

The Law  
Society  
OF TASMANIA

# **ANNUAL REPORT**

## **2010 – 2011**

**To be Presented at the  
Annual General Meeting  
of the  
Law Society of Tasmania  
on  
14 October 2011**

# **The Law Society Council**

## **2010 – 2011**

### **President**

W M Griffiths

### **Vice-President**

F V Moore

### **Hon Treasurer**

L O Rheinberger

### **Council**

K L Baumeler\*(S), G B G Bradfield(S), R J Foon(N), G P Geason(S),  
W M Griffiths\*(N), A J Hall(N), G L Johnston(S), G L Jones\*(N),  
A R McKee\*(S), A P Mihal(N-W), F V Moore\*(N), S A Nicholson\*(S),  
L O Rheinberger\*(S), L S Topfer(N-W), M J Verney(N-W),  
D F M Zeeman\*(S) (\*Executive Committee Member)

### **Executive Director**

M Hagan

### **Law Council of Australia Director**

L S Topfer [part year], W M Griffiths [part year]

## **Committees 2010 – 2011**

The President is an *ex officio* member of all Law Society Committees

### **Northern Regional Committee**

W M Griffiths [Chairman], P J Lebski [Secretary], S P Bishop, R J Brown, S J N Brown, J L Byrne, M P Caulfield, D P Cordell, C N Dockray, B R Doolan, W D Edwards, C J Foon, J M French, G L Jones, J C Kitto, W F Lester, S B McElwaine, F V Moore, R M Murray, P R Page, P E Rae, K J Stanton, A Trezise, G Tucker, P A Welch, T J Whyte

### **Southern Regional Committee**

L O Rheinberger [Chairman], K L Baumeler, G B Bradfield, G P Geason, G L Johnston, A R McKee, S A Nicholson, D F M Zeeman

### **North-West Regional Committee**

L S Topfer [Chair], A P Mihal [Secretary], M J Verney

### **Litigious Issues Committee**

P L Jackson [Convenor]

### **Litigious Costs Standing Committee**

W M Griffiths [Convenor]

### **Mediation & Arbitration**

J B Walker [Chairman], W J Friend, C J Gunson, P R Theobald

### **Criminal Law Committee**

K L Baumeler [Chair], A J Hall, J Hartnett, C D Mackie, R Mainwaring, G W Stevens

### **Litigation Committee**

D R Fairley [Chairman], C J Gunson, E Hughes, R Mainwaring, M C Rapley, A B Walker

### **Property & Commercial Law Committee**

G B Bradfield [Chairman], A Bindoff, P A Bowen, P Chan, T J Hiscutt, L Johnson, W Justo, D Kelsall, M J Keeling, A Laning, P J Lebski, J P McMullen, R C Manning, M J C Pawson, J G Samec, T J Tierney, J R Upcher, T J Whyte, A L Wiss

### **Employment & Equal Opportunities Committee**

A R Mills [Chair], C A Green, J H Hanna, K A E Mollard, S C Sealey, A Wells

### **Solicitors' Accounts Rules Committee**

P V Manser [Chairman], R Byrne, C S Church, M J Crisp, A N Morgan

### **Public Relations Committee**

C A Cunningham [Chairman], P A Bowen, P Fitzgerald, C F McKenzie,  
N R Readett

### **Continuing Profession Development**

G P Geason [Chairman], K L Baumeler, M J C Pawson, M J Verney,  
D F M Zeeman

### **Young Lawyers' Southern Committee**

C Henderson, E L White [Co-Presidents], A Norton [Secretary], J P Mullavey [Treasurer],  
M L Eddington, M E Furnage, K E Hanslow, T J Hiscutt, S James,  
M J Keeling, K A Moss, M S W Mulcahy, N S Munting, R J Poke, M L Purtell,  
E A Skalidis, K L Starkey, S Stranger, P E M van Adrichem

### **Young Lawyers' Northern Committee**

L S Bartlett, E M L Judd [Co-Presidents], F McCracken [Secretary], R J Hegarty  
[Treasurer], J E Higgins, A Lydon, R N Stewart, E R Turner

