About this Publication

This publication contains the Annual Reports of the Legal Services Council and the Commissioner for Uniform Legal Services Regulation for 2014-15. The Legal Services Council was created by the Legal Profession Uniform Law Application Act 2014 (Vic) and the Legal Profession Uniform Law Application Act 2014 (NSW). The intention of the parliaments of each state is that one single Council and one single Office of Commissioner is created.

The legislation to create the Council and the Office of Commissioner commenced operation on 1 July 2014. The occupant of the Office of Commissioner for Uniform Legal Services Regulation and the members of the Council were appointed in September and October 2014, respectively.
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8 December 2015

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Attorney General of New South Wales
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Annual Report of the Commissioner for Uniform Legal Services Regulation

I am pleased to submit the Annual Report of the Legal Services Council for 2014 – 2015 in accordance with item 26 in Schedule 1 to the Legal Profession Uniform Law 2014. The report contains a financial statement for the Council which has been prepared in accordance with Australian Accounting Standards. The statement has been audited, a report has been provided by the Auditor; it is also included.

I am also pleased to provide the Annual Report of the Commissioner for Uniform Legal Services Regulation for 2014 – 2015. This is included in the same volume as the Council’s report. The financial statements of the Council encompass the Commissioner, consolidated as one entity and have been prepared as above.

Yours sincerely

Michael Black AC QC
Chair
Legal Services Council
Glossary

ABA: the Australian Bar Association.

Australian lawyer: a person who is admitted to practise law in Australia but who does not necessarily hold a current practising certificate.

Australian legal practitioner: a person who is admitted to the Australian legal profession who holds a current practising certificate. A legal practitioner could be a solicitor or a barrister.

Australian-registered foreign lawyer: a person who has overseas legal qualifications who is registered to practise foreign law in Australia.

Chapter 5: Chapter 5 of the Uniform Law details how complaints made about legal practitioners are resolved and how legal practitioners are disciplined.

‘Council’ and ‘Legal Services Council’ (LSC): references to the Council in this report relate to the five member body, including the Chair who are members of the statutory body called the Legal Services Council.

References to the Legal Services Council or LSC are collective references to the roles, responsibilities and work, collaboratively performed by the Council, the Chair, the CEO and the Secretariat of the LSC.

Law practice: includes traditional law firm structures, incorporated legal practices, sole practitioners and community legal services.

LCA: the Law Council of Australia.

Legal costs: the amount a person has been or may be charged by a law practice for legal services.

Legal Profession Uniform Framework: the legislative framework for regulation of the legal profession, including the Uniform Law, Uniform Rules and Uniform Regulations.

Pro bono work: legal services performed by a legal practitioner either without charge or at a reduced fee for clients who cannot afford to pay the usual fee.

Trust money: money entrusted to the law practice to hold on behalf of somebody else in the course of or in connection with the law practice providing legal services.
It gives me much pleasure to present the first annual report of the Legal Services Council.

For more than two decades, the legal profession in Australia has aspired to have a single national approach to its regulation. Now, with the creation of the Council by the parliaments of New South Wales and Victoria, a practical start has been made towards achieving this important objective and significant measure of economic reform.

With the formation of the Council and the office of the Commissioner for Uniform Legal Services Regulation there is, for the first time, the institutional architecture for ensuring consistency in the regulation of the legal profession and also for ensuring that regulation remains efficient, proportionate and effective.

Our first year has been preparatory. Members of the Council were appointed in October 2014 for three year terms and immediately assumed the task of overseeing the preparation of the necessary rules.

With significant support from the two main constituent bodies, the Law Council of Australia (the LCA) and the Australian Bar Association (the ABA), and with a strong contribution from the Council’s own Admissions Committee, the Council was able to make all the Uniform Rules to enable the operation of the Legal Profession Uniform Law. The Uniform Rules were made on 26 May 2015 - in good time for the planned commencement of the Uniform Law on 1 July 2015.

