



THE LAW SOCIETY  
OF NEW SOUTH WALES

**ANNUAL REPORT 2023**



THE LAW SOCIETY  
OF NEW SOUTH WALES

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THE LAW SOCIETY OF NSW ACKNOWLEDGES  
THE GADIGAL OF THE EORA NATION,  
ON WHOSE LAND OUR OFFICE IS LOCATED.

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ISSN 2653-1062 (Online)

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## ABOUT US

The Law Society of New South Wales can trace its origins back to 1842, when a small group of solicitors recognised the need *“to promote good feeling and fair and honourable practice among members of the profession so as best to preserve the interests and retain the confidence of the public”*.

Since that first meeting of solicitors, the Law Society has been given increasing statutory powers. We also play a diverse role in promoting and regulating the fair practice of law throughout NSW.

The Law Society is the largest legal membership association in Australia.

The heart of the Law Society can be found in its motto, *omnium iura defendimus* – defending the rights of all. We support lawyers so they can defend the rule of law.

Our role is to act as co-regulator of the legal profession, ensuring solicitors meet the highest ethical and professional standards, and to serve as the representative voice of the legal profession.

We have a long, proud history of supporting, assisting, encouraging and advocating on behalf of our members.

Our responsibilities are numerous. We enhance the profession's voice, encouraging debate, and actively drive law reform issues through policy submissions and open dialogue with government. We promote professional standards to ensure the community and the profession are well served by ethical and responsible solicitors.

We provide guidance and support to solicitors on all aspects of the *Legal Profession Uniform Law* and its associated legislation, as well as myriad issues involved in practising law in NSW and beyond. We unite the profession, helping members stay in touch with legal developments and fellow solicitors through an unmatched range of publications, resources, events, networking opportunities, and regional law societies.

Welcome to the Law Society of NSW's 2022/23 Annual Report.



# Message from the President

I am honoured to introduce to you the Annual Report of the Law Society of NSW for the 2022/23 financial year, a period of great significance for this organisation.

Serving the solicitor profession as President of the Law Society is at once a heavy responsibility and a deep privilege.

At the outset I thank my predecessor and Immediate Past President Joanne van der Plaats for her dedicated and effective leadership during the historic 180<sup>th</sup> year of the Law Society.

The many achievements of Joanne's term were crowned by her work in shepherding governance reforms approved by Council through last year's Annual General Meeting. These reforms set up our organisation

**Serving the solicitor profession as President of the Law Society is at once a heavy responsibility and a deep privilege.**

to be a more dynamic, efficient and responsive voice for the solicitor profession.

This would not have happened but for the support and leadership of our Chief Executive Officer Sonja Stewart and the Law Society's Company Secretaries, General Counsel Meaghan Lewis and Deputy General Counsel Dominic Carew.

I am grateful for and appreciative of the true expertise of the Law Society staff, who make possible every aspect of my job of representing the profession.

This calendar year began with a state election campaign in which the Law Society advanced an Election Platform advocating for a better justice system. This comprehensive platform was developed with the input of the hundreds of expert solicitors who volunteer their time on our policy committees and for whose work I am enormously grateful.

I thank the previous Attorney General Mark Speakman SC MP for his service as NSW's First Law Officer and his willingness to listen to the Law Society's informed and expert advice.

I am looking forward to continuing to develop the Law Society's constructive relationship with the new Attorney General Michael Daley MP, to further our role as a trusted advisor to government.

## PRESIDENT'S PRIORITIES

Each President of the Law Society has the opportunity during their term to apply their perspective to issues they identify as important to the profession.

The wellbeing of the members of our profession has been a key concern for me during my time as President. The Law Society has addressed this in various ways, including the *Staying well in the law* series, which offers valuable practical guidance on all manner of issues that



can affect our professional and mental wellbeing. The consistently very high registrations at these sessions reflect the recognition that looking after our whole selves makes us more effective lawyers.

I am also grateful that every solicitor in NSW has had access to the Solicitors Outreach Service, which provides unlimited 24/7 telephone crisis counselling with a fully registered psychologist.

In addition to our profession's mental wellbeing, these are the priorities I addressed during my term:

### 1. Strengthening the modern legal profession – gender equity

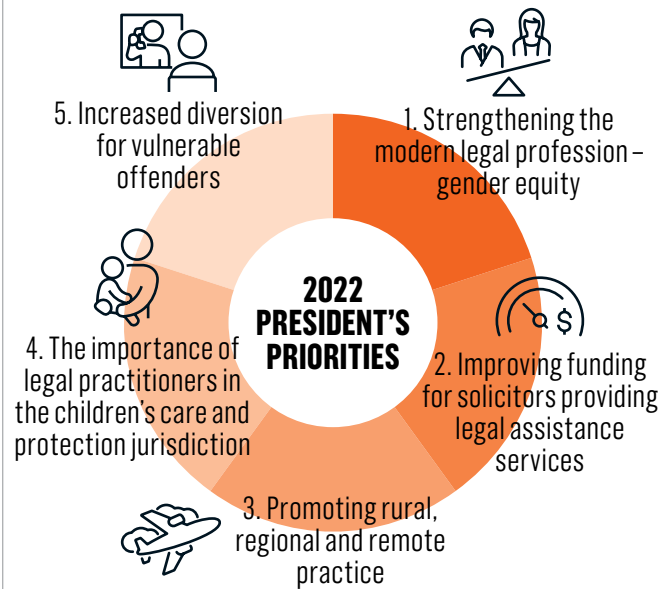
The 2022 Profile of Solicitors NSW revealed the private legal sector has reached gender parity. There has been modest improvement in the representation of women in practice leadership positions, but the pay gap continues.

I am grateful for the work of our Diversity and Inclusion Committee with signatories to our Charter for the Advancement of Women and leading firms. They have been developing guidance to assist firms to implement measures reinforcing the principle that gender equality makes sense, both as a value and as a business proposition.

### 2. Improving funding for solicitors providing legal assistance services

Private solicitors who undertake Legal Aid work are contributing to a fairer justice system for people who need it most. While the work is challenging and professionally rewarding, there is recognition that the funding rates available are not commensurate with the amount of work needed to run these matters.

I have been advocating for a solution to be found for



this issue, and for fairer rates for federal legally aided work, and will continue to do so during the remainder of my term. I am also grateful to Legal Aid NSW for its continuing advocacy on these issues.

### 3. Promoting rural, regional and remote practice

Like many of our members, I grew up in the regions and attended a regional university, and my legal career is anchored in the regions. The benefits of living and working outside the city are therefore obvious to me, and it has been encouraging during this year to see that many early career lawyers are deciding to start their

careers and build their lives across a number of our regional communities.

This President's Priority is about urging more members to consider what lies beyond the CBD. The answer is not restricted to making a literal tree-change. I have been encouraging members to explore opportunities to expand their practices into areas where there are unmet legal needs; doing so will help achieve one of the Law Society's core values of increasing access to justice.

### 4. The importance of legal practitioners in the children's care and protection jurisdiction

As a practitioner with long experience in the Children and Young Persons Care and Protection jurisdiction, this President's Priority is close to my heart. I have been seizing any opportunity I can to raise awareness among the profession of this relatively unknown area of law.

It is very pleasing that the Law Society included a Children's Law stream in its Specialist Accreditation program this year. This work is of crucial importance to helping provide at-risk children and families their best chance of success.

### 5. Increased diversion for vulnerable offenders

Research has proven that when the underlying causes of an offender's conduct are addressed, the likelihood they will reoffend is reduced. Less reoffending means a safer community.

Programs that divert defendants from the criminal justice system where appropriate are very important. In my term I have taken a number of opportunities to advocate for the expansion of these programs with government and judicial stakeholders as well as in the media. I am pleased that our 2023 Election Platform created a focus on this issue.



The Tracker Network is a collection of eight like-minded organisations offering children and young people who are, or are at risk of being, in contact with the criminal justice system some structure, skills and, most importantly, understanding.

## PRESIDENT'S CHARITY – THE TRACKER NETWORK

The two previously mentioned priorities help explain my choice of President's Charity this year. The Tracker Network is a collection of eight like-minded organisations offering children and young people who are, or are at risk of being, in contact with the criminal justice system some structure, skills and, most importantly, understanding.

It has been a pleasure to engage with Tracker Network member organisations and the young people they help: leaders and participants from ShoreTrack on the Coffs

Coast, BackTrack, founded by Bernie Shakeshaft in Armidale in 2006, and LeaderLife at Dubbo.

All of these interactions were featured in local media, further amplifying the Tracker Network's vital work. I also had the chance to meet the crews from RuffTrack and Toowoomba's Emerge. I thank all members who have supported this worthy cause.

## JUDICIAL APPOINTMENTS

Most lawyers appointed to the bench start their careers as solicitors, so it is always an honour to speak at

judicial swearings-in. There is always a real sense of pride when celebrating the elevation of one of our own.

I congratulate the solicitors taking judicial robes during this reporting period, including new Local Court magistrates Laurie Robertson, Gemma Slack-Smith, John Arms, Michael Maher, Julie Zaki, Keisha Hopgood and Stephan Herridge.

The appointment of solicitors directly to higher courts has remained the exception rather than the rule and during the reporting period Sarah Hopkins was appointed to the District Court. I wish Her Honour the heartiest of congratulations and hope in the coming years she will be joined by more solicitors on the bench.

## CONCLUSION

This reporting period has been yet another of great achievement for the Law Society and I repeat my thanks to all the staff, my fellow councillors and the members I have had the pleasure of encountering since I began my term as President.

A central part of my job has been to listen to solicitors, learn about their experiences and discover what they need from the Law Society to help them deliver their best for their clients and communities.

I have especially enjoyed returning to the regions. I have been able to reinforce with members practising outside the CBD that the Law Society is here to serve solicitors across the entire legal profession, wherever they are.

**Cassandra Banks**  
President





# Message from the CEO

I am pleased to present the Annual Report for 2022/23, which reflects such a significant period, one that included the 180<sup>th</sup> year of representing the NSW solicitor profession.

During this period, the Law Society laid a clear path for the future, with the approval at the last Annual General Meeting (AGM) of reforms to the Constitution to make the Council a more dynamic, efficient and responsive voice for the profession.

These reforms came after the 2021 AGM adopted a new Constitution, replacing our earlier Memorandum and Articles. These changes put forward for consideration by the Council would not have happened without the strong engagement of members, who voted at the AGMs or directed their proxies to ensure their voices were heard. This input has helped set up the Law Society for a better future.

**In the 180th year of representing the NSW solicitor legal profession  
... the Law Society laid a clear path for the future**

## FINANCIAL PERFORMANCE

The Law Society group, which includes Lawcover Insurance, reported a surplus for the first time in four years. The consolidated entity's net profit of \$14.0 million, which follows an \$8.6 million loss in the prior period, included investment revenue of \$16.3 million.

The year ended 30 June 2023 saw investment markets recover nearly all the losses suffered during what was a volatile period in 2022. This recovery has largely driven the reported profits of both the Law Society (\$8.3 million) and Lawcover Insurance (\$5.7 million).

On the back of this result the group's financial position remained very strong indeed, with consolidated net assets of \$296.2 million.

This financial base ensures the Law Society is moving forward in the best position possible to continue supporting our members, representing the solicitor branch of the NSW profession, and performing its important statutory obligations at the levels expected by all stakeholders operating within and being serviced by the legal profession.

Additional information on the consolidated group financial results can be found in the concise financial report on page 29. The report of the Lawcover CEO also contains more detailed commentary on that organisation's performance for the year.

Interested members can find a detailed breakdown of the Law Society's financial performance and position in our full financial report, which is available on our website.



## MEMBERSHIP AND ENGAGEMENT

It has been a busy 12 months for the Membership and Engagement Department, as the team worked to the three-year membership strategy, which commenced in January 2022.

Our main areas of focus have been:

- attracting more student members
- a range of new publications, including a relaunched *Law Society Journal*
- the relaunched *Debrief* newsletter for early career lawyers
- new events, including Welcome to the Profession for new admittees
- the inaugural Law Society Conference
- the new Law Society Member Awards
- a new social media strategy to boost digital engagement and reduce our reliance on electronic direct mail
- a new regional engagement strategy for enhancing our presence and impact in the regions
- the Lawfully Explained campaign to promote the use and good reputation of solicitors to the public.

