QA Providers of which some 69 are law firms and the remainder include educational institutions, commercial providers, specialist professional bodies and community organisations. There have been 14 New QA Providers approved this year which is 5 more than last year.

There are also a number of organisations who have chosen not to become QA Providers but who seek on a regular basis to have appropriate activities approved on an individual basis. The number of requests for approval of these activities has increased again as more CPD providers seek to enter the WA market.

The Board also continues to regularly receive applications from individual practitioners who have been to events that have not been pre approved by the Board and these remained reasonably stable over the last 2 years. Many of these applications come from the same practitioners each year who attended CPD events in quite specialised areas.

Applications for variations or exemptions have increased significantly for the 2012/2013 year due to the CPD policy clarifying the delegated power to grant variations and exemptions and as such a number of variations have been granted to practitioners who either contacted the

Board before they renewed their practising certificate or declared on there “Application for a Local Practising Certificate” that they had not met there CPD Compliance.

In this case the Executive Director has considered each application and where appropriate varied the CPD requirements down for the CPD year 2012/2013 on the understanding that the points would be made up in the current CPD year, this will be followed up at the end of the 2013/3014 CPD year.

**Table of Break down of CPD Applications**

Application type (1 July -30 June)	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	Total approved
QA Providers	64	14	10	9	14	111
Individual activities by Non QA Provider	36	71	84	93	118	402
Single activities by an individual practitioner	96	124	117	142	143	622
Applications for variation/ exemptions	103	66	64	57	83	373

**Practice Certificate Renewal**

Of the practising certificate renewals received to date 51 practitioners indicated that they had not met their CPD compliance this is a increase on the 35 noted last year. Of these:

- ◆ 10 were practising overseas and subsequently applied for exemptions;
- ◆ 8 were admitted post 1 April 2013 or had not held practising certificates;
- ◆ 1 had been on maternity leave;
- ◆ 1 practitioner had been practising for over 40 years;
- ◆ 9 had answered “No” by mistake and on review were found to have complied;
- ◆ 19 admitted they had not completed by 31 March but applied for and were granted a variation;
- ◆ 2 answered “No” and have since cancelled their practising certificates; and
- ◆ 1 Referred to PAC

Once again it was pleasing to note that many practitioners who were worried that they had not met their CPD compliance contacted the Legal Education Coordinator before the end of the CPD year or at least before renewing their practising certificate and any problems were able to be addressed immediately in most instances by the granting of a variation.

## **Other**

The Board's Legal Education Coordinator attended the annual Continuing Legal Education Association's (CLEAA) Conference in Melbourne during October 2012. At this conference a number of issues are discussed including the national regulation of CPD and the trends, issues and difficulties around providing accountable continuing legal education.

**Julie Bain**

**Legal Education 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. 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 is supported in the management of the library by The Law Library Advisory Committee chaired by the Hon. Justice Kenneth Martin.

During the period 2012– 2013 the following members resigned from the Advisory Committee: Judge Christopher Stephenson, Chief Magistrate Elizabeth Woods, Mr. Ian Weldon and Mr. Kevin Edwards.

Thanks are extended to the members of the Committee for past and continuing advice and the support they have provided.

### **Library Services**

Tours and information sessions were 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 during the summer of 2013. In all 91 participants attended these sessions which were coordinated by Ms. Belinda Eisenhauer as customer services librarian and later by Mrs. Lisa Webb.

Subscriptions to the PLEAS database, which provides access to the judgments of the Western Australian courts, and the weekly catchwords service, increased in the past year.

The 2012– 2013 financial year saw the Law Library decrease its overall budget spending by 50% in accordance with the February 2012 resolution of the Management Committee of the Legal Practice Board. This decrease required cancellations in loose-leaf services and journals predominately in the areas of eastern states and international material. A natural attrition in staff also helped the library achieve the 50% reduction in expenditure.

During the year 2012-2013 there was a decrease in the reference requests handled by the reference librarians of approximately 200 users per month. The decline in requests from court staff, 779 to 366 (a 53% fall) contributed largely to this decrease. There was a fall of nearly 40% in government department requests and a 24.8% fall among general practitioners' requests.

A slight increase in loans to court staff occurred though there was an overall downward trend in loans.

Document delivery to practitioners rose in 2012-2013 from 218 to 337, while inter-library loans to participating libraries fell slightly from 402 to 375.

Registered visitors (self-represented litigants, students and others) numbered 155 during the year. Registrations for self-represented litigants increased to 115.