### **Representative on the National Young Lawyers' Committee**

M L Purtell

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

A J Smith [Chair part year], B F E Rheinberger [Chair part year], A R Cameron,  
B E Davies, M Hagan, K E Hanslow, P J Joyce, P J Lebski, S C McCulloch,  
K E McLagan, K A Moss, T J Tierney, J B Walker, P R Worrall

## **The Society's Nominees on Other Bodies**

### **Board of Legal Education**

S A Nicholson, M E O'Farrell, M Hagan [Secretary]

### **Road Safety Consultative Committee**

W M Griffiths

### **Law Council of Australia Access to Justice Committee**

S J N Brown

### **Legal Aid Commission**

N R Readett, S Taglieri

### **Council of Law Reporting**

M J Crisp

### **Law Council of Australia Criminal Law Committee**

K L Baumeler

### **Law Foundation of Tasmania**

W M Griffiths [Chairman], F V Moore, N R Readett, M Hagan [Secretary]

### **Centre for Legal Studies**

T G Bugg [Chairman], P A Bowen, G L Jones, Martyn Hagan [Secretary]

### **Solicitors' Trust**

M J Crisp [Chairman], P Kuzis

### **University of Tasmania Law Faculty Teaching and Learning Committee**

G P Geason, D F M Zeeman

## **Associate Bodies**

### **Family Law Practitioners' Association of Tasmania**

C J Gregg [Chair], T M Eaton [Vice-Chair N], J K Petersen [Vice-Chair N-W],  
L E Peacock [Public Officer], M L Torney [Treasurer], A M Brunacci,  
A F FitzGerald, P Fitzgerald, M G Foster, E J Gelston, P M Mason,  
M A Nettlefold, M A Ryan, S Tremayne, K J Waterhouse

### **Tasmanian Women Lawyers**

S Taglieri [President], B F E Rheinberger [Secretary], J Harrington [Treasurer],  
N E Billett, A D Cutler, C R Hansen, K L Layne, K Mussared, M A Nettlefold,  
M A Ryan

## President's Report

The process of "Nationalising" laws and regulations relating to the Australian Legal Profession carries on but with a very mixed response.

The Governments of Tasmania, South Australia, Western Australia and the ACT appear presently unimpressed with the Commonwealth's proposal and it is certainly clear that the legislation proposed has little attraction to the smaller States.

A variety of ideals were initially proposed by Law Council as being requirements for the National Legislation.

That was before the Commonwealth appointed a "Taskforce", which included a representative from Law Council.

It is disappointing that many of those ideals earlier proposed by Law Council were, it seems, abandoned during the course of negotiations with the "Taskforce".

Perhaps consistent with the unsatisfactory manner in which the whole process has proceeded, it is only in the last few days that Law Societies, the Legal Profession at large and indeed the public have been privileged to have made available to them the current iteration of the draft legislation, prepared four months ago!

Drafts have on earlier occasions been likewise buried from sight for lengthy periods.

One must wonder why.

Our Society continues to work towards the limiting of further bureaucracy and regulation of the legal profession except to the extent that there is a benefit to those who use legal services in Tasmania. Clearly, any such benefit must be available at an affordable price and without the inclusion of unnecessary wishes of the Federal Government to impose additional controls which are entirely irrelevant to better enabling our profession to exist at a National level.

The Society has recently been instrumental in lobbying for, obtaining and arranging the distribution of, a grant from the Solicitors' Guarantee Fund to assist in the employment of lawyers in rural and regional areas of Tasmania. Recently, the sum of \$300,000.00 has been distributed for that purpose.

Last year a Commonwealth Government initiative provided significant funding for the same purpose and this year the State Government, with the assistance of the Attorney-General Mr Brian Wightman, has added significantly to the impetus of this very worthwhile program.

Concern has been expressed from time to time about the extent to which the Tasmanian Government seeks advice on legal matters from lawyers outside Tasmania. More recently, steps have been taken by the Society to bring this unsatisfactory state of affairs squarely to the attention of the Government together with advice as to the availability of local firms and local practitioners who can more than adequately provide, within Tasmania, the necessary services. It is hoped that the efforts of the Society and of practitioners assisting the Society in this regard will bear immediate fruit.

The Society more recently has continued to pursue its series of advertising campaigns.

In the last few months advertisements have been prepared targeted at those areas where work, once the preserve of legal practitioners, is now competed for by others but frequently so upon terms less advantageous to clients than the traditional services provided by our profession.