Behind all of this sits a commitment to a digital-first approach in resources and communications, as well as a suite of long-term innovation projects aimed at improving value to our membership, and digital resources for small and sole practitioners.

## PROFESSIONAL STANDARDS

The Society as co-regulator of the legal profession in NSW continues to take action to ensure that solicitors adopt the highest professional and ethical standards.

Significant progress was made with improving the Society's systems and processes, including through release of the Society's Statement of Regulatory Approach and the implementation of new delegations to streamline decision making.

Substantial work was also undertaken to modernise the approach to the regulation of trust accounts, with enhanced use of data and a risk-based approach.

The Society also placed a renewed focus on education, launching the *Ethics and Standards Quarterly* along with a range of new regulatory resources to support practitioners.

## LICENSING THE PROFESSION

This year, in a collaboration between the Law Society's Licensing and IT Departments, practitioners were invited to renew their practising certificate online using our new streamlined and user-friendly online renewal form. This gave practitioners the opportunity to provide bespoke preferences for future communications from the Law Society.

The launch of this new online renewal form is part of the key work undertaken to enhance and promote the digitalisation of key processes delivered by the Law Society for the profession, and was also a result of acting upon key feedback received.

## LEGAL POLICY AND REPRESENTATION

The Law Society had another busy year of advocacy in 2022/23. We made more than 200 submissions on key issues affecting practitioner members in NSW, including the reform of coercive control laws, the operation of state and national anti-corruption bodies, the review of the *Commonwealth Privacy Act*, reforms affecting changes of trustees, and the state of disclosure in the criminal justice system.

We also prepared and released the Law Society's State Election Platform, which articulated our policy proposals across the key themes of supporting the justice system; better regulation to support economic recovery and resilience; Indigenous justice; reducing contact with the criminal justice system; and the rule of law and protecting rights.

Our mediation, pro bono and referral programs also had a busy year. We recruited more than 100 firms to the Law Society Pro Bono scheme in 100 days, and made thousands of client referrals to solicitors and hundreds of referrals of clients in need to firms willing to assist pro bono.

## THOUGHT LEADERSHIP AND CONTINUING PROFESSIONAL DEVELOPMENT

The Law Society's CPD Program returned to a blend of in-person and virtual programming, with a bumper program delivered in the last year. Law Society CPD highlights included several well-received sessions, including:

The launch of the new online renewal form is part of the key work undertaken to enhance and promote the digitalisation of key processes delivered by the Law Society for the profession, and was also a result of acting upon key feedback.



Image for illustrative purposes only

- Conveyancing update on the new contract for sale and purchase of land
- Critical updates to NSW revenue law
- Managing mental health in the legal profession.

The February–March 2023 CPD program had more than 100 hours of CPD on offer. These enjoyed the highest attendance to date for that period.

More than 11,300 CPD units were delivered across our live and on-demand catalogue of courses. This included 23 live mandatory Rule 6.1 sessions across a broad range of practice areas, including our convenient new weekend CPD course offering.

## SPECIALIST ACCREDITATION

The Law Society’s Specialist Accreditation peer assessment program enables practitioners to gain recognition as experts in their chosen area of practice. Currently, there are more than 1,600 Accredited Specialists across 13 areas of law.

In the 2022 Program, six areas of Specialist Accreditation were offered, with approximately 130 candidates sitting the assessments. Of those 130 candidates, 78 successfully passed the Program.

The 2022 Specialist Accreditation Conference, held on 4 and 5 August 2022, marked the first time since 2019 that the Conference returned to a face-to-face format at the International Convention Centre. The Conference attracted a record number of attendees, with over 420 participants registered for the event.

Day 1 commenced with a plenary session featuring a special guest address by the President of NCAT, The Honourable Justice Lea Armstrong. This was followed by a full day of seminars with five specialist conference streams running simultaneously (business, criminal,



**The 2022 Specialist Accreditation Conference attracted a record number of attendees, with over 420 participants registered for the event.**

family, personal injury and property law).

Other features included a post-conference networking event, and content delivered in a virtual conference format. Conference highlights included a panel session on the proposed Bill criminalising coercive control, and presentations on secret trials, the Walama List, vicarious PTSD, and recent major changes to NSW stamp duty.

## NSW YOUNG LAWYERS

NSW Young Lawyers continued to deliver engaging initiatives dedicated to supporting early career lawyers, namely those under 36 years of age or in their first five years of practice.

Flagship events included the Golden Gavel comedy competition, the State of the Profession Address by 2022 NSW Young Lawyers Patron Graeme Innes AM,

the Sir Anthony Mason Constitutional Law Essay Competition, the Constitutional Law Address from the Honourable Justice Jeremy Kirk, and the Mid-Year and Annual Assemblies.

NSW Young Lawyers produced several high-quality submissions on policy and legal issues this year, at both the state and federal level.

The 2023 Patron, Her Honour Justice Dina Yehia, provided valuable support. NSW Young Lawyers are to be congratulated for their work for their 2023 Charity the Women’s Housing Company.

## CONCLUSION

My deep thanks and appreciation to the Law Society’s Council and staff, who have a single mission: to represent the solicitor profession of NSW, to serve members and, through this, the administration of justice. I also want to acknowledge the hundreds of solicitor members who dedicate their expertise and time to our policy and practice committees, mentoring and other programs. Everyone has focused on a commitment to excellence and an enthusiasm to achieve results.

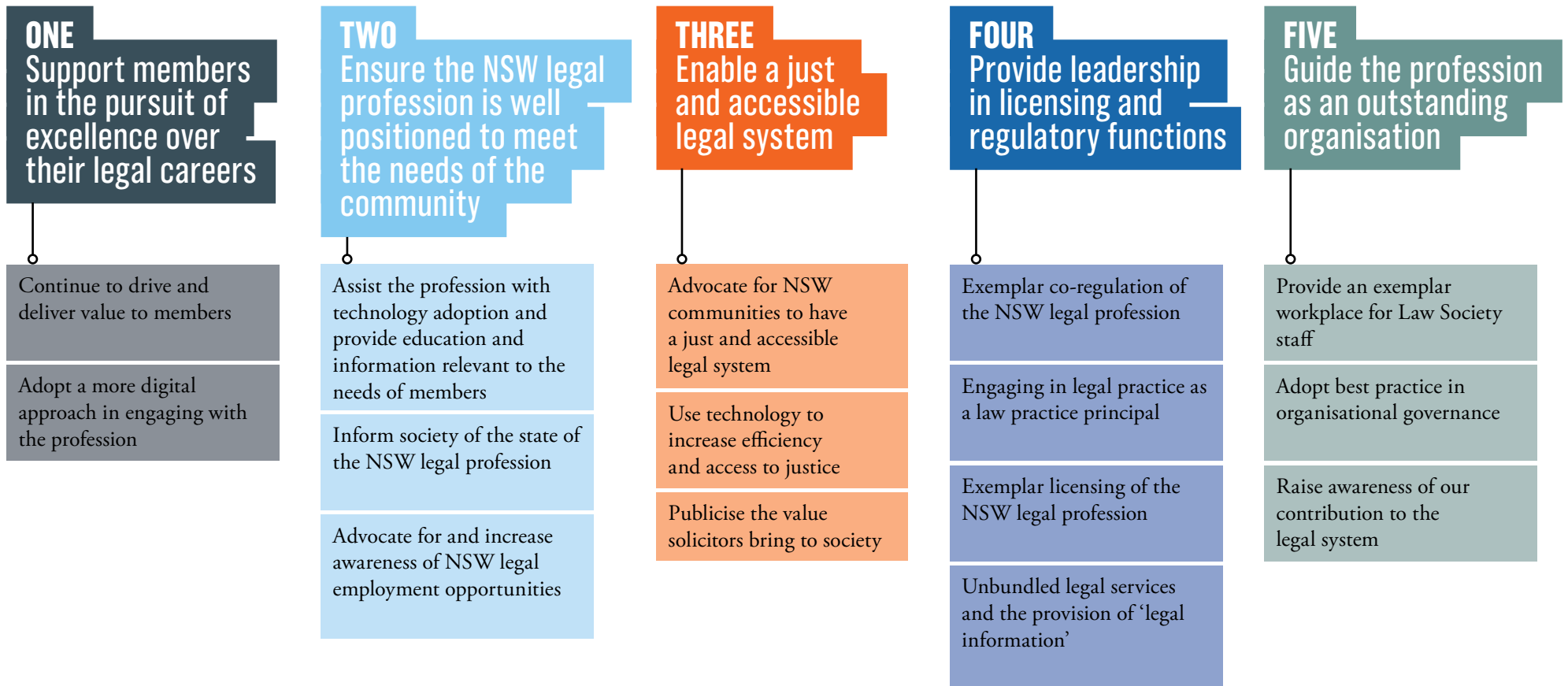
I also convey my thanks to the two Presidents during this reporting period, Joanne van der Plaats and Cassandra Banks, for their leadership of the profession and their consistent readiness to engage with members to ensure the Law Society is fulfilling its purpose of service and support.

**Sonja Stewart**  
Chief Executive Officer

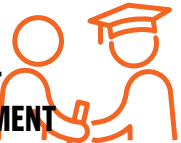






# Strategic Plan

2022–2025



# Engaging Law Society Members

STUDENT ENGAGEMENT 	ENGAGING WITH EARLY CAREER LAWYERS 	EVENTS 	MEMBER COMMUNICATIONS 	SOCIAL MEDIA ENGAGEMENT 
1,124 attended student engagement events	1,476 event registrations	11,894 registrations processed	366,442 LSJ Online users – 38.67% growth in user traffic over FY2021-22	220 LinkedIn posts 488,000 impressions 13,000 post clicks
243 attended the most popular event: Publishing a Journal Article	86 mentees in early career Mentoring program	6,190 face to face event attendees	1,126 eDMs sent	188 Facebook posts, 150 post shares, 4,700 engagements
1,160 student members engaged		204 total event hours	50 Weekly LSJ newsletters	
		42 total events	10 monthly legal updates (100+ articles)	
			112,000 print Journal copies distributed	
			20,000+ Lawfully Explained podcast downloads 10,000 JustChat podcast downloads	
			2 Award nominations for the Law Society Journal in the Mumbrella Awards, award winner in the category Association or Member Organisation Publication of the Year	



# Engaging Law Society Members

## ETHICS SUPPORT



2,556

questions arising from 2,513 enquiries received and resolved

128

professional development sessions on ethics conducted

2

Ethics team members managing all queries and making regional visits

## CONTINUING PROFESSIONAL DEVELOPMENT



6,069

people registered for Law Society CPD courses

951

Most registrations for a single course: (live webinar on conduct, procedure and advocacy in the District Court of NSW)

119

courses run

## WELLBEING



400

Solicitor Outreach Service sessions with registered psychologists delivered

5

Staying Well in the Law events

## INNOVATION



3,484

registrations for 7 innovation-focused panels and webcasts

## CATERING



404

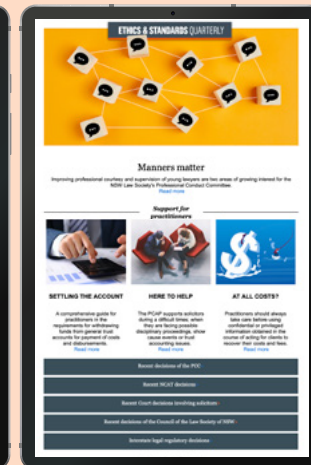
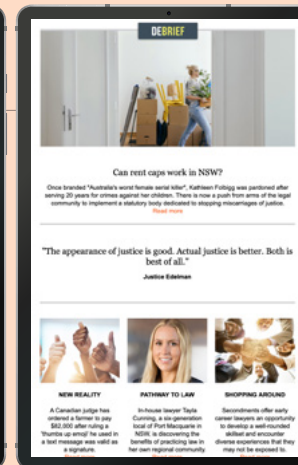
dinner hampers produced and distributed

## PUBLICATIONS



3

new publications released: *Debrief* for early career lawyers, *Student Connect* for student members, and *Ethics and Standards Quarterly*