### **Library Resources**

Despite an additional 727 new books being purchased during the period, the general collection underwent a slight decline in the monograph numbers to 11,116 volumes as the effect of budgetary restraint, the cancellation of loose-leaf services and the discarding of superseded works took effect. The physical legislation collection for all states other than Western Australia and the Commonwealth is now static. In addition to freely accessed websites the library subscribes to an Australian database for the provision of state and Commonwealth legislation.

The library continues its policy of subscribing to law reports and some commentary online where titles are available.

### **Staff**

Staff changes saw the retirement of the library accountant Mrs Carol Osborne and the resignation of Mrs Jodie Bowen. Mr Stephen Griffiths who had been the Branch Librarian was transferred to the library of the Department of the Attorney-General after the closure of the Practitioners' Branch library in July 2012.

Ms Belinda Eisenhauer was appointed acting senior librarian and Mrs Lisa Webb was employed part time in the position of customer services librarian.

A total of 72 hours for staff training was completed across the year in the areas of records management, work health and safety and product familiarisation.

The Law Librarian attended the Australian Law Librarians' Association annual conference in Brisbane in September 2012 and the AIJA's Court Librarians' meeting in Sydney in May 2013.

Ms Eisenhauer was awarded a scholarship from the Australian Law Librarians' Association (WA) to attend the international Joint Institute Study Forum. She was one of 25 delegates to attend the conference in Melbourne in February 2013.

### **Community Involvement**

Over 82 practitioners from the public and private sector attended the 8 CPD sessions at the Supreme Court library. Practitioners qualify for one CPD point for legal skills and practice (Competency Area 1) through attending the hour long session.

### **Future**

Discussions continue to be held between the Board and the Department of the Attorney General with regard to the integrated library project planned for completion in 2015. The project is now being led by a steering committee chaired by Mr Paul D Evans, State Solicitor, with members from the Legal Practice Board, the Department of the Attorney-General, the judiciary and the Law Society of WA.



## Thanks

Despite a difficult year the library staff continues to show commitment to their jobs and the requirements of our clients. I thank them all.

**Catherine Macgill**

**Law Librarian**

## REPORT FROM THE SENIOR TRUST ACCOUNT INSPECTOR

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

### Educative Trust Accounts

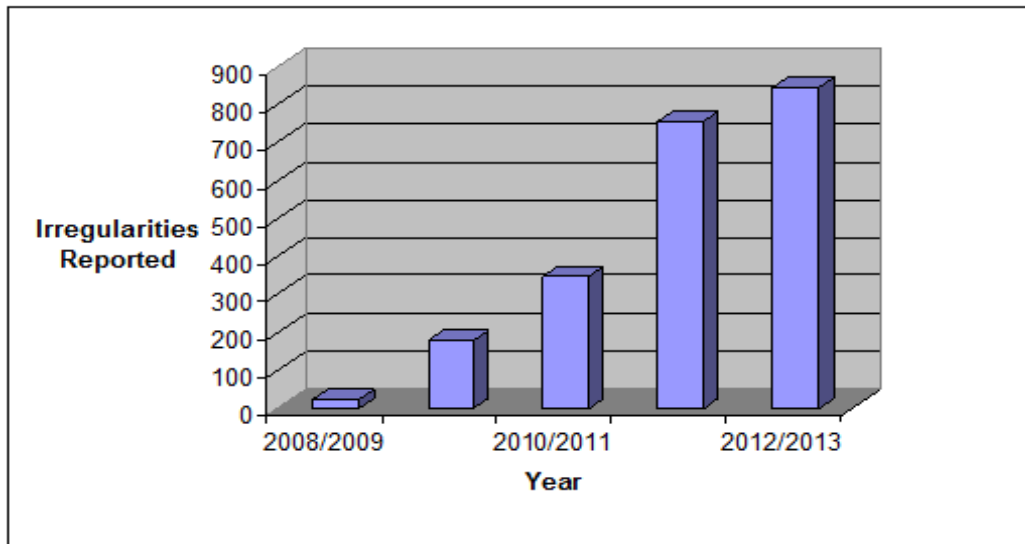
#### Seminars

Three seminars attended by approximately 197 persons were conducted in Perth. A single regional seminar was conducted in Bunbury. The focus of the seminars continued to be on perceived deficiencies in the trust recording and external examination processes.

#### Reporting of Irregularities

The reporting of irregularities under s.227 of the Legal Profession Act (2008) ("LPA") continues to increase as educational programmes and review of external examiners' report increase practitioners' awareness of their obligations under the LPA.