I take this opportunity to recognise that years of effort had already gone into the formulation of conduct and continuing professional development rules by the LCA and the ABA, which in essence operate all around Australia in much the same way. This work greatly facilitated the making of the Uniform Rules.

In the case of the Admission Rules, strong efforts were made by the Council’s Admissions Committee to ensure continuing strong alignment between the rules made by the Council and those operating in all other Australian jurisdictions. I commend all of those involved in this enterprise for their work.

The commencement of the Uniform Law is a major step towards creating a single legal services market in Australia, now including some 70 per cent of practising lawyers. Not only will this facilitate a more streamlined approach to legal practice, it will also have significant benefits for consumers particularly through enhanced disclosure requirements for law practices.

The Uniform Law places greater emphasis on ensuring that clients of law practices are better able to make informed choices about the services they access and the costs involved. This will enhance the protection of clients and of the public generally.
At the same time, the Uniform Law adopts a co-regulatory approach, which maintains an appropriate level of independence of the legal profession from the executive arm of government. It may be expected to promote regulation that is efficient, effective, targeted and proportionate. Finally, in introducing this, our first annual report, I would like to acknowledge the excellent cooperation and efforts of our many stakeholders. This augurs well for the future of the Uniform Law. I would also like to acknowledge the very valuable work of the Chief Executive Officer and the three staff members of our Secretariat.

The Hon Michael Black AC QC
Chair
CEO’s Report

This annual report contains an account of the LSC’s first part-year, from late September 2014 to 30 June 2015. I commenced as the inaugural CEO of the Council and the Commissioner on 29 September 2015, and the Chair and Council members were appointed for three year terms on 14 October 2014.

As our Chair has noted, the main early task of the LSC, and my task as CEO, was preparing the necessary drafting instructions for the Uniform rules. We also liaised with the LCA and ABA to arrange for their contributions to the body of Rules which were prepared and issued for public consultation in November 2014.

Another very important early task was appointing an Admissions Committee. Professor Sandford Clark was appointed as the Committee’s inaugural Chair on 12 November 2014, and the remainder of the Committee membership was finalised that month. We are extremely fortunate to have such highly experienced individuals involved in these important governance and decision-making bodies within the Uniform Framework.

Creating the Uniform Rules

By 7 April 2015, the proposed Uniform Rules were submitted for approval to the Standing Committee, comprising the Attorneys General of the two participating jurisdictions. The Standing Committee approved all of the rules, enabling the Council to meet and make the rules on 26 May 2015.

I wish sincerely to thank the Victorian Legal Services Board and Commissioner, who provided two experienced policy officers to work on preparing the drafting instructions for the General Rules under the Uniform Law during the last four months of 2014. Their significant support has been instrumental in the commencement of the Uniform Law on 1 July 2015.

I also wish to place on record my appreciation and that of the Council to the Law Society of NSW. The Law Society provided office accommodation and other material support for the Council’s Secretariat for ten months, enabling it, with the support of the staff from the Victorian Legal Services Board and Commissioner, to meet the timetable set by the Standing Committee for commencement.

Planning and stakeholder engagement

Another key achievement in the LSC’s early months was developing a strategic and business plan that is supported by action plans to guide the day-to-day work of the Secretariat. Regular progress reports were provided to the Council and to the Standing Committee covering areas including:

- driving strategic initiatives that embed reform and respond to emerging issues and opportunities;
- developing fit for purpose rules, policies and guidelines;
- undertaking highly effective stakeholder engagement and communication; and
- building a well governed and unified organisation.

With the assistance of experienced Council and Secretariat staff members who also have considerable experience in the profession, stakeholder engagement has been a particular priority, and several meetings were held with key stakeholders and others during the period.
For example, a significant part of my work as CEO and Commissioner (with leadership and assistance from the Chair) involves liaising with other jurisdictions to inform them about the Uniform Law and encourage them to join the scheme. These visits will continue as opportunity presents, as will keeping Ministers informed about implementation of the Uniform Law.