# Profile of the profession

## FEMALE/MALE SOLICITORS

2022/23



2021/22



2020/21



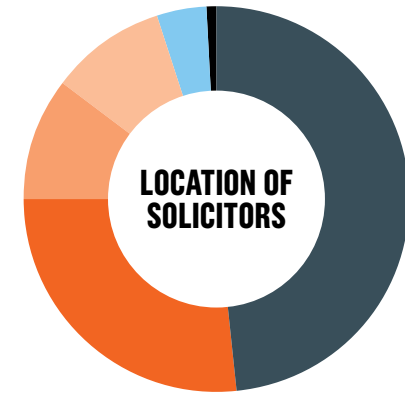
2019/20



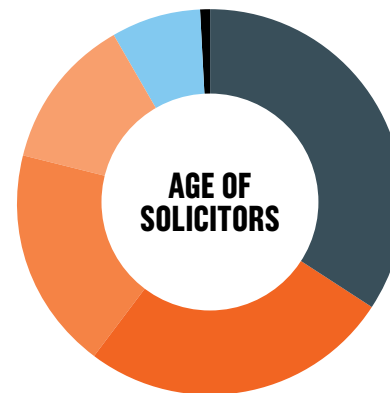
2018/19



Private	28,023 (68.78%)
Corporate	8,087 (19.85%)
Government	4,553 (11.17%)
Volunteer	82 (0.20%)



City	19,772 (48.53%)
Suburban (Sydney)	10,787 (26.47%)
Rural	4,228 (10.38%)
No PPP Address	3,963 (9.73%)
Overseas	1,716 (4.21%)
Interstate	279 (0.68%)



Less than 35 Years	13,934 (34.20%)
35 to 44 Years	10,725 (26.32%)
45 to 54 Years	7,566 (18.57%)
55 to 65 Years	5,143 (12.62%)
Over 65 Years	3,053 (7.49%)
Age Data Not Available	324 (0.80%)



Less than 5 Years	9,054 (22.22%)
5 to 9 Years	8,230 (20.20%)
10 to 14 Years	5,873 (14.41%)
15 to 19 Years	5,338 (13.10%)
20 to 24 Years	4,152 (10.19%)
Over 25 Years	8,098 (19.87%)





welcome  
— TO THE PROFESSION —

Members across  
locations and generations

# Regional network

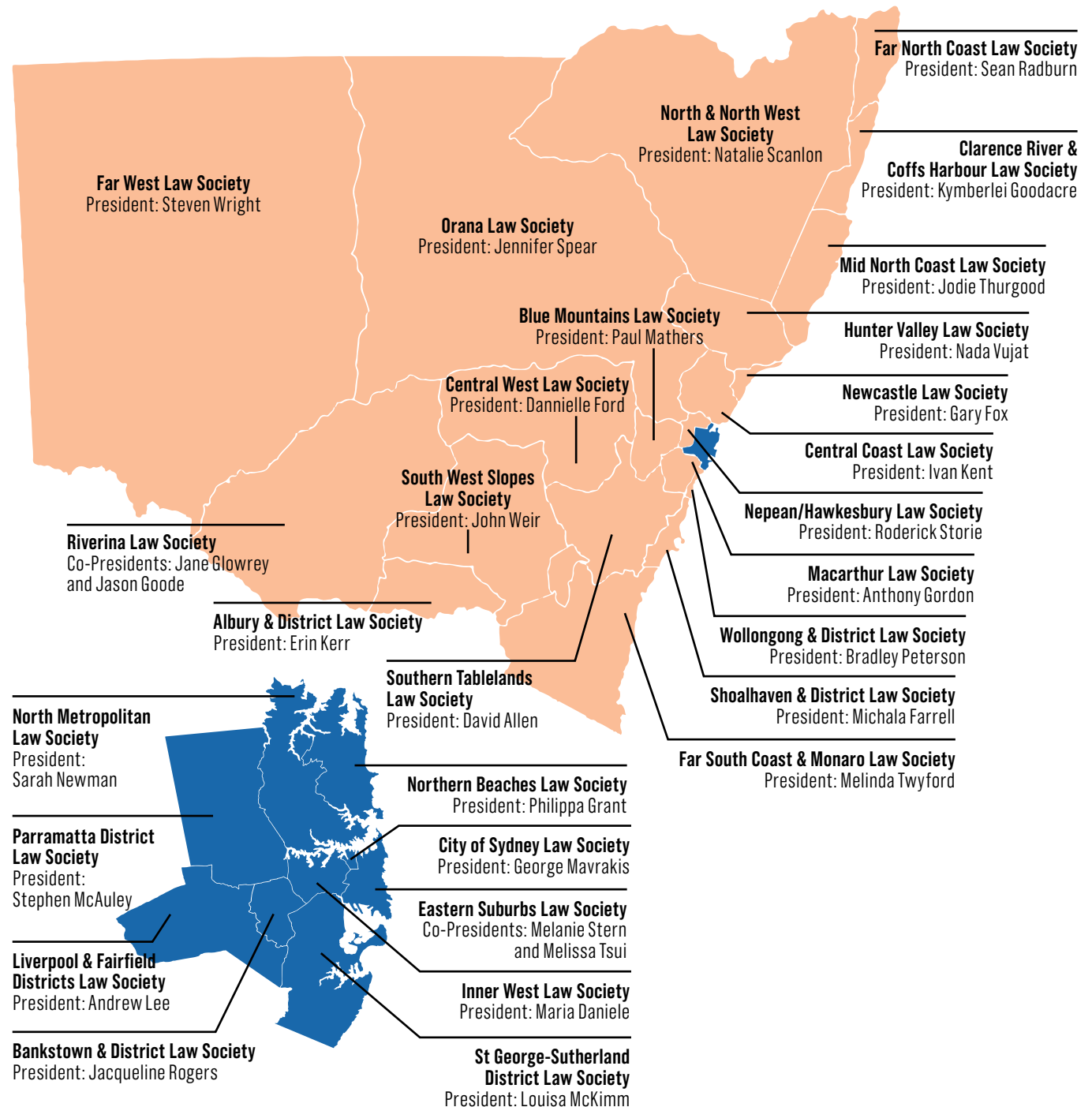
A network of 29 Regional Law Societies (RLSs) ensures the work of the Law Society is relevant and accessible to practitioners no matter where they are. While each RLS has its own structure and takes the initiative on local issues, the Law Society plays a coordinating role, providing grants and other methods of support across each region.

An amount of \$30,850.00 was provided by the Law Society this financial year in Regional Grants across multiple RLSs to assist in their various events and projects.

In addition to this, each year the Law Society's CEO and President also attend events within the regions, both Law Society and RLS facing. In this financial year, visits were made to 17 of the 29 regions.

## \$30,850.00

in Regional Grants provided by the Law Society this financial year







# NSW Young Lawyers President's report

NSW Young Lawyers is a Committee of the Law Society of New South Wales that represents, engages with and supports early career lawyer members under the age of 36 or within their first five years of practice.

NSW Young Lawyers is volunteer driven and supported by the Law Society. This year, the indispensable Management Team included Linda Buono, Head of Member Insights and Engagement, Emily Bolding, Senior Engagement Coordinator for Students and Early Career Lawyers, and Sophie Kidd, Engagement Coordinator.

Each year, NSW Young Lawyers selects a charity and patron to support for the calendar year. The 2023 Charity is the Women's Housing Company, a not-for-profit provider of affordable, crisis and transitional housing to women for 40 years, and the 2023 Patron is Her Honour Justice Yehia.

Following the implementation of the governance change in 2022, NSW Young Lawyers has had two strategic goals – **to build and integrate**. This year we sought to build on our strengths in two core areas: events and advocacy.

## WORKING TOWARDS OUR GOALS

Following the implementation of the governance change in 2022, NSW Young Lawyers has had two strategic goals – to build and integrate. This year we sought to build on our strengths in two core areas:

**Events:** The Sub-Committees returned to holding both long-awaited and new events in person. This included the return of the Great Debate and the inaugural Community Advocacy Panel. NSW Young Lawyers flagship events, such as the Golden Gavel comedic public speaking competition, continued to be outstanding.

**Advocacy:** The Young Lawyers Leadership Team, in particular Submissions Lead Sarah Ienna, supported 12 Sub-Committee submissions in 2022/23, with highlights including multiple references in the final report of the NSW Sentencing Council on Fraud to the Criminal Law Sub-Committee's submission.

## OTHER HIGHLIGHTS

As with the Young Lawyers events, the Sub-Committee monthly meetings included a range of outstanding guest speakers, including international law specialist Dr Carolyn Evans; Alida Stanley, President of the Copyright Society of Australia; Greg Sadler from Effective Altruism Australia; and Tim Ngui and Thomas Chailloux from the Homeless Persons' Legal Service.



We also sought to provide the best possible deliverables with support from the Law Society Management Team. This encompassed playing an active role as consultants on issues facing early career lawyers. Some of the many activities this year:

- **Attendance by NSW Young Lawyers at all Admissions Ceremonies** to deliver an address on behalf of the Law Society. This was an opportunity not only for early career solicitors to speak from the bar table in the Banco Court, but also for new admittees to gain insight into the support the Law Society offers
- **Consultation on content for the Annual Conference**, including for the new Early Career Lawyers stream
- **Strengthening our governance**, with NSW Young Lawyers Secretary Amy Farrugia providing written reports to the Law Society Council
- Supporting the Law Society's extremely well received and attended **Welcome to the Profession event** that welcomed new admittees.

We continue to pursue these goals through the further development of processes and resources to support Management and our volunteers to develop and excel.

## PROVIDING COMMUNITY

At the heart of NSW Young Lawyers is the drive to support early career professionals, including by providing them with opportunities for leadership, governance and professional skills. But an equally important aim is to provide a community for early career lawyers.

The 2022 Assembly was held online due to flooding in the Central West region. This year, it was an honour to return in person to that region for our 2023 Mid-Year Assembly, and hear from practitioners working in affected communities, who spoke about their experience as professionals in the regions. Speakers included Her Honour Magistrate Elizabeth Ellis and the founder of a regional grass roots domestic violence organisation Birds in the Bush – this practitioner supported her flood-affected community by giving small businesses pro-bono support with their insurance claims.

## CELEBRATING 60 YEARS OF NSW YOUNG LAWYERS

This year, NSW Young Lawyers is in its 60<sup>th</sup> year, and plans are under way for a celebration at the Annual Assembly at the end of 2023. NSW Young Lawyers has had both a personal impact on the many volunteers who have participated for the past 60 years and a professional impact on our legal community, and we

look forward to honouring the achievements of NSW Young Lawyers over the past six decades.

## IN CONCLUSION

We are grateful to the volunteers, past and present, who have made the choice to share their time, energy and perspectives. Our volunteers are exemplars of the leadership, collegiality, and passion within our profession, and serving their interests as President has been an exceptional experience.

This report has been only a very brief look into the scope, scale and calibre of the labours of NSW Young Lawyers. This community is compassionate, resilient, and dedicated, and represents the current and future face of law.

Thank you to the President of the Law Society, the Law Society Council, the CEO, and the Management Team for your continued support, your time, and your care.

I also acknowledge the work and dedication of the incoming President of NSW Young Lawyers for 2024, Taylah Spirovski, whose leadership and vision are, and will continue to be, invaluable to NSW Young Lawyers as we continue to step into the future.