<b>Quarter Ended</b>	<b>30/9/2008</b>	<b>31/12/2008</b>	<b>31/3/2009</b>	<b>30/6/2009</b>
<b>Reported</b>	N/A	4	7	10
<b>Quarter Ended</b>	<b>30/9/2009</b>	<b>31/12/2009</b>	<b>31/3/2010</b>	<b>30/6/2010</b>
<b>Reported</b>	40	44	38	56
<b>Quarter Ended</b>	<b>30/9/2010</b>	<b>31/12/2010</b>	<b>31/3/2011</b>	<b>30/6/2011</b>
<b>Reported</b>	45	54	66	182
<b>Quarter Ended</b>	<b>30/9/2011</b>	<b>31/12/2011</b>	<b>31/3/2012</b>	<b>30/6/2012</b>
<b>Reported</b>	175	135	198	247
<b>Quarter Ended</b>	<b>30/9/2012</b>	<b>31/12/2012</b>	<b>31/3/2013</b>	<b>30/6/2013</b>
<b>Reported</b>	208	160	199	277



Of particular significance was the reporting by practitioner's and practitioners' staff of the misappropriation of trust monies direct to the Board. This direct reporting is considered to be as a direct consequence of increased educational programmes conducted by the Board, the continued lodgement of the law practice declaration and trust money statement with the Board and a closer liaison with law practices and their staff.

For the 2012/13 financial year 844 irregularities were reported. Figures for irregularities do not include irregularities identified and reported as part of the annual external examination, or audit, process.

One of the more frequently reported irregularities is the client transfer of trust money to the general account of the law practice. Irregularities that resulted in deficiency in a client trust account were in excess of 30% of the total reported irregularities, with most of the deficiencies identified and corrected as part of the monthly trust reconciliation process.

## External Examiners Reports (EER)

637 Law Practice trust accounts were maintained as at June 30<sup>TH</sup>.

	2013	2012	2011	2010	2009
<b>Trust Accounts Maintained</b>	637	595	620	617	492
<b>EERs Lodged and Ap- proved</b>	585	586	575	557	465
<b>Waivers Granted</b>	15	10	20	9	4
<b>EERs Outstanding</b>	37	27	25	51	23
<b>EERs Qualified &amp; Trivial</b>	121	77	89	149	53
<b>EERs Qualified &amp; Trivial %</b>	<b>20%</b>	<b>13%</b>	<b>16%</b>	<b>27%</b>	<b>11%</b>

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") is also lodged with each report. 2013 is the fourth year that The Declaration has been used in Western Australia. 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.

As the Reports lodged are for the 12 month period ended 31 March and due for lodgement by 31 May, detailed statistics are not available as at the end of each financial year due to processing delays and late or non lodgement of the Reports. Many unqualified Reports following review are considered qualified and as a result data relating to qualified reports can be amended in subsequent reporting years when the lodged Reports are reviewed by board staff.

## 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

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

**Scams**

Local practitioners continue to be targeted as part of international scams. Practitioners are being approached to act on behalf of overseas based clients in respect of debt collection, conveyancing and family law. Clients will complete client agreements and will provide forged bank cheques in anticipation of the bank cheques being drawn upon before clearance.

**Bruce Bentley**

**Senior Trust Inspector**

## **REPORT FROM THE RECORDS COORDINATOR**

### **Record Keeping Statement for the Annual Report 2013**

The Legal Practice Board (Board) is cognizant of, that the Boards 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.

Commencing in August this year, the Objective system will be upgraded from version 7.5 to version 8.1, providing an improved search and indexing functionality. In addition to this upgrade, 'Ezescan' will be added to improve the Optical Character Recognition (OCR) function when searching for scanned documents within Objective.

### **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.

In December 2012 Ms Trish Fallen retired as the Records Coordinator. Ms Jodie Bowen was appointed to the Records Officer role in April 2013, and subsequently Mr Larry Knowles was appointed to the Records Coordinator role in May 2013.

### **Record Keeping Plan**

The Board has an approved Recordkeeping Plan dependent on the finalisation of the Retention and Disposal Schedule, which is currently in process through liaison with the State Records Office. In accordance with the State Records Act, a revised Record Keeping Plan is required to be provided to the State Records Office by December 2014.

### **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. Currently under review is the compactus storage area, Business Classification Structure (BCS), and Retention & Disposal Schedule (R&D). 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**

Once the Board's Retention and Disposal Schedule (R&D) has been approved and in place, a review of all hardcopy records currently located in offsite storage will be carried out. Records which have been identified and approved for destruction will be actioned accordingly. This is expected to provide the Board with considerable cost savings on storage. Other records will be re sentenced for further retention, as per the R&D Schedule.