The new campaign consists of radio advertisements which commenced on the 4<sup>th</sup> September.

There has been considerable advance publicity of the introduction into Tasmania of Compulsory Professional Development. I extend the thanks of the Society to Mr Greg Geason who has taken on the job of Chairman of the committee which is driving this reform and I encourage the profession to the view, which I believe to be self-evident, that the relatively small obligation which the compulsory scheme will require will pay handsome dividends in ensuring continuing skill and capacity within our profession in a constantly changing and generally expanding landscape.

I extend my thanks and the thanks of the profession to all those who have given of their time and effort during the last twelve months to serve the Tasmanian profession either as Councillors, as members of our numerous committees and others whose help and advice is regularly of assistance in the wide province of the work of the Society.

Finally, I extend my thanks on behalf of all of us to those employed by the Society, ably led by our Executive Director Martyn Hagan. His administration of the Society and his efforts both within the State and well beyond it in advancing our aims for the benefit of the profession and the community we serve have much exceeded any goals we may have set for him.

To my successor I leave the Society in a financially stable position and well positioned and able to continue its important work.

W M GRIFFITHS  
PRESIDENT



## **Treasurer's Report**

The end of the 2010-2011 financial year sees the Society remain in a sound financial position.

The income which the Society receives from practising certificates remains its major source of income. The *Legal Profession Regulations 2008* prescribe the fee for an application to grant or renew a practising certificate. The steady number of Tasmanian legal practitioners and the modest annual increase in the value of a fee unit means that source of income is dependable and relatively stable.

Within its budgetary constraints the Society continues to carry out its duties as a Prescribed Authority under *the Legal Profession (Prescribed Authorities) Regulations 2008*, the *Legal Profession Act 2007* and to fulfil its broader obligations to its members.

Careful management of funds has seen a modest decline in expenses and an increase in revenue of some 7% over the previous financial year. The improved net profit/loss position over the previous financial year is in part due to the one off nature of a number of expenditure items incurred in the previous year but not repeated in the current year.

The income statement for the year ended 30 June 2011 shows a net loss of \$21, 308. Having regard to the overall financial position of the Society in terms of the value of its assets as well as the level of its income and expenditure, the loss is within an acceptable level at 2.3% of revenue.

LUKE RHEINBERGER  
TREASURER

**The Private Legal Profession in Tasmania  
as at 19 September 2011**

<b>Solicitors</b>	<b>South</b>	<b>North</b>	<b>North West</b>	<b>Total</b>
Sole Principals	55	13	19	87
Partners/ 2	11	6	6	46
Directors 3	1	1	0	6
4	0	0	1	4
5	0	1	0	5
6	2	0	0	12
7	2	0	0	14
8	1	0	0	8
12	2	0	0	24
<b>Total principals</b> (includes 2 Senior Counsel)	<b>138</b>	<b>33</b>	<b>35</b>	<b>206</b>
Employed practitioner	170	42	25	237
Community legal practitioners	17	6	3	26
Corporate practitioners	15	1	1	17
Locum practitioners	4	0	3	7
<b>Total solicitors</b>	<b>344</b>	<b>82</b>	<b>67</b>	<b>493</b>

<b>Barristers</b>				
Queen's and Senior Counsel	9	-	-	9
Junior Counsel	29	5	2	36
<b>Total barristers</b>	<b>38</b>	<b>5</b>	<b>2</b>	<b>45</b>

<b>Total Practitioners</b>	<b>538</b>
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<b>Associate members</b>	<b>146</b>
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<b>Firms</b>				
Sole principals	50	11	18	79
Partnerships	14	6	6	26
Incorporated legal practices	10	4	2	16
<b>Total firms</b>	<b>74</b>	<b>21</b>	<b>26</b>	<b>121</b>

**THE LAW SOCIETY OF TASMANIA**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011	2010
		\$	\$
Revenue	11	917,576	853,876
Expenses from Ordinary Activities	11	(938,884)	(1,017,998)
NET PROFIT/(LOSS)		<u>(21,308)</u>	<u>(164,122)</u>
<b>TOTAL CHANGES IN EQUITY</b>		<u><b>(21,308)</b></u>	<u><b>(164,122)</b></u>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
BALANCE SHEET  
AS AT 30 JUNE 2011**