Finally, I would like to acknowledge the efforts of the LSC’s staff and, importantly, the very strong support we have received from the Council – in particular the Chair, the Hon Michael Black AC QC. That support has enabled the Council to reach an important milestone by year end, that is, the commencement of the Uniform Law scheme. I look forward to working together as we continue this important legal sector reform in the years ahead.

Dale Boucher
Chief Executive Officer

“The Legal Profession Uniform Law will create a single market for legal services across New South Wales and Victoria and is the important first step towards a unified Australian legal services market. The majority of Australian lawyers will be regulated under the new scheme from 1 July 2015 – with both a significant legal and microeconomic benefit. The Law Society of NSW has worked closely with practitioners from all segments of the profession over a number of years to deliver this vital piece of reform.”

Michael Tidball
CEO of the Law Society of NSW
OUR ROLE AND PURPOSE
The LSC seeks to promote the administration of justice and an efficient and effective Australian legal profession by:

- enhancing protection of the interests of clients and the public generally in accessing legal services;
- empowering clients to make informed choices about the services they access and the costs involved;
- ensuring lawyers maintain high ethical and professional standards and promoting compliance with the requirements of the Uniform Law and Rules;
- providing and promoting consistency in the Uniform Law applying to the profession and ensuring consistent and effective implementation of the Uniform Law and Rules;
- promoting regulation of the profession that is efficient, effective, targeted and proportionate; and
- raising awareness of the Uniform Law framework and its objectives.
The Legal Profession Uniform Law is a regulatory framework for legal practitioners that establishes a single legal services market between participating Australian states and territories.

From 1 July 2015 the Uniform Law, underpinned by the Uniform Rules, replaced the Legal Profession Acts and Regulations in Victoria and NSW.

By creating a single system to govern legal practice, the Uniform Law harmonises regulation of the legal profession and reduces red tape. The scheme’s creation is a significant achievement, more than two decades in the making. It is also an important step towards creating a national legal profession in Australia. For the first time, there is a common market for legal services across NSW and Victoria, encompassing around 70 per cent of Australia’s legal practitioners.

Designed to be applied by any Australian state or territory, other jurisdictions are encouraged to join the scheme and will be able to do so without the need for changes to the Uniform Law framework. The scheme is run under co-regulatory principles that seek to regulate the profession in a manner that is efficient, effective, targeted and proportionate. Co-regulation preserves the independence of the legal profession whilst providing sufficient oversight to ensure that professional and ethical standards are maintained at the high level expected by the community.

Local regulatory arrangements can continue to operate under the Uniform Law. The Legal Services Council and the Commissioner for Uniform Legal Services Regulation oversee the operation of the scheme and do not have a role in the day-to-day regulation of the legal profession through particular complaints or disciplinary matters.

The scheme benefits the public by enhancing the protections afforded to consumers of legal services and empowering consumers to make more informed choices about their legal options. In particular, enhanced costs disclosure requirements under the Uniform Law will strengthen client relationships, improve clients’ experiences and reduce disputes.

While the obligations of practitioners are fundamentally unchanged under the Uniform Law from previous arrangements, the scheme fosters a sense of common professional obligations and standards for legal practitioners. The Uniform Law provides law practices and practitioners with a more streamlined and uniform approach to practice that will benefit them as they compete in an increasingly inter-jurisdictional and globalised marketplace.
Clients of law practices will now have the same protections, rights and remedies in Victoria and NSW. Important new obligations to promote better communication with clients and help to avoid disputes include:

- Legal costs must be fair and reasonable, and law practices must avoid unnecessary delays that result in increased costs;
- A law practice must provide information that enables their clients to make informed choices about costs and their legal options;
- Principals of law practices are responsible for the legal costs charged;
- There are new low-cost ways to resolve complaints and costs disputes with law practices; and access to pro bono legal services is improved with more flexible practising entitlements and the creation of a low-cost volunteers’ practising certificate.