## **Record Keeping Training**

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 undertake induction, within which records management and EDRMS training is included, as part of their introduction to employment with the Board. The induction training program has been reviewed and updated to provide a streamlined delivery of training. Training has been reduced from a half day to a one (1) hour session, with the focus on record keeping responsibilities and basic understanding and use of the EDRMS. Follow up training is provided where required.

With the EDRMS upgrade occurring over the next few months, all staff will be provided training on the changes, including a reminder of their record keeping responsibilities. This training will be conducted in team group sessions, and one to one where necessary. Ongoing support training and awareness will be provided, as required.

**Larry Knowles**

**Records Coordinator**

## DISCLOSURES AND OTHER LEGAL REQUIREMENTS

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

The Legal Practice Board of Western Australia (The Board) has fully complied with PSMA 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 Commission's code of conduct.

The Board is committed to maintaining 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 continues to undertake a programme to review and update all the Board's policies relating to both its internal and external functions, including but not limited to human resource and workforce management and the Board's commitment to continuing to develop its own Code of Conduct both for Board members and Board staff in line with the Commissioners 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 induction manual sets out all 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 relevant standards.
- ◆ The Board's policies are consistent with ethical principals and are subject to regular review and updating.

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 and Injury Management

In accordance with the Public Sector Commissions Circular 2009-11 Code of Practice: Occupational Safety and Health (OS&H) in Western Australia Public Sector. The Board is committed to promoting a safe and healthy workplace. To this end the Board has a comprehensive OS&H policy document which outlines the Board's procedures for dealing with OS&H matters.



The Board has a duly appointed OS&H Coordinator and safety representatives for each of the Boards office locations. The Board provides information on OS&H to all new staff on induction. The Board also has an appointed Injury Management Coordinator.

### **Freedom of Information**

In accordance with the Freedom of Information Act 1992 the Board has a duly appointed Freedom of Information Officer. The Board's Freedom of Information Statement is available to the public on the Board's website and is updated annually.

Four (4) new freedom of information applications was received of which three (3) were resolved during the period under review. One application carried over.

### **Corruption Prevention**

The Board has acknowledged the risk of corruption when managing organisational risk. As part of the induction of new staff, they are trained in the policies, practice 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 and adhered to.

The Board participates from time to time in Public Sector Misconduct Awareness Surveys received from the Corruption and Crime Commission.

### **Public Interest Disclosure**

In accordance with the Public Interest Disclosure Act 2003 the Board has a duly appointed Public Interest Disclosure Officer and policies and procedures in place for making a public interest disclosure.

No requests for public disclosure were received during the period under review.

### **Substantive Equality**

The Board is committed to providing equal employment opportunity (EEO) for all its employees and has devised policy statements with a view to encouraging and supporting staff development opportunities. Policy statements are provided to all new staff as part of their induction.



**LEGAL PRACTICE BOARD  
OF WESTERN AUSTRALIA**

**Special Purpose Financial Report  
For the financial year ended 30 June 2013**

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**SPECIAL PURPOSE FINANCIAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013**

	<u>Page Number</u>
Statement by Executive Director	1
Auditors' Report	2-3
Statement of Financial Position	4
Statement of Profit of loss and other comprehensive income	5
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 2013**

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: 4<sup>th</sup> December 2013  
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 2013, the statement of profit and 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 Directors as set out on pages 1, 4 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 2013 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.

*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



Neil Smith  
Partner  
Chartered Accountants  
Perth, 4 December 2013

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013**

	Note	<u>2013</u> \$	<u>2012</u> \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	7,416,362	6,358,575
Trade and Other Receivables	4	793,134	345,041
Other Current Assets	5	8,355	39,278
<b>TOTAL CURRENT ASSETS</b>		8,217,851	6,742,894
<b>NON-CURRENT ASSETS</b>			
Plant and Equipment	6	488,672	610,622
Software Systems	7	104,840	191,657
<b>TOTAL NON-CURRENT ASSETS</b>		593,512	802,279
<b>TOTAL ASSETS</b>		8,811,363	7,545,173
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	559,835	441,611
Provisions	9	326,694	331,496
Income in Advance	10	5,242,767	4,901,449
<b>TOTAL CURRENT LIABILITIES</b>		6,129,296	5,674,556
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	174,879	188,567
<b>TOTAL NON-CURRENT LIABILITIES</b>		174,879	188,567
<b>TOTAL LIABILITIES</b>		6,304,175	5,863,123
<b>NET ASSETS</b>		2,507,188	1,682,050
<b>EQUITY</b>			
Retained Earnings	12	2,507,188	1,682,050
<b>TOTAL EQUITY</b>		2,507,188	1,682,050