	Notes	2011 \$	2010 \$
<b>Current Assets</b>			
Cash assets	2	2,948,846	934,831
Receivables	3	212,744	101,421
Inventories	4	5,800	5,870
Other	5	1,545,173	3,402,008
<b>TOTAL CURRENT ASSETS</b>		<b>4,712,563</b>	<b>4,444,130</b>
<b>Non Current Assets</b>			
Property, plant and equipment	6	2,264,538	2,245,295
Website		17,492	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,282,030</b>	<b>2,245,295</b>
<b>TOTAL ASSETS</b>		<b>6,994,593</b>	<b>6,689,425</b>
<b>Current Liabilities</b>			
Payables	7	28,500	119,392
Current tax liabilities		191,320	172,184
Provisions	8	477,467	420,534
Other	9	2,371,914	2,030,615
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,069,201</b>	<b>2,742,725</b>
<b>TOTAL LIABILITIES</b>		<b>3,069,201</b>	<b>2,742,725</b>
<b>NET ASSETS</b>		<b>3,925,392</b>	<b>3,946,700</b>
<b>Members' Funds</b>			
Capital Profits Reserve		43,843	43,843
Asset Revaluation Reserve		658,051	658,051
Accumulated Society Funds		3,244,806	3,408,928
Annual Surplus		(21,308)	(164,122)
<b>TOTAL MEMBERS' FUND</b>		<b>3,925,392</b>	<b>3,946,700</b>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2011**

	Notes	2011 \$	2010
<b>Cash Flow from Operating Activities</b>			
Receipts from customers		638,191	657,640
Payments to suppliers and employees		(531,073)	(848,120)
Interest received		158,566	117,222
Interest and other costs of finance		(1,779)	(1,834)
Net cash provided by (used in) Operating Activities (Note 10)		<u>263,905</u>	<u>(75,092)</u>
<b>Cash Flow from Investing Activities</b>			
Payment for Property, Plant and Equipment		(122,862)	(33,993)
Gain on Disposal		14,091	-
Net cash provided by (used in) Investing activities		<u>108,771</u>	<u>(33,993)</u>
Net increase/(decrease) in cash held		155,134	(109,085)
Cash at the beginning of the year		4,323,712	4,432,797
<b>Cash at the end of the year (Note 10)</b>		<u><u>4,478,846</u></u>	<u><u>4,323,712</u></u>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Opening Balance 1 July 2009</b>	<u><b>3,452,771</b></u>
Profit for the year ended 30 June 2010	(164,122)
Movement in Asset Revaluation Reserve	<u>658,051</u>
<b>Balance as at 30 June 2010</b>	<u><b>3,946,700</b></u>
Profit/(Loss) for the year ended 30 June 2011	(21,308)
<b>Balance as at 30 June 2011</b>	<u><b>3,925,392</b></u>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

This financial report is a special purpose financial report prepared specifically for distribution to members in accordance with The Law Society By-Laws 1994 made under the *Legal Professional Act 1993*. The Council has determined that the Society is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031:	Materiality
AASB 110:	Events after the Balance Sheet Date

The Financial Report has been prepared on an accruals basis from the records of the Society. It is based on historical costs and does not take into account changing money values, or except where specifically stated, current values of non-current assets.

**(b) Property, Furniture and Equipment**

*Property*

Properties are included at valuation less provision for depreciation (excluding land content). Valuations have been determined from independent advice. These revaluations take no account of potential capital gains tax. Net revaluations increments, which arise, are transferred to the asset revaluation reserve, apart from those reversing previous decrements, which were charged to operating profit. Net revaluation decrements, apart from those reversing previous increments are charged to operating profit.

*Furniture and Equipment*

Furniture and equipment and improvements are included at cost. Assets are depreciated over their estimated useful lives commencing from the time the asset is ready for use.

*Depreciation*

The depreciable amount of all fixed assets, including buildings, is depreciated on a straight line basis over the asset's useful life to the society commencing from the time the asset is ready for use

**(c) Comparative Figures**

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(d) Income Tax**

The provision for income tax is not necessary as the Society is exempt from income tax.

**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CON'D)**

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

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

**(f) Employee Benefits**

Provision is made for the society's liability for employee benefits arising from services rendered by employees to balance date.