LEGAL PROFESSION UNIFORM FRAMEWORK:
APPLIES IN ALL PARTICIPATING JURISDICTIONS

LOCAL LEGISLATION:
Applies the legal profession uniform law, designates local regulatory authorities and provides for other local arrangements

DEVELOPED BY THE

LEGAL SERVICES COUNCIL

ADMISSIONS COMMITTEE

AUSTRALIAN BAR ASSOCIATION (BARRISTERS)

AND THE LAW COUNCIL OF AUSTRALIA (SOLICITORS)

APPROVED BY THE STANDING COMMITTEE

MADE BY THE LEGAL SERVICES COUNCIL

APPLIED IN ALL PARTICIPATING JURISDICTIONS

LEGAL PROFESSION UNIFORM LAW

LEGAL PROFESSION UNIFORM RULES

LEGAL PROFESSION UNIFORM REGULATIONS

GENERAL RULES

ADMISSION RULES

LEGAL PROFESSION CONDUCT RULES

LEGAL PRACTICE RULES

CONTINUING PROFESSIONAL DEVELOPMENT RULES

MADE BY THE STANDING COMMITTEE

APPLICATION LEGISLATION

e.g. Legal Profession Uniform Law Application Act 2014 (Vic) and Legal Profession Uniform Law Application Act 2014 (NSW)

LOCAL REGULATIONS

BENEFITS FOR CONSUMERS

Clients of law practices will now have the same protections, rights and remedies in Victoria and NSW. Important new obligations to promote better communication with clients and help to avoid disputes include:

- legal costs must be fair and reasonable, and law practices must avoid unnecessary delays that result in increased costs;
- a law practice must provide information that enables their clients to make informed choices about costs and their legal options;
- principals of law practices are responsible for the legal costs charged; and
- there are new low-cost ways to resolve complaints and costs disputes with law practices; and access to pro bono legal services is improved with more flexible practising entitlements and the creation of a low-cost volunteers’ practising certificate.

BENEFITS FOR LEGAL PRACTITIONERS

The Uniform Law means a simpler legal framework for the profession. Economic benefits flow from shorter, less complex legislation that provides:

- the ability to practise seamlessly across NSW and Victoria under uniform regulatory standards with a single costs agreement and identical back office systems and precedents;
- the new standard (optional) costs disclosure form a simple tool practitioners can use to meet their disclosure obligations in matters under $3,000 (excluding GST and disbursements) that delivers need-to-know information to clients;
- the independence of the legal profession is preserved through direct contributions to the Uniform Rules on issues of conduct, practice and continuing professional development from the Law Council of Australia and the Australian Bar Association; and
- the ability to move easily between private, in-house and government practice with new practising certificate requirements.
**THE UNIFORM LAW**
The Uniform Law sets out the regulatory arrangements for the legal profession, including:

- admission to the Australian legal profession;
- legal practice;
- business practice and professional conduct;
- legal costs between a legal practitioner and their client;
- dispute resolution and professional discipline; and
- functions and powers of the LSC, the Commissioner and local regulatory authorities.

The Uniform Law is applied in NSW and Victoria by local application legislation – the *Legal Profession Uniform Law Application Act 2014* (NSW) and *Legal Profession Uniform Law Application Act 2014* (Vic). Both Acts and local regulations also provide for jurisdiction-specific matters, such as the establishment of local regulatory authorities and fees.

While certain provisions (including those establishing the Council and Commissioner) commenced in both States in 2014, most did not begin to apply until 1 July 2015.

**THE UNIFORM RULES**
Collectively, the Uniform Law and the Uniform Rules provide the operational detail of the Uniform Law and of the requirements for legal practitioners.

While the Council is ultimately responsible for making the Uniform Rules, in line with the co-regulatory principles underpinning the scheme, the ABA and LCA are responsible for developing Legal Practice, Legal Profession Conduct and Continuing Professional Development rules for solicitors and barristers respectively. The LSC’s specialist Admissions Committee is responsible for developing the Admission Rules.