**Olivia Irvine**  
President, NSW Young Lawyers



# 2023 Law Society Councillors



**Cassandra Banks**  
**President**  
Chair, Law Society of NSW Council; Chair, Executive Committee; Member, Rural Issues Committee



**Brett McGrath**  
**Senior Vice President**  
Member, Executive Committee; Member, Audit, Risk and Finance Committee



**Jennifer Ball**  
**Junior Vice President**  
Chair, Audit, Risk and Finance Committee; Chair, Professional Conduct Committee; Member, Executive Committee



**Joanne van der Plaats**  
**Immediate Past President**  
Member, Executive Committee; Member, Employment Law Committee; Member, Rural Issues Committee



**Lauren Absalom**  
Member, Elder Law, Capacity and Succession Committee; Member, Fidelity Fund Management Committee



**Angelo Biliadis**  
Chair, Disclosure Committee; Member, Criminal Law Committee



**Danielle Captain-Webb**  
Deputy Chair, Indigenous Issues Committee; Member, Disclosure Committee



**Adriana Care**  
Member, Business Law Committee



**Jacqueline Dawson**  
Deputy Chair, Professional Conduct Committee; Co-Chair, Family Law Committee; Member, Audit, Risk and Finance Committee



**Sylvia Fernandez**  
Deputy Chair, Litigation Law and Practice Committee; Member, Professional Conduct Committee; Member, Audit, Risk and Finance Committee



**Anthony Gordon**  
Member, Family Law Committee; Member, Professional Conduct Committee; Member, Rural Issues Committee



**Rebekah Hunter**  
Chair, In-house Corporate Lawyers Committee



**Hugh Macken**  
Chair, Costs Committee; Member, Ethics Committee; Member, Fidelity Fund Management Committee



**Mary Macken**  
Member, Environmental Planning and Development Committee; Member, Revenue NSW/Law Society Liaison Committee



**Ronan MacSweeney**  
Chair, Diversity and Inclusion Committee; Deputy Chair, Disclosure Committee; Member, In-house Corporate Lawyers Committee



**Leah Serafim**  
Member, Professional Conduct Committee



**Jade Tyrrell**  
Deputy Chair, Human Rights Committee; Member, Diversity and Inclusion Committee; Member, Litigation Law and Practice Committee



**Jennifer Windsor**  
Deputy Chair, Licensing Committee; Member, Litigation Law and Practice Committee



**Jennifer Wong**  
Chair, Children's Legal Issues Committee; Chair, Government Solicitors Committee; Chair, Licensing Committee; Member, Audit, Risk and Finance Committee



**Ereboni (Alexia) Yazdani**  
Member, Diversity and Inclusion Committee; Member, Professional Conduct Committee



# Policy committees

In the year 2022/23, the Law Society's policy committees were active, meeting regularly through the year and making numerous submissions on the issues listed below. The Law Society greatly appreciates the time and efforts of the volunteer members who generously contribute to the Law Society's law reform advocacy.

## MAJOR LAW REFORM SUBMISSIONS

### Business Law

- Financial adviser professional standards
- Improving Corporations and Financial Services Law
- Multinational Tax Integrity and Tax Transparency
- Quality of Advice Review
- Regulating Buy Now, Pay Later in Australia
- Statutory review of the *Payment Times Reporting Act 2020* (Cth)
- Superannuation Annual Members' Meeting Notices
- Taxpayers' Charter Review
- Token mapping

### Children's Legal Issues

- Youth Justice and Child Wellbeing Reforms

### Climate Change Working Group

- Climate Change Policy and Action Plan 2022-25
- Climate-related financial disclosure
- Greenwashing
- Safeguard Mechanism Reform

### Criminal Law

- Access to offenders' superannuation for victims and survivors of sexual abuse

- Bail: Show cause offences and the unacceptable risk test
- Chief Magistrate's Memorandum No. 28 – COVID-19
- Crimes (Administration of Sentences) Amendment (No Body, No Parole) Bill 2022
- Crimes Amendment (Protection of Criminal Defence Lawyers) Bill 2022
- Crimes Legislation Amendment (Coercive Control) Bill 2022
- Criminal Cases Review Commission
- Criminal Legislation Amendment (Knife Crimes) Bill 2023
- *Criminal Procedure Regulation 2017* (NSW)
- Current and Proposed Sexual Consent Laws in Australia
- Developing legal services for victims and survivors of sexual assault
- District Court Expert Evidence Practice Note
- Drug reform advocacy
- *Evidence (Audio and Audio Visual Links) Regulation 2015* (NSW)
- Fraud consultation paper
- Miscellaneous Justice Bills
- NSW organised crime legislative reform
- Prosecutorial Disclosure in Criminal Cases in New South Wales
- Review of sentencing law for firearms, knives and other weapons offences
- Review of serious road crime
- Statutory review of the *Evidence Amendment (Tendency and Coincidence) Act 2020* (NSW)
- Statutory review of the *Terrorism (Police Powers) Act 2002* (NSW)
- *Terrorism (High Risk Offenders) Act 2017* (NSW) and the *Crimes (High Risk Offenders) Act 2006* (NSW)

### Diversity and Inclusion

- Court Users Group on Accessibility

### Elder Law, Capacity and Succession

- A new model for regulating aged care – multiple submissions
- Aged Care Amendment (Implementing Care) Reform Bill 2022
- Best Practice Guide for Legal Practitioners in Relation to Elder Financial Abuse
- Best Practice Guide for Legal Practitioners on Assessing Mental Capacity
- Independent Review of the *Ageing and Disability Commissioner Act 2019* (NSW)
- Liability of a Legal Personal Representative of a Deceased Person
- NSW Trustee and Guardian
- *Oaths Regulation 2017* (NSW)
- Quality of Care Amendment (Restrictive Practices) Principles 2022

### Employment Law

- Consultation: proposed enterprise agreements statistical reports
- Draft Fair Work (Statement of Principles on Genuine Agreement) Instrument 2023
- *Fair Work Act 2009* (Cth) small claims procedure
- Fair Work Commission – approach to conciliation of unfair dismissal matters
- Federal Court's Class Actions Practice Note
- Industrial Relations Commission – s 173 Objection and Request Form
- SafeWork NSW Strategy

### Environmental Planning and Development

- Coastal Design Guidelines
- Proposed amendments to the State Environmental Planning Policy (Housing) 2021
- Special flood consideration clause Explanation of Intended Effect

## Family Law

- Family Law Amendment Bill 2023
- Family Law Amendment (Information Sharing) Bill 2023
- *Federal Circuit and Family Court of Australia (Family Law) Rules 2021*
- Federal Circuit and Family Court of Australia Central Practice Direction
- Federal Circuit and Family Court of Australia Practice Directions and Special Measures Information Notices

## Human Rights

- Administrative Appeals Tribunal – Migration and Refugee Division Practice Direction
- Australia's Humanitarian Program 2023–24
- Australian Law Reform Commission Consultation Paper – Religious Educational Institutions and Anti-discrimination Laws
- Consultation on Skilled Migration Reform
- Discussion Paper – Humanitarian Program 2022–2023
- Management of Migration to Australia – Family Reunion and Partner Related Visas
- National Human Rights Framework Review
- Religious vilification amendments to the *Anti-Discrimination Act 1977* (NSW)
- Review of the *Migration Amendment (Clarifying International Obligations for Removal) Act 2021*
- Stage 2 Reform of the Disability Standards for Accessible Public Transport 2022

## Indigenous Issues

- Cultural Heritage Protection Reform Options
- Fisheries Management Amendment (Enforcement Powers) Bill 2022
- Improving access to justice for Indigenous tenants of the New South Wales Civil and Administrative Tribunal
- Inquiry into missing and murdered First Nations women and children

- Statutory review of the domestic violence provisions in the *Residential Tenancies Act 2010* (NSW)

## Injury Compensation

- 2022 Review of the Compulsory Third Party Scheme – multiple submissions
- 2022 Review of the Workers Compensation Scheme – multiple submissions
- Draft Guidelines for the Provision of Relevant Services (Health and Related Services) in workers compensation and Compulsory Third Party
- Expanding access to commutations in the NSW Workers Compensation Scheme
- Guidance Material for Joint Medico-Legal Assessments
- Independent Legal Advice and Representation Service Report
- Independent Legal Assistance and Review Service Review
- Independent Review Office Complaints and Compliments Policy, and Unreasonable Conduct Policy and Procedures
- Independent Review Office Medical Disputes early resolution
- Inquiry Report – Errors in Weekly Payments
- Joint Statement on Medico-Legal Relations
- Medicare Compensation Recovery Program
- Memorandum of Understanding between the Personal Injury Commission and the State Insurance Regulatory Authority
- Motor Accident Guidelines: Compulsory Third Party Care
- Motor Accident Guidelines: Version 9
- Motor Accident Injuries Amendment Bill 2022 (NSW)
- Personal Injury Commission Amendment Bill 2022 (NSW)
- Personal Injury Commission Rules 2021
- Pre-injury average weekly earnings Review
- Protocol and practice in the Personal Injury Commission

- Statutory Review of the *Personal Injury Commission Act 2020* (NSW)
- *Workers Compensation Regulation 2016* (NSW)

## Litigation Law and Practice

- Availability and use of authorised reports
- *Civil Procedure Regulation 2017* (NSW)
- Draft best practice principles for online proceedings

## Privacy and Data Law

- 2023-2030 Australian Cyber Security Strategy – Discussion Paper
- Data and Cyber Security and the Legal Profession
- Senate Committee Inquiry into the Privacy Legislation Amendment (Enforcement and Other Measures) Bill 2022
- Senate Committee Inquiry into the Telecommunications Legislation Amendment (Information Disclosure, National Interest and Other Measures) Bill 2022

## Property Law

- Amendments to strata and community land schemes regulations – COVID-19 reforms
- *Building Legislation Amendment (Building Classes) Regulation 2022* (NSW)
- Coal mine subsidence compensation – Discussion Paper
- *Conveyancing (General) Regulation 2018* (NSW)
- *Conveyancing (Sale of Land) Regulation 2022* (NSW)
- Interoperability pricing for Electronic Lodgement Network Operators – Independent Pricing and Regulatory Tribunal Draft Report
- Interoperability pricing for Electronic Lodgement Network Operators – Issues Papers
- Issues Paper 2 – Independent Pricing and Regulatory Tribunal investigation of interoperability pricing for eConveyancing transactions
- NSW Electronic Conveyancing Enforcement
- Off the plan contracts for residential properties – Discussion paper
- *Retail Leases Regulation 2022* (NSW)

- Review of the *Retail Leases Act 1994* (NSW)
- Strata Legislation Amendment Bill 2022
- *Strata Schemes Development Act 2015* (NSW) and the *Strata Schemes Management Act 2015* (NSW)
- Strata schemes insurance and certificates of currency

### Public Law

- Administrative Review Reform: Issues Paper
- Federal Judicial Commission
- Inquiry into Commonwealth Grants Administration
- Inquiry into National Anti-Corruption Commission Legislation
- Inquiry into the 2022 Federal Election
- Inquiry into the appointment of the former Prime Minister to administer multiple departments
- Inquiry into the operation of the Commonwealth Freedom of Information laws
- Inquiry into the provisions of the Public Interest Disclosure Amendment (Review) Bill 2022
- National Anti-Corruption Commission
- Review of aspects of the *Independent Commission Against Corruption Act 1988* (NSW)
- Technology assisted voting review

### Revenue NSW / Law Society Liaison

- Commissioner's Practice Note – Shared Equity Home Buyer Helper – Financial Assets & Excess
- Revenue and Fines Legislation Amendment Bill 2022
- Revenue Legislation Amendment Bill 2023

### Rural Issues

- *Game and Feral Animal Control Regulation 2022* (NSW)

## JOINT SUBMISSIONS

### Made by the Law Society on behalf of more than one committee

- 2023 State Election Policy Platform
- 2023 Workplace Reform Consultations
- A nationally consistent scheme for access to digital records upon death or loss of decision-making capacity
- An appropriate cost model for Commonwealth anti-discrimination laws
- Budget priorities 2023-24
- Change of Trustees – multiple submissions
- *Child Protection (Offender Registration) Act 2000* (NSW)
- *Children and Young Persons (Care and Protection) Regulation 2022* (NSW)
- Commissioner's Practice Note – Change in Beneficial Ownership
- Commissioner's Practice Note – Leases and Change in Beneficial Ownership
- Commonwealth Government – Employment White Paper Consultation
- Consultation on costs disclosure thresholds
- Draft Building Bill 2022
- Draft Building Compliance and Enforcement Bill 2022 (NSW) and Draft Building and Construction Legislation Amendment Bill and Regulation 2022 (NSW)
- Draft National Principles to address Coercive Control
- Exemptions for litigation funding schemes
- Facilitating and administering Aboriginal land claim processes
- Fair Work Amendment (Paid Family and Domestic Violence Leave) Bill 2022
- Family Law Amendment Bill Exposure Draft and Consultation Paper
- Family Law Amendment (Information Sharing) Bill 2022

- Federal parole authority
- Greenwashing
- Home building compensation reforms
- Independent Review of National Legal Assistance Partnership
- Inquiry into the Aboriginal and Torres Strait Islander Voice
- Inquiry into the Aboriginal Cultural Heritage (Culture is Identity) Bill 2022
- Inquiry into the Property Tax (First Home Buyer Choice) Bill 2022
- Jurisdictional limits of the Local Court
- Native Title Respondent Scheme
- Planning Certificate Fees
- Privacy Act Review Report
- Procedural protections for victims of sexual harassment who are witnesses in civil proceedings
- Proposed anti-money laundering and counter-terrorism reforms
- Recommendation 26 of the *Respect@Work Report*
- Revenue Ruling – Declaration of Trust and Acknowledgement of Trust and Revenue Ruling– Variations of Trust
- Revenue Ruling – Transfer of Primary Production Property between Family Members
- Review of Australia's Modern Slavery Act
- Review of the Costs Assessment Rules Committee Guideline on Ordered Costs
- Senate Committee Inquiry into the Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Bill 2022
- Senate Committee Inquiry into the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022
- Statutory Review of the *Victims Rights and Support Act 2013* (NSW)
- Strategic Plan to Combat Modern Slavery
- Water Licensing Improvement Program



# Corporate Governance Statement



The Law Society considers good corporate governance to be a critical component in successfully achieving its organisational objectives

The Law Society of New South Wales considers good corporate governance to be a critical component in successfully achieving its organisational objectives, and its 2022–25 Strategic Plan recognises the importance of best practice governance to the Law Society's ability to guide an outstanding profession.