**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

<b>NOTE 2: CASH</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Bank accounts:		
- Westpac cheque account	53,215	770,034
- Westpac maxi direct account	2,895,331	76,006
Solicitors Trust holding account – CBA	-	88,491
Other cash items:		
- Cash on hand	300	300
	<hr/> <b>2,948,846</b> <hr/>	<hr/> <b>934,831</b> <hr/>
 <b>NOTE 3: RECEIVABLES</b>		
Sundry debtors	212,744	101,421
	<hr/> <b>212,744</b> <hr/>	<hr/> <b>101,421</b> <hr/>
 <b>NOTE 4: INVENTORIES</b>		
Book stock at cost – Lawless Harvest	5,800	5,870
	<hr/> <b>5,800</b> <hr/>	<hr/> <b>5,870</b> <hr/>
 <b>NOTE 5: OTHER ASSETS</b>		
Short term deposits – Commonwealth Bank	530,000	2,030,000
Short term deposits - Westpac	1,000,000	1,358,881
Prepaid insurance	15,173	13,127
	<hr/> <b>1,545,173</b> <hr/>	<hr/> <b>3,402,008</b> <hr/>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

<b>NOTE 6: PROPERTY PLANT AND EQUIPMENT</b>	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and equipment:</b>		
- At cost	563,385	507,594
- (Less) accumulated depreciation	(435,361)	(403,663)
	<u><b>128,024</b></u>	<u><b>103,931</b></u>
 <b>Land and Buildings – At fair value:</b>		
28 Murray Street, Hobart (Land)	600,000	600,000
28 Murray Street Hobart (Building)	860,000	860,000
56A Charles Street, Launceston	675,000	675,000
(Less) Accumulated depreciation	(38,384)	-
	<u><b>2,096,616</b></u>	<u><b>2,135,000</b></u>
 <b>Motor vehicles:</b>		
- At cost	49,587	32,142
- (Less) Accumulated depreciation	(9,689)	(25,778)
	<u><b>39,898</b></u>	<u><b>6,364</b></u>
	<u><b>2,264,538</b></u>	<u><b>2,245,295</b></u>

Valuations – The fair value of land and buildings have been determined by reference to independent valuations as at 30/06/2010. The property at 28 Murray Street Hobart was deemed to have a market value of \$1,460,000 by Independent property valuers Saunders & Pitt, while ‘Staffordshire House’ at 56 Charles Street Launceston was deemed to have a market value of \$675,000 by National valuers Brothers & Newton Opteon.

Depreciation - Assets are depreciated over their estimated useful lives commencing from the time the asset is ready for use.

**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

<b>NOTE 7: PAYABLES</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Unsecured:		
- Sundry creditors	28,500	31,755
- Solicitors' Trust	-	87,637
	<u>28,500</u>	<u>119,392</u>

**NOTE 8: PROVISIONS**

**Current**

Employee entitlements – annual and long service leave	81,956	79,853
Provision for library services	395,511	340,681
	<u>477,467</u>	<u>420,534</u>

**NOTE 9: OTHER LIABILITIES**

**Current**

Practising certificates in advance	442,765	404,695
PII premium in advance	1,857,569	1,554,751
PII mutual fund	32,770	49,320
Rent in advance	4,524	4,524
Sundry	34,286	17,325
Accrued expenses		-
	<u>2,371,914</u>	<u>2,030,615</u>

**THE LAW SOCIETY OF TASMANIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011**

**NOTE 10: CASH FLOW INFORMATION**

**(a) Reconciliation of Cash**

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

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Westpac cheque account	53,215	770,034
Westpac maxi direct account	2,895,331	76,006
Solicitors' Trust holding account – CBA	-	88,491
Cash on hand	300	300
Short term deposits – Commonwealth Bank	530,000	2,030,000
Short term deposits - Westpac	1,000,000	1,358,881
	<b>4,478,846</b>	<b>4,323,712</b>