Notes to the financial Statements are included on Pages 7 to 22



**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	<u>2013</u>	<u>2012</u>
		\$	\$
<b>REVENUE</b>			
Office of the Board	13	6,025,324	5,899,519
Trust Account Inspector	14	663,133	468,322
Legal Profession Complaints Committee	15	131,682	464,443
Law Library	16	398,866	436,461
Income from State Government	17	893,384	858,935
<b>TOTAL REVENUE</b>		<u>8,112,389</u>	<u>8,127,680</u>
<b>EXPENDITURE</b>			
Office of the Board	13	2,526,848	2,677,671
Trust Account Inspector	14	467,251	429,326
Legal Profession Complaints Committee	15	2,573,196	2,980,674
Law Library	16	826,572	1,214,271
Expenditure from State Government	17	893,384	858,935
<b>TOTAL EXPENDITURE</b>		<u>7,287,251</u>	<u>8,160,877</u>
<b>Profit/(Loss) for the year from continuing operations</b>		<u>825,138</u>	<u>(33,197)</u>

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Note	<u>2013</u>	<u>2012</u>
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers		6,882,617	7,571,711
Payments to suppliers and employees		(6,025,204)	(7,194,478)
Interest received		260,536	268,857
Net cash provided by operating activities	19(b)	<u>1,117,949</u>	<u>646,090</u>
<b>Cash flows from investing activities</b>			
Payment for property, plant and equipment		(60,162)	(324,817)
Net cash used in investing activities		<u>(60,162)</u>	<u>(324,817)</u>
<b>Net increase in cash and cash equivalents</b>		<u>1,057,787</u>	<u>321,273</u>
Cash and cash equivalents at the beginning of the financial year		<u>6,358,575</u>	<u>6,037,302</u>
Cash and cash equivalents at the end of the financial year	19(a)	<u>7,416,362</u>	<u>6,358,575</u>

Notes to the financial Statements are included on Pages 7 to 22

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	<b>Retained Earnings</b>
	\$
<b>Balance at 1 July 2011</b>	<b>1,715,247</b>
Loss for the year	(33,197)
Total comprehensive income	(33,197)
<b>Balance at 30 June 2012</b>	<b>1,682,050</b>
<b>Balance at 1 July 2012</b>	<b>1,682,050</b>
Profit for the year	825,138
Total comprehensive income	825,138
<b>Balance at 30 June 2013</b>	<b>2,507,188</b>

Notes to the financial Statements are included on Pages 7 to 22

## LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2013

#### **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.

##### 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 2013; the comparative information presented in these financial statements for the year ended 30 June 2012.

#### **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%

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1. Significant Accounting Policies (cont'd)**

**a) Depreciation (cont'd)**

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 the 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.

**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.

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1. Significant Accounting Policies (cont'd)**

**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 recognised 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.

**i) Cash and Cash Equivalents**

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

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 Significant Accounting Policies (cont'd)**

**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) Restatement of Statement of Comprehensive Income for the financial year ended 30 June 2012**

A reclassification of prior year's comparatives to conform with current year presentation has occurred in the current year.

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**1 Significant Accounting Policies (cont'd)**

**o) 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.

**Standards and Interpretations in issue but not yet adopted**

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

Standard / Interpretation	Effective for annual reporting periods beginning/ending on or after	Expected to be initially applied in the financial year ending
AASB 9: Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-9 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2013	30 June 2014
IFRS 13 Fair Value Measurement	1 January 2013	30 June 2014

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
<b>2 Auditors Remuneration</b>		
Deloitte Touche Tohmatsu Audit of the financial report	<u>21,700</u>	<u>20,500</u>
<b>3 Cash and Cash Equivalents</b>		
Cash at Bank	3,852,891	457,729
Cash on Hand	935	935
Term Deposits	3,562,536	5,899,911
	<u>7,416,362</u>	<u>6,358,575</u>
<b>4 Trade and Other Receivables</b>		
Trade Receivables	795,098	605,611
Less Allowance for Doubtful Debts	(160,749)	(284,041)
Other Receivables	158,785	23,471
	<u>793,134</u>	<u>345,041</u>
Refer to Note 1(j)		
<b>5 Other Current Assets</b>		
Accrued Interest	<u>8,355</u>	<u>39,278</u>