The Law Society's governance framework is intended to facilitate the effective management of the business and operations of the organisation, as well as to foster a Council that is forward-thinking and outcome-driven in leading the profession, representing its members, and addressing the public interest.

This framework consists of risk management and internal control processes, and corporate governance policies and practices. It:

- sets out the Law Society's mission and the Council's role;
- defines Councillor and Office Bearer roles, responsibilities and accountabilities; and
- provides procedural guidelines in relation to Council committees, reporting obligations of representatives on outside bodies and control of the Council's agenda.

## THE ROLE OF THE COUNCIL

The Law Society is governed by the Council. The Council is comprised of elected or appointed Councillors, together with ex officio members (i.e. any serving Senior Office Bearer whose elected term has expired), as provided by the Law Society's Constitution. The President of the

Law Society serves as the Chair of the Council. The Council has around eight scheduled meetings per year, with special Council meetings convened as required, primarily in relation to regulatory matters requiring urgent consideration.

Following the 2022 review of the composition and governance of the Law Society Council (Governance Review), members adopted an amended Law Society Constitution at the 2022 Annual General Meeting. The amended Constitution requires that the Council include:

- 1 City Councillor
- 1 Suburban Councillor
- 1 Country Councillor
- 1 Corporate Councillor
- 1 Government Councillor
- 1 Large Firm Councillor
- 1 Young Lawyer Councillor
- 8 unreserved Councillors

and, in accordance with clause 12.1.1 of the Constitution, any Senior Office Bearer whose elected term of office has expired.

Up until the 2022 amendments, the Constitution had required that the Council include two Councillors from each of the City, Suburban, Country, Corporate, Government and Large Firm segments. To give effect to the transition, clause 3.2 of the amended Constitution provides that the first of each two Reserved Positions to become vacant will be permanently removed, starting from the 2023 election. Following the 2023 election, the City, Government, Large Firm and Suburban Councillor positions will have been permanently reduced to one and the total number of Councillors on the Council will be 17. The size of the Council will in subsequent years continue to be reduced until completion of the transition.

The Law Society is a public company limited by guarantee and all Councillors are directors of the company.

## MEETING ATTENDANCE

Councillors in office at the date of this Annual Report and their attendance at monthly Council meetings in the 2022/23 financial year are as follows:

	Eligible to attend	Attended
Cassandra Denise Banks (President)	9	8
Brett McGrath (Senior Vice President)	9	9
Jennifer Ruth Ball (Junior Vice President)	9	7
Joanne Patricia van der Plaats (Immediate Past President)	9	7
Lauren Diana Absalom	9	8
Angelo Biliass	9	7
Danielle Lee Captain-Webb	9	8
Adriana Care	9	8
Jacqueline Mai Dawson	9	9
Sylvia Fernandez	9	8
Anthony Gordon	6	5
Rebekah Victoria McEwin Hunter	9	6
Hugh Ignatius Macken	9	7
Mary Josephine Esther Macken	9	7
Ronan MacSweeney	6	6
Leah Serafim	6	6
Jade Elizabeth Tyrrell	9	8
Jennifer Jane Windsor	9	8
Jennifer Louise Lai Wah Wong	9	7
Ereboni (Alexia) Yazdani	6	6

The following table lists the Councillors who retired or resigned during the 2022/23 year, and the number of meetings they attended.

	Eligible to attend	Attended
Danny Wayne Bricknell	6	7
Iona Wai Ting Luke	3	2
Stephen McAuley	3	3
Michelle Devenish Meares	6	5
James Andrew Skelton	3	3
Juliana Rose Cosmo Warner	5	4

## COUNCILLOR SKILLS

During the Governance Review and associated membership survey, a need was identified to place a greater emphasis on Councillor skills. To this end, the Council in June 2023 adopted a Councillor Skills Framework, which includes suggested skills and experience for the Council, with a focus on both existing skills and skills development while sitting on the Council.

Candidates will be asked to consider this framework and, if they wish, comment on their own skills and experience in their campaign information for the 2023 Council elections and elections going forward. The skills framework is available on the Law Society website.

## LAW SOCIETY COMMITTEES

The Council has established a number of committees to assist it to fulfill its responsibilities in relation to its regulatory functions, policy matters and the management of the business and operations of the Law Society.

These standing committees, which have powers and authorities delegated by the Council, are a source of expert advice and assistance to Council, the Law Society and the profession. The committees primarily comprise solicitor members of the Law Society, although certain committees also include lay members. Member participation, which is voluntary and unremunerated, is critical to the success of the committees. Further information regarding membership of the standing committees is offered in the Committees Annual Report.

The Law Society Council's regulatory, policy and practice, segment and Council Committees are listed in the diagram on page 23.

The regulatory committees perform functions under the legal profession legislation as well as monitoring practice standards and, where applicable, providing guidance in relation to areas such as ethics, costs and regulatory compliance.

The policy and practice and liaison committees typically serve as a source of policy proposals and reform initiatives and as an educative and review body and commentator in relation to legislation, discussion papers and reports, representing the Law Society and its members on policy and practice issues in relation to specific areas of expertise. See the table on this page.

### COUNCIL COMMITTEES

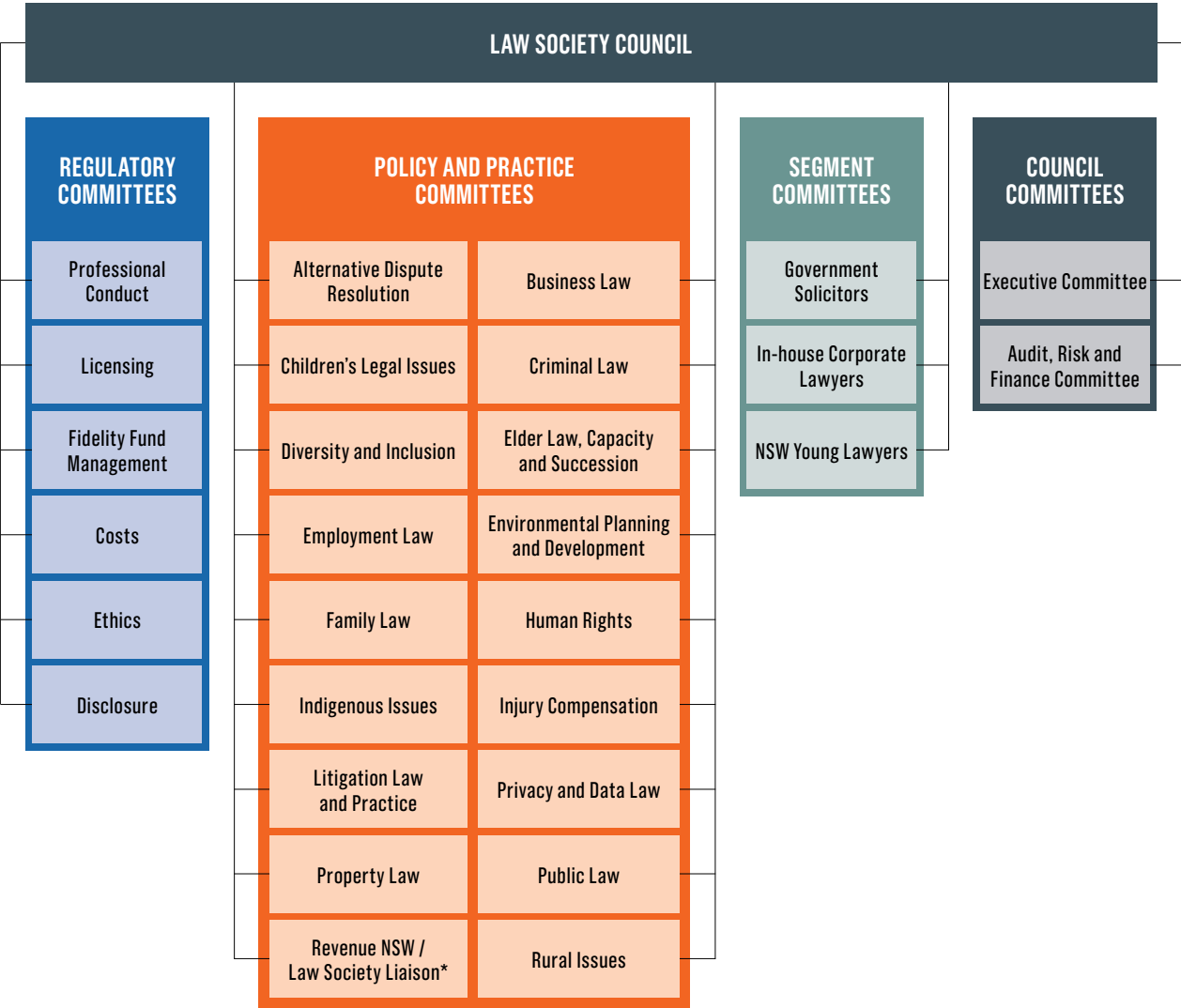
The Council has also established certain Council committees, comprised of Councillors only, to assist the Council with the management of the Law Society. These are the Executive Committee and the Audit, Risk and Finance Committee.

### EXECUTIVE COMMITTEE

The Executive Committee, which comprises the Office Bearers of the Law Society, meets regularly throughout the year, usually shortly prior to each scheduled Council meeting. As a result of the removal of the role of Treasurer as part of the amendments to the Law Society constitution in October 2022, the Treasurer position was removed from the Executive Committee composition. Since the adoption of the amended constitution, the Executive Committee has been comprised of the four remaining Office Bearers. The members of the committee as at 30 June 2023 were Councillors C Banks, J Ball, B McGrath and J van der Plaats (see page 17).

The Executive Committee Charter governs the operation of the Executive Committee.

## LAW SOCIETY COMMITTEES



\* Liaison committee



Among its responsibilities, the Executive Committee monitors the administration and management of the Law Society, including implementation and progress of the Strategic Plan and budget; makes decisions in relation to matters referred by the CEO; and approves expenditure in accordance with Law Society policies and requirements. It may also consider policy issues referred to it by the Council, the other committees or the CEO, and it is responsible for recommending nominees for certain external positions.

## AUDIT, RISK AND FINANCE COMMITTEE

The Council's Audit, Risk and Finance Committee comprises the Chair and up to four other Councillors appointed for one-year terms by the Council or, under delegated authority from the Council, by the Senior Vice-President (as President Elect) or (in respect of vacancies or additional appointments during the Presidential year) by the President. The current members of this Committee are Councillors J Ball (Chair), S Fernandez, J Wong, J Dawson and B McGrath.

The above composition is now reflected in a revised Audit, Risk and Finance Committee Charter, adopted by the Council in December 2022, to give effect to the removal of the Treasurer from the Council (the Treasurer used to automatically chair the Audit, Risk and Finance Committee).