The Uniform Rules are:

- Legal Profession Uniform General Rules 2015 (General Rules);
- Legal Profession Uniform Admission Rules 2015 (Admission Rules);
- Legal Profession Uniform Continuing Professional Development (Barristers) Rules 2015 (Continuing Professional Development Rules);
- Legal Profession Uniform Continuing Professional Development (Solicitors) Rules 2015 (Continuing Professional Development Rules);
- Legal Profession Uniform Legal Practice (Solicitors) Rules 2015 (Legal Practice Rules (Solicitors));
- Legal Profession Uniform Conduct (Barristers) Rules 2015 (Legal Profession Conduct Rules); and
General Rules: can be about anything necessary to give effect to the Uniform Law. The General Rules contain much of the necessary operational detail about practising certificates, trust money, trust accounts and billing previously covered by the NSW and Victorian Legal Profession Regulations.

Admission Rules: set out the qualifications for admission to the legal profession.

Legal Profession Conduct Rules: set out conduct rules for solicitors and barristers (including Australian-registered foreign lawyers), governing their fundamental duties as legal practitioners.

Continuing Professional Development Rules: set out the minimum requirements for continuing professional development for solicitors and barristers.

Legal Practice Rules (solicitors): provide for any aspect of legal practice such as conduct of business, transfer of a law practice, litigation lending, and loan and security documents.

All Uniform Rules are published on the NSW legislation website and are available via the LSC’s website.

“The Victorian Board and Commissioner welcome the opportunity that Victoria and NSW now have to harmonise and simplify regulation for over 70 per cent of Australia’s lawyers.”

Michael McGarvie
Legal Services Commissioner
OVERVIEW

Together, the Legal Services Council and the Commissioner for Uniform Legal Services Regulation oversee the operation of the Uniform Law scheme.

The Council sets the rules and policy which underpin the Uniform Law and ensure that it is applied consistently across participating jurisdictions. The Commissioner oversees the dispute resolution and compliance functions from 1 July 2015.

One of the Council’s primary roles is to make the Uniform Rules. The Council can also issue guidelines or directions to local regulatory authorities, such as the Law Society of NSW and the Victorian Legal Services Board to achieve a consistent approach.

Another task of the Council is to oversee the work of the Commissioner for Uniform Legal Services Regulation. The Commissioner monitors and reviews the exercise by local regulatory authorities of the dispute resolution and professional discipline provisions in Chapter 5 of the Uniform Law.

The Council’s work is overseen by a Standing Committee, which comprises the Attorneys General of jurisdictions participating in the scheme, currently Victoria and NSW.

An Admissions Committee appointed by the Council develops Admission Rules for the legal profession which are applied by local Admission Boards to admit lawyers to the legal profession in Australia. The Admissions Committee also advises the Council on admissions policy.
Another task of the Council is to oversee the work of the Commissioner for Uniform Legal Services Regulation. The Commissioner monitors and reviews the exercise by local regulatory authorities of the dispute resolution and professional discipline provisions in Chapter 5 of the Uniform Law. The Council's work is overseen by a Standing Committee, which comprises the Attorneys General of jurisdictions participating in the scheme, currently Victoria and NSW.

An Admissions Committee appointed by the Council develops Admission Rules for the legal profession which are applied by local Admission Boards to admit lawyers to the legal profession in Australia. The Admissions Committee also advises the Council on admissions policy.

**Role of Bodies under the Legal Profession Uniform Law**

**Standing Committee**

NSW and Victorian Attorneys General

- Supervises the Legal Services Council, Commissioner for Uniform Legal Services Regulation and local regulatory authorities to ensure they are fulfilling their duties consistently with the Uniform Law's objectives
- Approves Uniform Rules

**Commissioner for Uniform Legal Services Regulation**

- Promotes compliance with the Uniform Law and Rules
- Ensures the consistent and effective implementation of Chapter 5 of the Uniform Law
- Raises awareness of the Uniform Law framework and its objectives
- Can issue guidelines and directions to local regulatory authorities about Chapter 5 functions