**(b) Reconciliation of Cash Flow from Operations with Net Profit**

Operating profit/(loss)	(21,308)	(164,122)
Depreciation	79,771	47,589
Gain on Disposal	(7,727)	-
(Increase)/decrease in trade and term debtors	(75,345)	(21,346)
(Increase)/decrease in finished goods	70	930
(Increase)/decrease in other receivables	(38,009)	4,447
Increase/(decrease) in trade creditors	(1,439)	(1,839)
Increase/(decrease) in other creditors and accruals	271,525	34,956
Increase/(decrease) in sundry provisions	56,367	24,293
<b>Net cash provided by operating activities</b>	<b>263,905</b>	<b>(75,092)</b>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2011**

**NOTE 11:**

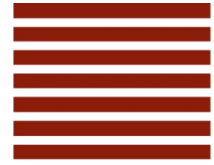
	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Interest received	158,566	117,222
Administration fees	11,900	12,701
Advertising	13,577	15,426
Certificate of fitness	2,605	1,400
Continuing legal education	9,621	23,264
Dinners and functions	9,275	19,409
Disciplinary action – costs recovered	71,662	48,295
Hire of council rooms	3,519	9,430
Membership benefits	5,788	4,878
Practising certificate fees	426,342	401,755
Professional indemnity insurance funding	85,500	85,500
Sales	1,824	-
Sponsorship	50,600	50,600
Subscriptions	4,465	9,328
Sundry income	8,047	1,245
Rent received	54,285	53,423
<b>TOTAL</b>	<b>917,576</b>	<b>853,876</b>

The accompanying notes form part of these financial statements

**THE LAW SOCIETY OF TASMANIA  
INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Expenses</b>		
Accountancy fees	18,241	16,635
Audit fees	5,650	5,124
Advertising and public relations	14,594	72,951
Bad debts	-	3,000
Bank fees and charges	1,779	1,834
Computer supplies and services	16,904	15,956
Depreciation	79,771	47,589
Donations and Grants	15,902	8,764
Honorarium	74,533	69,545
Insurance	16,690	19,120
Lease payments	3,732	4,976
Light and power	16,771	15,549
Meetings, travel and accommodation, professional development	41,847	60,970
Membership benefits, dinners and functions	55,399	76,218
Printing and stationery	35,169	48,738
Professional fees – disciplinary action	80,577	64,865
Property Valuations	500	1,364
Rates and taxes	28,724	29,884
Repairs and cleaning	20,499	25,101
Salaries and remuneration	337,526	353,906
Security and fire alarms	10,079	14,240
Staff training	1,933	1,730
Subscriptions	1,979	1,829
Sundry expenses	9,346	7,923
Superannuation	27,708	27,811
Telephone, video conferencing and web expenses	23,031	22,376
<b>TOTAL EXPENSES</b>	<b>938,884</b>	<b>1,017,998</b>

The accompanying notes form part of these financial statements



**Wise Lord & Ferguson**



*advice to advantage*

**Chartered Accountants**

## **Independent auditor's report to**

### **The members of the Law Society of Tasmania**

We have audited the accompanying special purpose financial report of the Law Society of Tasmania, which comprises the Balance Sheet as at 30 June 2011, and the Income Statement, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes

The Law Society of Tasmania is responsible for the preparation and fair presentation of the financial report and has determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the *Law Society of Tasmania By-Laws* and are appropriate to meet the needs of the members. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Law Society of Tasmania, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the Law Society of Tasmania's financial reporting requirements under the *Law Society of Tasmania By-Laws*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

### **Independence**

In conducting our audit we have met the independence requirements of the Australian professional accounting bodies.

### **Auditor's Opinion**

In our opinion the financial report presents fairly, in all material respects, the financial position of the Law Society of Tasmania as of 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

A handwritten signature in grey ink, appearing to read 'D J McCarthy', with a long horizontal line extending to the right.

**D J McCARTHY**  
PARTNER  
WISE LORD & FERGUSON  
CHARTERED ACCOUNTANTS  
160 Collins Street  
HOBART TAS 7000  
Dated: 21 September 2011



**The Law Society of Tasmania**  
**Statement by Honorary Treasurer**  
**For the year ended 30 June 2011**

The Society is not a reporting entity and this purpose report is prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In my opinion the Income Statement, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity and Notes to the Financial Statements;

1. Present fairly the financial position of the Law Society of Tasmania as at 30 June 2011 and its performance for the year on that date; and
2. At the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and then they fall due.



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**Luke Rheinberger**  
Honorary Treasurer

Dated: 21 September 2011