Under the revised Charter, the Chair is now elected via an EOI process, with EOIs first considered by the Law Society's Committee Selection Panel with one or more recommendations to be made by that panel to the Senior Vice-President (as the President Elect), and the Senior Vice-President determines which of the recommended individuals should be appointed as the Committee Chair. If the Senior Vice-President is not available to do so, the Council will make this

determination. Chairs are appointed for one-year terms and are re-appointable for a maximum of three one-year terms (in total).

Meetings are held at least quarterly but may be convened more frequently if this is considered necessary. A special meeting is convened, generally in late August or early September, to consider, and make recommendations to the Council regarding, the Law Society's annual financial statements.

The Audit, Risk and Finance Committee assists the Council to discharge its duties in relation to the Law Society Group of companies with regard to financial disclosure and reporting, internal control, compliance and risk management, and the engagement, performance and independence of the external auditor. The Committee's primary responsibilities in relation to financial management and investments include:

- advising the Council on the budget and in relation to the Strategic Plan;
- overseeing the development and review of investment policies and guidelines; and

The Law Society's governance framework consists of risk management and internal control processes, and corporate governance policies and practices.

- approving capital expenditure up to prescribed limits as set by the Council.

The Committee consults routinely with the Law Society's external auditor and investment and other advisers. The review and oversight function undertaken by the Audit, Risk and Finance Committee promotes accountability and provides the Council with additional assurance regarding the quality and reliability of information used by the Council and the integrity of the Law Society's reporting and control systems.

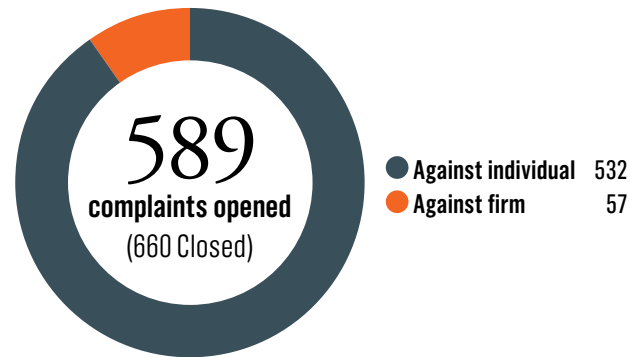
In addition to outlining the composition and appointment processes, the Audit, Risk and Finance Committee Charter provides clarity regarding the role and responsibilities of the Committee, which include an increased focus on risk management, and sets out in one document (which will be reviewed and approved by the Council on a regular basis) the key matters for which the Council is delegating authority to the Committee.

## RISK MANAGEMENT

The Audit, Risk and Finance Committee has responsibility for reviewing and recommending to the Council changes to the risk appetite statement and assessing the alignment between the Law Society's risk appetite and its plans and objectives. This committee is responsible for overseeing the maintenance of an effective risk management framework and monitoring the development and implementation of procedures to support the effective identification and management of risks.

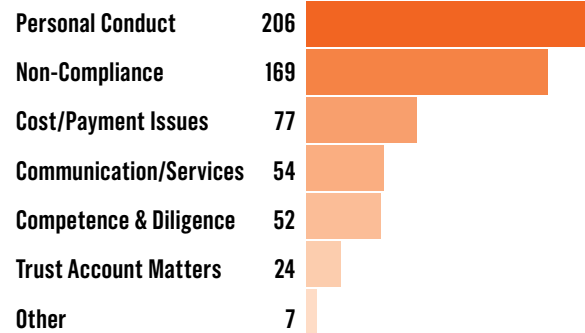
The Council monitors the operational and financial aspects of the Group's activities and, both directly and through the Audit, Risk and Finance Committee, considers the recommendations and advice of management, the external auditor and other external advisers regarding the material risks that face the Group.

# Complaints against solicitors

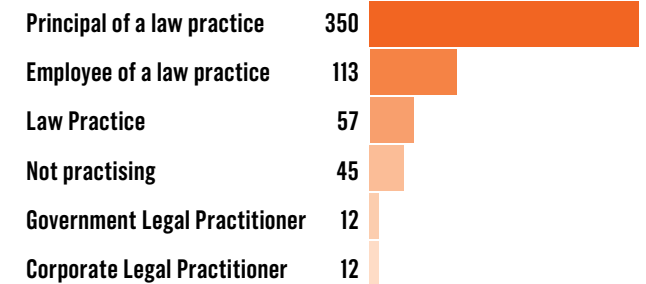


Total onhand complaints as of: 1 July 2022 – 704; 30 June 2023 – 627

## Major complaint categories



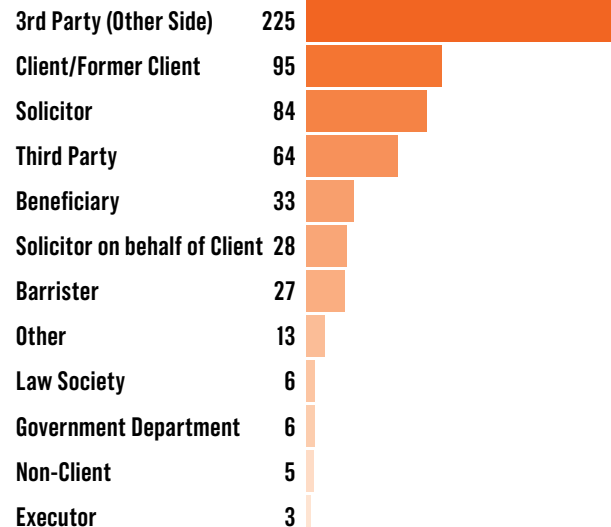
## Complaints opened, by solicitor type



## Complaints opened, by practitioner's area of law

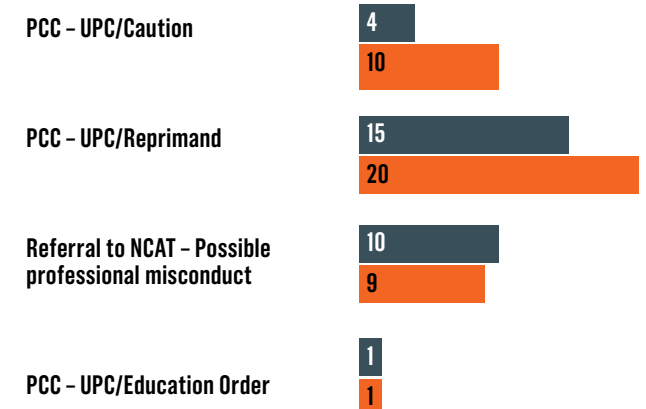
Corporate / Commercial	141
Conveyancing / Real Property	100
No Area of Law specified	77
Criminal Law	63
Commercial Litigation	51
Administrative Law	43
Family Law	37
Banking / Finance	18
Litigation General	17
Debts / Insolvency	14
Employment / Industrial Law	10
Personal Injury	7
Wills & Estates Law	4
Civil Litigation	3
Immigration Law	2
Other	1
Environmental Law	1

## Complaints opened, by type of complainant



## Complaints closed, by disciplinary outcomes

● 2022/23 ● 2021/22



PCC – Professional Conduct Committee  
UPC – unsatisfactory professional conduct

PM – professional misconduct  
PC – Practising Certificate

# Complaints against solicitors

## Litigation Outcomes

Disciplinary Outcomes – NCAT	2022/2023
<b>Finding of PM only</b>	<b>2</b>
Roll removal recommended	0
Reprimand	2
Fine	1
PC Conditions	0
Education	1
Costs	2
<b>Finding of UPC only</b>	<b>0</b>
Reprimand	0
Education	0
Fine	0
Costs	0
Caution	0
<b>Finding of PM and UPC</b>	<b>0</b>
Reprimand	0
Education	0
PC Conditions	0
Costs	0
<b>Other</b>	<b>4</b>
Lay disqualification order	0
Disciplinary matter –withdrawn	1
Review of s299 decision – PCC’s resolution upheld	0
Review of s299 decision – PCC’s resolution varied	2
Review of s299 decision – Proceedings discontinued	1
Awaiting orders	2
Application for costs – Dismissed	1

Outcomes – Local Court	2022/23
Findings of breaches of ss 10(1) and 11(1) of the Uniform Law	2
Fine	1
Community Corrections Orders	1
Outcomes – Local Court and District Court	1
Variation of non-publication orders	1
<b>Outcomes – Supreme Court</b>	
Appeal decision re PC	1
Proceedings discontinued	1
<b>Outcomes – Court of Appeal</b>	
Appeal NCAT decision – Orders varied	1
Roll removal matter – Order made removing name from the Roll	1

PCC – Professional Conduct Committee  
 UPC – unsatisfactory professional conduct  
 PM – professional misconduct  
 PC – Practising Certificate





# Lawcover CEO's Report

I am pleased to deliver the Lawcover Insurance report for the 2023 Law Society Annual Report.

The year ended 30 June 2023 has seen the legal profession emerge from the pandemic in a substantially healthy financial state and take large steps towards technological advancement and structural improvements. Lawcover has continued to adapt to these changes and to assist law practices with management of the risks that the pace of change has created in everyday practice.

As part of its commitment to supporting those in need, Lawcover is pleased to have been able to provide premium relief and financial hardship assistance to law practices in the Northern Rivers regions as they recover from last year's devastating floods.

Lawcover continues to focus on delivering absolute value to our insured law practices. Our value proposition remains focused on these six key areas:

- **Informing** – through various and improved media channels
- **Supporting** – through practice support services, claims management and advice

We strive to fulfill our purpose, which is to provide sustainable and affordable insurance protection to law practices and seek appropriate outcomes in the management of claims of negligence ...

- **Protecting** – by providing security through a broad PII policy backed by a strong balance sheet
- **Engaging** – by implementing risk management and claims prevention programs and workshops
- **Connecting** – by utilising online facilities to make interactions quicker and more efficient
- **Participating** – by championing the interests of the legal profession within the insurance environment.

We strive to fulfill our purpose, which is to provide sustainable and affordable insurance protection to law practices and seek appropriate outcomes in the management of claims of negligence – through rigorous defence of unmeritorious claims and quick and fair compensation for legitimate claims.

Our biennial Net Promotor Score (NPS) customer survey, run in late 2022, demonstrates high levels of perceived value and customer satisfaction with Lawcover's services. We are very proud of the overarching NPS result of +46, which surpasses the average NPS score of +29 for the general insurance industry in Australia.

Lawcover's corporate structure, as a wholly owned but independent subsidiary of the Law Society of New South Wales, means that we are a part of the legal profession and driven to serve the best interests of insured solicitors as well their clients, as consumers of legal services.

## FINANCIAL PERFORMANCE

The company has reported a net profit after tax for the year of \$5.7 million, including an underwriting loss of \$3.7 million and a gain on investments of \$10.8 million. The underlying fundamentals of our business remain very strong.

As part of our sustainable premium strategy and subject to certain criteria being met, Lawcover subsidises premiums through the use of available capital. For

the year ended 30 June 2023, Lawcover allocated \$2 million to premium subsidies, and the underwriting loss is largely reflective of this allocation.

Volatility in investment markets can have a significant impact on an insurance business. Lawcover adopts a prudent approach in investing policyholder funds in asset classes such as government bonds and highly rated corporate fixed interest securities with relatively moderate exposure to equities. The investment gain of \$10.8 million compares very favourably with a \$12.1 million loss last year and is largely due to strong performance in equity markets and inflation linked bonds.

Lawcover reported a cash profit of \$28.0 million for the year, highlighting the underlying strength of the business.

Our regulatory capital ratio as at 30 June 2023 is very strong, being 3.21 times APRA's minimum requirement. Like other member based or mutual insurers, Lawcover aims to hold a relatively high level of capital to ensure financial security. Lawcover's net asset position as at 30 June 2023 is \$153 million.

Lawcover's Board and Executive continue to implement specific capital management strategies to ensure the efficient use of capital. We do this by:

- Actively managing the company's capital position within regulatory tolerances and to the company's risk appetite
- Ensuring premium revenue is set at levels that reflect the capital requirements of the company and the objectives of our sustainable premium strategy
- Managing the company's investment strategy to ensure an appropriately balanced portfolio within the company's risk appetite
- Maintaining appropriate levels of reinsurance protection.