**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**6. Plant and Equipment**

	<b>Office of the Board</b>	<b>Law Library</b>	<b>Legal Profession Complaints Committee</b>	<b>Trust Account Inspectors</b>	<b>Library Books</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Gross Carrying Amount</b>						
Balance at 30 June 2011	1,046,494	209,485	326,636	14,950	100,000	1,697,565
Additions	33,323	22,147	245,918			301,388
Disposals	(8,422)	(18,032)	(34,379)	(1,567)		(62,400)
Balance at 30 June 2012	<u>1,071,395</u>	<u>213,600</u>	<u>538,175</u>	<u>13,383</u>	<u>100,000</u>	<u>1,936,553</u>
<b>Accumulated Depreciation</b>						
Balance at 30 June 2011	(836,875)	(174,074)	(243,718)	(13,052)		(1,267,719)
Current Depreciation	(64,246)	(12,536)	(43,123)	(178)		(120,083)
Disposals	8,422	18,032	33,850	1,567		61,871
Balance at 30 June 2012	<u>(892,699)</u>	<u>(168,578)</u>	<u>(252,991)</u>	<u>(11,663)</u>		<u>(1,325,931)</u>
<b>Net Book Value</b>						
As at 30 June 2011	<u>209,619</u>	<u>35,411</u>	<u>82,918</u>	<u>1,898</u>	<u>100,000</u>	<u>429,846</u>
As at 30 June 2012	<u>178,696</u>	<u>45,022</u>	<u>285,184</u>	<u>1,720</u>	<u>100,000</u>	<u>610,622</u>

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 2013**

**6. Plant and Equipment (cont'd)**

	<b>Office of the Board \$</b>	<b>Law Library \$</b>	<b>Legal Profession Complaints Committee \$</b>	<b>Trust Account Inspectors \$</b>	<b>Library Books \$</b>	<b>Total \$</b>
<b>Gross Carrying Amount</b>						
Balance at 30 June 2012	1,071,395	213,600	538,175	13,383	100,000	1,936,553
Additions	3,353	5,187	21,311	135		29,986
Disposals		(10,042)	(1,722)			(11,764)
Balance at 30 June 2013	<u>1,074,748</u>	<u>208,745</u>	<u>557,764</u>	<u>13,518</u>	<u>100,000</u>	<u>1,954,775</u>
<b>Accumulated Depreciation</b>						
Balance at 30 June 2012	(892,699)	(168,578)	(252,991)	(11,663)		(1,325,931)
Current Depreciation	(69,935)	(15,152)	(66,696)	(153)		(151,936)
Disposals		10,042	1,722			11,764
Balance at 30 June 2013	<u>(962,634)</u>	<u>(173,688)</u>	<u>(317,965)</u>	<u>(11,816)</u>		<u>(1,466,103)</u>
<b>Net Book Value</b>						
As at 30 June 2012	<u>178,696</u>	<u>45,022</u>	<u>285,184</u>	<u>1,720</u>	<u>100,000</u>	<u>610,622</u>
As at 30 June 2013	<u>112,114</u>	<u>35,057</u>	<u>239,799</u>	<u>1,702</u>	<u>100,000</u>	<u>488,672</u>

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 2013**

**7. Software Systems**

	<b>EDRMS</b>	<b>iMIS</b>	<b>Total</b>
	<b>\$</b>	<b>Database</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Gross Carrying Amount</b>			
Balance at 30 June 2011	291,557	217,975	509,532
Additions	1,969	21,460	23,429
Balance at 30 June 2012	<u>293,526</u>	<u>239,435</u>	<u>532,961</u>
<b>Accumulated Depreciation</b>			
Balance at 30 June 2011	(76,644)	(145,305)	(221,949)
Current Depreciation	(79,153)	(40,202)	(119,355)
Balance at 30 June 2012	<u>(155,797)</u>	<u>(185,507)</u>	<u>(341,304)</u>
<b>Net Book Value</b>			
As at 30 June 2011	<u>214,913</u>	<u>72,670</u>	<u>287,583</u>
As at 30 June 2012	<u>137,729</u>	<u>53,928</u>	<u>191,657</u>

	<b>EDRMS</b>	<b>iMIS</b>	<b>Total</b>
	<b>\$</b>	<b>Database</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Gross Carrying Amount</b>			
Balance at 30 June 2012	293,526	239,435	532,961
Additions	0	30,176	30,176
Balance at 30 June 2013	<u>293,526</u>	<u>269,611</u>	<u>563,137</u>
<b>Accumulated Depreciation</b>			
Balance at 30 June 2012	(155,797)	(185,507)	(341,304)
Current Depreciation	(79,252)	(37,741)	(116,993)
Balance at 30 June 2013	<u>(235,049)</u>	<u>(223,248)</u>	<u>(458,297)</u>
<b>Net Book Value</b>			
As at 30 June 2012	<u>137,729</u>	<u>53,928</u>	<u>191,657</u>
As at 30 June 2013	<u>58,477</u>	<u>46,363</u>	<u>104,840</u>