**Admissions Committee**

Develops rules about admission to the legal profession

- Gives advice to the legal services council about admissions-related matters

**Legal Services Council**

Monitors the Uniform Law's implementation and operation

- Develops General Rules and makes all Uniform Rules
- Issues guidelines and directions to local regulatory authorities about the exercise of their functions

**Local Regulatory Authorities Responsible for Day-to-Day Regulation of the Legal Profession**

- **Admission to the Legal Profession**
  - Legal Profession Admission Board (NSW)
  - Victorian Legal Admissions Board

- **Australian Practising and Registration Certificates**
  - Bar Council (NSW)
  - Law Society Council (NSW)
  - Victorian Legal Services Board

- **Trust Accounts and Accounting**
  - Victorian Legal Services Board
  - Law Society Council (NSW)
  - Law Institute of Victoria (trust account investigations)

- **Compliance Audits and Management System Directions**
  - Victorian Legal Services Board
  - NSW Legal Services Commissioner
  - Law Society Council (NSW)
  - NSW Bar Council

- **Chapter 5 Consumer Complaints, Dispute Resolution and Professional Discipline**
  - Victorian Legal Services Commissioner
  - NSF Legal Services Commissioner
  - NSW Law Society and Bar Councils

**Courts and Tribunals**

- Supreme Court of NSW
- Supreme Court of Victoria
- NSW Civil and Administrative Tribunal
- Victorian Civil and Administrative Tribunal
- Victorian Civil and Administrative Tribunal
THE STANDING COMMITTEE

The Standing Committee is comprised of the Attorneys General of the jurisdictions participating in the scheme. It makes the Uniform Regulations and considers the Uniform Rules. The Standing Committee has a ‘general supervisory role’ in relation to the Council which includes overseeing the finances of the Council and approving its budget.

THE LEGAL SERVICES COUNCIL

The Council’s objectives under the Uniform Law are to:

- monitor implementation of the Uniform Law to ensure that it is applied consistently;
- ensure the Uniform Law framework remains efficient, targeted and effective, and promotes the maintenance of professional standards; and
- ensure the Uniform Law framework appropriately accounts for the interests and protection of clients of law practices.

The Council formally makes all the Uniform Rules and can issue guidelines or directions to local regulatory authorities, except in relation to complaints and professional discipline, towards achieving a consistent approach.

The Council consists of five members, including the Chair, drawn from participating jurisdictions and appointed by the Attorney-General of the host jurisdiction for the Uniform Law, the Attorney-General of Victoria:

- one member appointed as Chair on the recommendation of the Standing Committee with the concurrence of the Presidents of the Law Council of Australia and the Australian Bar Association;
- two members – one each recommended by the Law Council of Australia and Australian Bar Association respectively; and
- two members recommended by the Standing Committee on the basis of their expertise in legal practice, consumer protection, legal professional regulation or financial management.

Members are appointed for three years and may be reappointed but cannot hold office for a total of more than six years consecutively or non-consecutively. Council members do not have a representational role in relation to any particular area of expertise or in relation to any particular organisation or jurisdiction. The Council is a statutory corporation. It has all the powers of an individual and may do anything necessary or convenient to perform its functions. The Council does not represent the Crown.
INAUGURAL LEGAL SERVICES COUNCIL MEMBERS

The Hon Michael Black AC QC
Chair

The Hon Michael Black practised at the bar until 1990 when he was appointed Chief Justice of the Federal Court of Australia (1991-2010). At various times whilst at the bar he was a member of the Victorian Bar Council, a member of the Victorian Legal Aid Committee, and a member of the Council of the Leo Cussen Institute. He was the foundation Chair of the Victorian Bar’s course of instruction for new barristers. As Chief Justice of the Federal Court he sat as an appellate judge in all areas of the Court’s jurisdiction and was closely involved in the Court’s administration and in its reforms to practice and procedure. Mr Black is also a former Co-President of the Paris-based International Association of Supreme Administrative Jurisdictions.