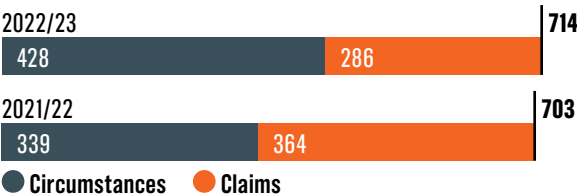
## PREMIUMS AND COST OF INSURANCE

Keeping premiums affordable and sustainable is part of Lawcover's purpose, and one of our key business goals. Over the 2022/23 PII renewal period, smaller law practices declared lower gross fee incomes than for previous years, while medium and larger sized practices experienced earnings growth. With our smaller insured law practices in mind, we continue to focus on ensuring that PII premiums remain affordable and stable, while continuing to offer access to our Financial Hardship Policy for those law practices in need.

## NOTIFICATIONS (CLAIMS AND CIRCUMSTANCES)

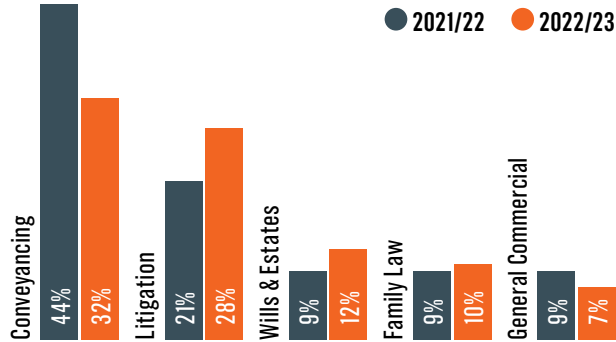
The number of solicitors insured by Lawcover continues to grow at approximately 4 per cent per annum; however, pleasingly, there was only a 2 per cent increase in the number of notifications reported in the last 12 months. A total of 714 notifications were received in the year to 30 June 2023 compared with 703 in the year to 30 June 2022. We continue to see claims impacting property and conveyancing practices arising out of cyber-attacks; however, there has been a significant decrease in claims received relating to errors in the application of Surcharge Purchaser Duty, as identified in audits by Revenue NSW during 2020.

Otherwise, notifications in other areas of practice remain stable. Overall, Lawcover's continued achievement of positive claims outcomes is a testament to solicitors' engagement and uptake of our risk management and claims prevention education events and resources.



## PERCENTAGE OF NOTIFICATIONS BY AREA OF PRACTICE

The table that follows presents the top 5 areas of practice generating the highest levels of notifications for the year ended 30 June 2023, with comparisons to 2022.



## SUMMARY

The legal profession has largely recovered from the impacts of the pandemic; however, risks remain in the underlying rapid changes to legal service delivery coupled with longer term inflationary pressures on law practice earnings. A key focus for Lawcover is to ensure that we continue to offer relevant cover, and claims and risk management services, that continue to protect and support law practices and add value to the customer experience.

In closing, I would like to acknowledge the strong commitment of Lawcover's Board, management and staff for their dedication and support in working with and on behalf of the legal profession.

I'd also like to acknowledge the ongoing support of The Law Society of New South Wales provided to Lawcover and our objectives.

**Kerrie Lalich**

Lawcover Chief Executive Officer





The Law Society of New South Wales  
ACN 000 000 699

# Concise financial report for the year ended 30 June 2023

The concise financial report is an extract from the full financial report for the year ended 30 June 2023. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of The Law Society of New South Wales and its subsidiaries as the full financial report.

The full financial report and the auditor's report will be sent to members on request, free of charge. Alternatively, members can access both the full financial report and the concise report via the internet on The Law Society of New South Wales' website: [www.lawsociety.com.au](http://www.lawsociety.com.au)



## **Councillors' report**

The Council present their report on the consolidated entity (hereafter referred to as the group) consisting of The Law Society of New South Wales (the company) and the entities it controlled at the end of, or during, the year ended 30 June 2023.

## **Councillors**

The members of the Council in office during or since the end of the financial year were:

Lauren Diana Absalom	Brett Patrick McGrath
Jennifer Ruth Ball	Hugh Ignatius Macken
Cassandra Denise Banks	Mary Josephine Esther Macken
Angelo Biliias	Ronan MacSweeney
Danny Wayne Bricknell	Michelle Devenish Meares
Danielle Lee Captain-Webb	Leah Irene Serafim
Adriana Care	James Andrew Skelton
Jacqueline Mai Dawson	Jade Elizabeth Tyrrell
Sylvia Fernandez	Joanne Patricia van der Plaats
Anthony Charles Gordon	Juliana Rose Warner
Rebekah Victoria McEwin Hunter	Jennifer Jane Windsor
Iona Wai Ting Luke	Jennifer Louise Lai Wah Wong
Stephen McAuley	Ereboni Yazdani

All members of the Council are practising solicitors of the Supreme Court of New South Wales.

During the year, the following Councillors were elected, re-elected or appointed to Council: Ms J Ball (re-elected 27.10.22), Mr A Biliias (re-elected 27.10.22), Mr A Gordon (elected 27.10.22), Mr R MacSweeney (elected 27.10.22), Ms L Serafim (appointed 27.10.22), Ms J Tyrrell (re-elected 27.10.22), Ms E Yazdani (elected 27.10.22).

During the year, the following Councillors retired or resigned from Council: Mr D Bricknell (retired 25.04.23), Ms I Luke (retired 27.10.22), Mr S McAuley (retired 27.10.22), Ms M Meares (retired 16.03.23), Mr J Skelton (retired 27.10.22), Ms J Warner (retired 31.12.22).

The company secretaries of The Law Society of New South Wales are Ms M Lewis and Mr D Carew.

## **Council meetings**

A table setting out the number of Council meetings held during the financial year and the number of meetings attended by each Councillor is included in the corporate governance statement which is in the published annual report.

## **Principal activities**

The Law Society of New South Wales is the professional association for solicitors in New South Wales and fulfills both a regulatory and representative function on behalf of the profession. The Law Society of New South Wales is also the parent company of Lawcover Insurance, which provides professional indemnity insurance to legal firms. During the course of the year there was no significant change in the nature of these activities.

## **Dividends**

The company's constitution prohibits the distribution of dividends to its members.

## **Review of operations**

The surplus of the company for the year was \$8.3 million (2022: \$3.7 million surplus). The profit or loss of subsidiaries are as set out in their respective financial statements.

The result of group operations for the year was a surplus of \$14.0 million (2022: \$8.7 million loss).

### **Changes in state of affairs**

During the financial year there was no significant change in the state of affairs of the group other than that referred to in the financial statements or notes thereto.

### **Subsequent events**

There has not arisen in the interval between the end of the financial year and the date of this report any item, event or transaction of a material or unusual nature likely, in the opinion of the Councillors, to affect significantly the operations of the group, the results of those operations or the state of affairs of the group in future financial years.

### **Future developments**

There are no likely developments in the operations of the group which would significantly affect the results of future operations.

### **Indemnification of officers and auditors**

During the financial year, the company paid a premium in respect of a contract insuring the Councillors of the company (as named above) and all executive officers of the company against a liability incurred as such a Councillor or executive officer to the extent permitted by the *Corporations Act 2001* (Cth).

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred as such an officer or auditor.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 32.

### **Rounding of amounts**

The company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, related to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that instrument to the nearest thousand dollars, or, in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the Council.

On behalf of the Council



**C Banks**  
Councillor



**B McGrath**  
Councillor

Sydney, 21 September 2023



### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of The Law Society of New South Wales for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* (Cth) in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of The Law Society of New South Wales and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'R Balding', with a long, sweeping horizontal line extending to the right.

**R Balding**  
Partner  
PricewaterhouseCoopers

Sydney  
21 September 2023

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**PricewaterhouseCoopers, ABN 52 780 433 757**

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated	
		2023 \$'000	2022 \$'000
Revenue	3	144,347	129,220
Investment revenue		16,313	(15,664)
Other income		12,325	11,844
Employee benefits expense		(38,987)	(33,690)
Depreciation and amortisation expense		(3,525)	(3,187)
Law Council capitation fees		(3,031)	(2,703)
Outwards reinsurance premium expense		(10,771)	(9,747)
Claims expense		(75,390)	(67,271)
Finance costs		(51)	(76)
Consulting and professional fees expense		(8,154)	(7,827)
Other expenses		(17,772)	(14,657)
<b>Profit (loss) before income tax</b>		15,304	(13,758)
Income tax (expense) benefit		(1,305)	5,090
<b>Profit (loss) for the year</b>		13,999	(8,668)
<b>Other comprehensive income</b>			
<i>Items that will not be classified to profit or loss</i>			
Revaluation of land and buildings		-	22,198
<b>Other comprehensive income for the year, net of tax</b>		-	22,198
<b>Total comprehensive income for the year</b>		13,999	13,530
Profit (loss) is attributable to:			
Members of The Law Society of New South Wales		13,999	(8,668)
		13,999	(8,668)
Total comprehensive income is attributable to:			
Members of The Law Society of New South Wales		13,999	13,530
		13,999	13,530

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**CONSOLIDATED BALANCE SHEET**  
AS AT 30 JUNE 2023

	Note	Consolidated	
		2023 \$'000	2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents		37,202	32,439
Trade and other receivables	4	20,210	15,585
Investments	5	213,535	191,632
Current tax assets		-	242
Other assets		1,745	1,692
<b>Total current assets</b>		<b>272,692</b>	<b>241,590</b>
<b>Non-current assets</b>			
Receivables	4	18,921	12,741
Investments	5	250,284	236,059
Property, plant and equipment		79,272	80,166
Right-of-use assets		925	1,665
Deferred tax assets		2,075	7,655
Intangible assets		4,629	5,707
<b>Total non-current assets</b>		<b>356,106</b>	<b>343,993</b>
<b>Total assets</b>		<b>628,798</b>	<b>585,583</b>
<b>Current liabilities</b>			
Trade and other payables		11,107	7,629
Current tax liabilities		252	-
Lease liabilities		829	762
Provisions	6	87,543	81,981
Other liabilities	7	133,650	122,152
<b>Total current liabilities</b>		<b>233,381</b>	<b>212,524</b>
<b>Non-current liabilities</b>			
Lease liabilities		219	1,048
Provisions	6	99,031	89,843
<b>Total non-current liabilities</b>		<b>99,250</b>	<b>90,891</b>
<b>Total liabilities</b>		<b>332,631</b>	<b>303,415</b>
<b>Net assets</b>		<b>296,167</b>	<b>282,168</b>
<b>Equity</b>			
Reserves		65,540	65,540
Retained earnings		230,627	216,628
<b>Total equity</b>		<b>296,167</b>	<b>282,168</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
FOR THE YEAR ENDED 30 JUNE 2023

	<b>Consolidated</b>		
	<b>Reserves</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2021</b>	43,342	225,296	268,638
Loss after income tax	-	(8,668)	(8,668)
Other comprehensive income	22,198	-	22,198
Total comprehensive income	22,198	(8,668)	13,530
<b>Balance at 30 June 2022</b>	<b>65,540</b>	<b>216,628</b>	<b>282,168</b>
Profit after income tax	-	13,999	13,999
Other comprehensive income	-	-	-
Total comprehensive income	-	13,999	13,999
<b>Balance at 30 June 2023</b>	<b>65,540</b>	<b>230,627</b>	<b>296,167</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



## CONSOLIDATED STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2023

	Consolidated	
	2023	2022
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	53,238	52,397
Payments to suppliers and employees	(66,230)	(61,375)
Interest paid	(51)	(76)
Premiums received	103,747	96,630
Outwards reinsurance premiums paid	(12,535)	(11,467)
Claims paid	(58,893)	(74,783)
Reinsurance and other recoveries received	2,113	21,628
Income taxes received	4,769	2,074
Net cash inflow from operating activities	26,158	25,028
<b>Cash flows from investing activities</b>		
Payments for purchase of investments	(202,630)	(254,723)
Proceeds on sale of investments	181,232	236,054
Interest received	1,582	141
Payments for property, plant and equipment	(615)	(467)
Payments for intangible assets	(202)	(941)
Net cash outflow from investing activities	(20,633)	(19,936)
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	(762)	(701)
Net cash outflow from financing activities	(762)	(701)
<b>Net increase in cash and cash equivalents</b>	4,763	4,391
Cash and cash equivalents at the beginning of the year	32,439	28,048
<b>Cash and cash equivalents at the end of the year</b>	37,202	32,439

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

### **Income statement**

The Law Society of New South Wales group reported a net profit of \$14.0 million for the year (2022: \$8.7 million loss). Total revenue (including investment and other income) increased by 37.9% to \$173.0 million, while operating expenses increased 13.3% to \$157.7 million.