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
<b>8 Trade and Other Payables</b>		
Trade Payables	101,685	163,209
Other Payables	275,006	116,937
Accruals	183,144	161,465
	<u>559,835</u>	<u>441,611</u>
<b>9 Current Provisions</b>		
Provision for Annual Leave	208,671	237,229
Provision for Long Service Leave	118,023	94,267
	<u>326,694</u>	<u>331,496</u>
<b>10 Income in Advance</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
Publication Sales in Advance	6,700	6,500
Continuing Professional Development Fees in Advance	150,760	62,365
Photocopying in Advance	22,107	22,228
PLEAS - Subscriptions in Advance	106,755	105,655
Practice Certificates in Advance	4,923,390	4,660,605
Solicitors Guarantee Fund	33,055	31,100
Rent in Advance	-	12,996
	<u>5,242,767</u>	<u>4,901,449</u>
<b>11 Non-Current Provisions</b>		
Provision for Long Service Leave	<u>174,879</u>	<u>188,567</u>

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>12 Retained Earnings</b>	\$	\$
Balance at Beginning of the year	1,682,050	1,715,247
Net Profit/(Loss) for the year	825,138	(33,197)
Balance at End of Year	<u>2,507,188</u>	<u>1,682,050</u>
<b>13 Office of the Board</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
<b>Income</b>		
Assessment of Qualifications	32,200	36,100
Admissions	161,040	161,100
Articles Registration Fees	8,600	12,000
Bank Interest	229,613	255,344
Continuing Professional Development	151,903	137,386
Evidentiary Certificates	21,800	17,450
Fines	10,656	42,508
Foreign Lawyers	11,000	11,750
External Examiner Reimbursement	57,401	124,779
Practice Certificates	5,253,750	4,928,360
Miscellaneous Income	60	81
Rent – Alvan St	87,301	172,661
	<u>6,025,324</u>	<u>5,899,519</u>
<b>Expenditure</b>		
Advertising	19,847	23,874
Audit and Accounting Fees	23,225	20,975
Bad Debts Written Off	-	42,508
Bank Charges	41,685	39,451
Computer Expenses	93,232	107,150
Conference	15,510	20,021
Depreciation	186,928	183,601
Facsimile & Phone	922	781
Fringe Benefits Tax	4,550	6,367
HR Consultant	8,090	-
Insurance	2,449	2,558
Legal Costs – LPB	241,509	381,647
Miscellaneous Costs	7,061	11,717
Parking	6,268	7,208
Payroll Tax	69,951	65,105
Postage and Petties	33,094	27,367
Professional Memberships	6,155	3,640
Printing and Stationery	17,009	21,564

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

<b>Office of the Board (cont'd)</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
<b>Expenditure (cont'd)</b>		
Reference Materials	63	379
Relocation Costs	7,521	-
Rent – Alvan St	87,301	176,549
Salaries	1,485,816	1,367,653
Seminars	-	804
Service and Maintenance	7,692	4,103
Storage	10,276	10,686
Superannuation Contributions	117,250	113,039
Training	6,100	18,717
Transcripts	19,454	6,388
Travel & Accommodation	3,065	9,251
Workers' Compensation	4,825	4,568
	<u>2,526,848</u>	<u>2,677,671</u>
<b>14 Trust Account Inspector</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
<b>Income</b>		
TAI Reimbursements	480,385	460,906
General Admin Costs	175,130	-
Seminar Fees	7,618	7416
	<u>663,133</u>	<u>468,322</u>
<b>Expenditure</b>		
Conference Attendance	5,466	6,207
CPA Membership	4,610	2,073
Depreciation	153	178
Fringe Benefits Tax	1,400	2,040
Insurance	337	257
Mileage	1,297	1,462
Parking	7,576	7,874
Payroll Tax	22,313	20,988
Printing & Stationery	-	135
Salary	383,614	346,966
Seminars	2,750	7,004
Superannuation Contributions	33,239	30,838
Training	664	1,701
Travel and Accommodation	2,631	414
Workers' Compensation	1,201	1,189
	<u>467,251</u>	<u>429,326</u>