The movement in revenue was underpinned by the following factors:

- The number of solicitors holding a practising certificate increased by 3.7% during the reporting period, which, when accompanied by ongoing strong membership take-up levels, combined to increase practising certificate and membership revenues.
- Professional indemnity premium revenue increased by 9.8% or \$8.4 million, which was driven by growth in the gross fee income reported by the majority of firms when compared with the prior year, in addition to a decrease in the sustainable premium adjustment which was reduced by \$3.0 million during the 2022/23 period.
- Investment revenue increased by 204.1% or \$32.0 million, with the Law Society parent entity and Lawcover Insurance reporting investment income of \$5.5 million and \$10.9 million respectively. With most asset classes performing poorly during the 2021/22 period on the back of inflationary expectations accompanied by central banks globally commencing monetary tightening cycles, investment markets rebounded strongly in the 2022/23 financial year. The Society's externally managed investment portfolio produced an investment return of 11.0% (2022: 9.6% loss) during the 2022/23 year, with Lawcover Insurance returning an investment yield of 2.9% over the same period (2022: 3.4% loss).

While several factors have contributed to the growth in overall expenses, the movement primarily stems from Lawcover Insurance's reported gross claims expense rising by 12.1% or \$8.1 million. This was mainly due to an increase in risk exposure arising following the higher gross fee income levels described above, in addition to the claims experience on several prior underwriting years being slightly worse than previously anticipated.

Further to this, the Law Society saw an increase in salaries and other employee related costs following a significant reduction in the level of staff vacancies over the past 12 months. While employment market conditions have been significantly impacted by the COVID-19 pandemic over the previous two financial years, this improved markedly during the 2022/23 year and saw staffing levels revert back to those previously in place.

### **Balance sheet**

The group has finished the year with reported net assets of \$296.2 million, an increase of 5.0% from the prior period. The group's financial position remains strong with cash and investments held by the Law Society and Lawcover Insurance totalling \$501.0 million at 30 June 2023.

This growth in net assets was predominantly driven by gains in the reported fair value of investments held by both the Law Society and Lawcover Insurance, which is outlined in the above income statement commentary. While the outstanding claims liability held by Lawcover Insurance increased by 8.7% or \$14.4 million from 12 months earlier, this has been largely offset by an increase in the value of reinsurance recoveries.

Lawcover Insurance continues to maintain a very strong capital position, with a capital adequacy multiple of 3.2 times APRA's prudential capital requirement at 30 June 2023 (unaudited).

### **Cash flow statement**

As at 30 June 2023, the group held cash of \$37.2 million, an increase of 14.7% from the prior period. When short term deposits are included this increases to \$96.1 million.

The Council continues to closely monitor the investment strategies that both the Law Society and Lawcover Insurance undertake, to ensure that appropriate returns are adequately balanced against any risks assumed.

## **1. Reporting entity**

The Law Society of New South Wales is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

The Law Society of New South Wales  
170 Phillip Street  
Sydney NSW 2000

This concise financial report relates to the consolidated entity consisting of The Law Society of New South Wales and the entities it controlled at the end of, or during, the years ended 30 June 2023 and 30 June 2022. These entities include Lawcover Insurance Pty Limited (Lawcover Insurance) and SMIF Management Pty Limited (SMIF Management). During the financial year ended 30 June 2022 the liquidation of SMIF Management Pty Limited was completed.

The accounting policies adopted have been consistently applied to all years presented. The financial statements are presented in the Australian currency.

## **2. Changes in accounting policy**

### *(i) Basis of preparation*

The concise financial report has been prepared in accordance with Australian Accounting Standard AASB 1039 *Concise Financial Reports*.

The concise financial report is an extract from the full financial report for the year ended 30 June 2023. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of The Law Society of New South Wales and its subsidiaries as the full financial report.

### *(ii) New and amended standards adopted by the group*

The group has applied the following standard for the first time in the annual reporting period beginning on 1 July 2022:

- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-20 and Other Amendments* [AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141].

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### *(iii) New standards and interpretations not yet adopted*

The group has not elected to apply any pronouncements before their operative date in the annual reporting period beginning on 1 July 2022, including:

- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* (effective for annual periods beginning on or after 1 January 2023)
- AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (effective for annual periods beginning on or after 1 January 2023)
- AASB 17 *Insurance Contracts* (effective for annual reporting periods beginning on or after 1 January 2023)
- AASB 2022-1 *Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information* (effective for annual reporting periods beginning on or after 1 January 2023)
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* (effective for annual reporting periods beginning on or after 1 January 2024)
- AASB 2022-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Non-current Liabilities with Covenants* (effective for annual reporting periods beginning on or after 1 January 2024)

## 2. Changes in accounting policy (continued)

When these standards are adopted for the first time on the effective dates set out above, the group does not expect there will be any material impact on the transactions and balances recognised in the financial statements, except if indicated below.

### **AASB 17 Insurance Contracts**

AASB 17 replaces AASB 4 *Insurance Contracts*, which currently permits a wide variety of practices. AASB 17 will fundamentally change the current accounting for insurance contracts, impacting both liability measurement and profit recognition. The general model under AASB 17 is based on a discounted cash flow model with a risk adjustment and deferral of up-front profits.

The alternative model permitted within the standard is the premium allocation approach, which is allowed for short duration contracts. This approach is used to measure the pre-claims liability, similar to current unearned premium accounting practices. Lawcover Insurance issues insurance contracts with coverage periods of one year or less, and as such the company meets the criteria for applying the premium allocation approach to its insurance contracts issued and reinsurance contracts held.

AASB 17 will result in changes to the presentation and disclosure of insurance line items in the financial statements, including new line items on the balance sheet and statement of profit or loss. When AASB 17 is adopted, and the premium allocation approach is implemented by Lawcover Insurance, there is not expected to be any financial impact on the group.

### **AASB 2022-1 Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information**

AASB 2022-1 amends AASB 17 to add a transition option relating to comparative information about financial assets presented on the initial application of AASB 17 and AASB 9 *Financial Instruments* at the same time. The amendments relate to financial assets for which comparative information presented on the initial application of AASB 17 and AASB 9 has not been restated for AASB 9.

Applying the transition option permits an entity to present comparative information about such a financial asset as if the classification and measurement requirements of AASB 9 have been applied to that financial asset. When AASB 9 is adopted by Lawcover Insurance, there is not expected to be any change in how the fair value of financial assets are currently being classified, measured and reported.

#### *(iv) Changes to comparatives*

Where necessary, comparatives have been restated to conform to changes in presentation in the current year.

## 3. Revenue

An analysis of the group's revenue for the year is as follows:

	Consolidated	
	2023 \$'000	2022 \$'000
Membership and practising certificate fees	31,883	30,210
Premium revenue	93,961	85,608
Reinsurance and other recoveries	11,163	6,490
Legal training revenue	1,567	1,622
Member services revenue	2,092	2,075
Other revenue	3,681	3,215
	144,347	129,220



#### 4. Trade and other receivables

	Consolidated	
	2023	2022
	\$'000	\$'000
<b>Current</b>		
Trade receivables	114	94
Reinsurance and other recoveries receivable	17,132	12,499
Other receivables	2,964	2,992
	<u>20,210</u>	<u>15,585</u>
<b>Non-current</b>		
Reinsurance and other recoveries receivable	18,921	12,741
	<u>18,921</u>	<u>12,741</u>

#### 5. Investments

<b>Current</b>		
Deposits	58,878	46,698
Negotiable certificates of deposit	-	7,941
Corporate & government securities	13,253	9,512
Managed funds	141,404	127,481
	<u>213,535</u>	<u>191,632</u>
<b>Non-current</b>		
Corporate & government securities	250,284	236,059
	<u>250,284</u>	<u>236,059</u>

#### 6. Provisions

<b>Current</b>		
Outstanding claims liabilities	83,022	77,699
Employee benefits provision	4,521	4,282
	<u>87,543</u>	<u>81,981</u>
<b>Non-current</b>		
Outstanding claims liabilities	97,688	88,582
Employee benefits provision	1,343	1,261
	<u>99,031</u>	<u>89,843</u>

## 7. Other liabilities

	Consolidated	
	2023	2022
	\$'000	\$'000
<b>Current</b>		
<i>Deferred revenue</i>		
Membership and practising certificate fees	31,177	29,365
Premiums received in advance	101,084	91,493
Other	1,389	1,294
	<b>133,650</b>	<b>122,152</b>

## 8. Subsidiaries

Name of entity	Country of incorporation	% Equity interest		Investment \$	
		2023	2022	2023	2022
SMIF Management Pty Limited (i)	Australia	-	-	-	-
Lawcover Insurance Pty Limited (ii)	Australia	100	100	34,599,942	34,599,942
				<b>34,599,942</b>	<b>34,599,942</b>

- (i) **SMIF Management Pty Limited.** Incorporated in New South Wales on 19 June 1987. Contributed equity of 2 ordinary shares fully paid. The company was liquidated and wound up during the period ended 30 June 2022.
- (ii) **Lawcover Insurance Pty Limited.** Incorporated in New South Wales on 17 January 2001 and commenced operations in April 2004. Contributed equity of 34,599,942 ordinary shares fully paid. The company was established to underwrite compulsory professional indemnity insurance for solicitors.

## 9. Members' guarantee

The Law Society of New South Wales is a company limited by guarantee. In the event that The Law Society of New South Wales is wound up, the liability of members towards meeting any outstanding obligations of the consolidated entity is limited to \$2 per member.

## 10. Events occurring after the reporting date

There has not arisen in the interval between the end of the financial year and the date of this report any item, event or transaction of a material or unusual nature likely, in the opinion of the Councillors, to affect significantly the operations of the group, the results of those operations or the state of affairs of the group in future financial years.

## **COUNCILLORS' DECLARATION**

30 JUNE 2023

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The Councillors declare that in their opinion, the concise financial report of the consolidated entity for the year ended 30 June 2023 as set out on pages 33 to 41 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

The concise financial report is an extract from the full financial report for the year ended 30 June 2023. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report, which is available on request.

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

On behalf of the Council



**C Banks**  
Councillor



**B McGrath**  
Councillor

Sydney, 21 September 2023



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAW SOCIETY OF NEW SOUTH WALES

### Report on the concise financial report

#### Our opinion

In our opinion, the accompanying concise financial report, including the discussion and analysis, of The Law Society of New South Wales (the Company) and its controlled entities (the Group) for the year ended 30 June 2023 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports*.

#### What we have audited

The Group concise financial report derived from the financial report of the Company for the year ended 30 June 2023 comprises:

- the consolidated balance sheet as at 30 June 2023
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the related notes
- the financial commentary.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the concise financial report* section of our report.

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

#### Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* (Cth) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the concise financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### **Emphasis of matter – basis of accounting and restriction on distribution and use**

We draw attention to Note 2 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Councillors' financial reporting responsibilities under the *Corporations Act 2001* (Cth). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for The Law Society of New South Wales and the entities it controls and should not be used by parties other than The Law Society of New South Wales and the entities it controls. Our opinion is not modified in respect of this matter.

### **Concise financial report**

The concise financial report does not contain all the disclosures required by the Australian Accounting Standards in the preparation of the financial report. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the financial report and the auditor's report thereon.

### **The financial report and our report thereon**

We expressed an unmodified audit opinion on the financial report in our report dated 21 September 2023.

### **Responsibilities of the Councillors for the concise financial report**

The Councillors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001* (Cth), and for such internal control as the Councillors determine is necessary to enable the preparation of the concise financial report.

### **Auditor's responsibilities for the audit of the concise financial report**

Our responsibility is to express an opinion on whether the concise financial report, complies in all material respects, with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complied with AAS 1039 *Concise Financial Reports* based on our procedures which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers

**R Balding**  
Partner

Sydney  
21 September 2023

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