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

<b>15</b>	<b>Legal Profession Complaints Committee</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
		\$	\$
	<b>Income</b>		
	Costs Recovered	77,134	362,460
	Fines	47,000	93,850
	Fines – Summary Jurisdiction	7,500	8,000
	Miscellaneous Income	48	133
		<u>131,682</u>	<u>464,443</u>
	<b>Expenditure</b>		
	Advertising	7,303	3,449
	Bad Debts Written Off	-	1,000
	Computer Expenses	463	5,086
	Conference Attendance	10,238	11,902
	Depreciation	66,696	43,123
	Fringe Benefits Tax	4,500	1,797
	Insurance	581	580
	Legal Costs	211,643	337,599
	Loss on Sale of Non-Current Assets	-	529
	Payroll Tax	96,937	94,088
	Postage and Petties	23,086	22,280
	Printing and Stationery	15,462	20,260
	Allowance for Doubtful Debts	(51,644)	264,304
	Professional Fees & Memberships	17,702	21,567
	Reference Materials	5,180	12,780
	Salaries	1,953,372	1,919,316
	Service and Maintenance	3,125	5,176
	Storage	10,063	11,785
	Superannuation Contributions	174,905	167,901
	Training	12,551	12,631
	Transcripts	1,897	4,547
	Workers' Compensation	6,648	8,095
	Miscellaneous Expenses	2,488	10,879
		<u>2,573,196</u>	<u>2,980,674</u>

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

<b>16 Law Library</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
<b>Income</b>		
Library Photocopier and other income	41,662	42,234
PLEAS	107,204	105,654
Reimbursement- Department of Attorney General	-	38,573
Annual Grant	250,000	250,000
	<u>398,866</u>	<u>436,461</u>
<b>Expenditure</b>		
Serials	218,996	448,346
Monographs	17,907	29,542
Electronic Publications	194,340	232,107
Online/Library Services	374	699
Bank Charges	1,069	1,077
Cleaning and Binding	18,011	19,974
Computer Consultancy	27,919	38,225
Conferences and Meetings	3,487	3,812
Depreciation	15,152	12,536
Fringe Benefits Tax	550	547
Institutional & Professional Memberships	516	585
Insurance	10,680	10,654
Minor Assets/ Office Equipment	114	883
Payroll Tax	12,028	17,060
Postage and Petties	3,489	4,140
Printing and Stationery	944	1,358
Promotions	896	1,340
Salaries	265,209	344,002
Staff Professional Memberships	492	229
Superannuation Contributions	21,909	30,242
Training	2,220	2,804
Workers' Compensation	1,079	1,226
Miscellaneous Expenses	835	1,422
Photocopier Costs	6,266	8,440
PLEAS - Costs	2,090	3,021
	<u>826,572</u>	<u>1,214,271</u>



**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2013**

**17 Income from State Government**

<b>Resources received free of charge</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
Determined on the basis of the following estimates provided by the Department of the Attorney General:		
<b>Office space rental</b>	<u>893,384</u>	<u>858,935</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:	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
Current (note 9)	326,694	331,496
Non-current (note 11)	174,879	188,567
	<u>501,573</u>	<u>520,063</u>

**19 Notes to the cash flow statement**

**19(a) Reconciliation of cash and cash equivalents**

For the purposes of the cash flow statement, 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 cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash and cash equivalents	<u>7,416,362</u>	<u>6,358,575</u>
---------------------------	------------------	------------------

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

	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
Profit/Loss for the year	825,138	(33,197)
Loss on sale or disposal of non-current assets	-	529
Depreciation and amortisation of non-current assets	268,929	239,438

**LEGAL PRACTICE BOARD OF WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 30 JUNE 2012**

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

<b>Changes in net assets and liabilities:</b>	<b><u>2013</u></b>	<b><u>2012</u></b>
	\$	\$
(Increase)/decrease in assets:		
Current receivables	(448,093)	(87,676)
Other current assets	30,923	13,513
Increase/(decrease) in liabilities:		
Current payables	118,224	63,507
Current provisions	(4,802)	(48,053)
Income in advance	341,318	444,292
Non-current provisions	(13,688)	53,737
<b>Net cash from operating activities</b>	<b><u>1,117,949</u></b>	<b><u>646,090</u></b>

**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	-	77,974
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	<u>-</u>	<u>77,974</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 balance sheet date.

**24 Related party transactions**

During the financial year ended 30 June 2013, the following transactions occurred between the Legal Practice Board and Board members:

- Board Member Patricia Cahill SC provided legal services amounting to \$69,120;
- Board Member Sam Vandongen SC provided legal services amounting to \$24,760;
- Board Member Peter Quinlan SC provided legal services amounting to \$18,150.