Ms Fiona Bennett
Council Member

Ms Bennett is a director of a number of entities including Beach Energy Limited and Hills Limited. She has been a member of the Victorian Legal Services Board since 2008 and Chairperson since January 2013. Ms Bennett is a Chartered Accountant and has previously held senior executive positions at BHP Billiton Ltd and Coles Group Ltd. She has been Chief Financial Officer of several organisations in the health sector and is Chair of the Audit Committee of the Department of Education and Early Childhood Development (Victoria) and of the Risk Committee of the Australian Prudential Regulation Authority.

Ms Kim Boettcher
Council Member

Kim Boettcher is a Solicitor who has practised law in England and Wales, New South Wales and Queensland. She is employed at the Seniors’ Rights Service in Sydney, an independent legal centre which forms part of an Australian network of community legal centres.

Ms Boettcher has attended and addressed two United Nations Open-Ended Working Groups on Ageing in New York in 2013 and 2014, advocating for a proposed Convention of the Human Rights of Older People. She is a Director of the Hornsby Ku-ring-Gai Women’s Shelter, a Member of the COTA NSW Policy Advisory Group, a past Member of the NSW Minister of Fair Trading’s Retirement Villages Advisory Council and past Member of the committee established by the Minister to draft a standard retirement village contract and disclosure documents from 2011 to 2013. Ms Boettcher is also a member of the International Commission of Jurists Australia and Women on Boards Australia.
Mr Steven Stevens  
Council Member

Mr Stevens is a tax practitioner and Principal of Stenas Legal in Melbourne. He is a member of the Victorian Legal Services Board, elected as a legal practitioner representative in July 2013. Mr Stevens practised as an economist before being admitted to legal practice in 1988.

Between 1993 and 2011, Mr Stevens was a tax partner at Herbert Smith Freehills. In addition, he has held a number of positions within the legal profession, including President of the Law Institute of Victoria (2010) and Director of the Law Council of Australia (2010-2011). He is currently the Chair of the Professional Ethics Committee of the Law Council of Australia and Co-Vice Chair of the Professional Ethics Committee of the International Bar Association. Mr Stevens has represented the profession on a number of external bodies, including Australian Taxation Office consultative bodies and the Australasian Institute of Judicial Administration.

Mr Bret Walker SC  
Council Member

Mr Walker is a barrister at Fifth Floor St James’ Hall in Sydney. He was admitted to the NSW Bar in 1979 and was appointed Senior Counsel in 1993 and Queen’s Council in 1994. Mr Walker has held several senior positions including President of the NSW Bar Association (2001-2003), President of the Law Council of Australia (1997-1998), and Governor of the Law Foundation of NSW (1996-2007). He was Australia’s first Independent National Security Legislation Monitor from 2011 to 2014. Mr Walker prepared the 1993 NSW Barristers’ Rules which provided the basis for the uniform rules relating to advocacy. He is a member of the National Criminal Law Committee of the Law Council of Australia and has been editor of the NSW Law Reports since 2006.

THE COMMISSIONER

The Commissioner for Uniform Legal Services Regulation is responsible for raising awareness of and promoting compliance with the Uniform Law and Rules. The Commissioner also monitors and reviews the dispute resolution and professional discipline functions set out in Chapter 5 of the Uniform Law.

The Commissioner can issue guidelines and directions to local regulatory authorities concerning the exercise of their complaints and professional discipline functions, in order to ensure consistency across participating jurisdictions.

The Commissioner’s Report can be found at page 32.
CHIEF EXECUTIVE OFFICER (CEO)

The CEO administers the day-to-day management of the affairs of the Council in accordance with the policies and directions of the Council. The position of CEO is established by the Uniform Law, which provides that the functions of the CEO are to be exercised by the Commissioner.

Dale Boucher commenced as Commissioner and CEO on 29 September 2014 for a one year term. Previously, Mr Boucher oversaw the creation of the Tax Practitioners Board as its inaugural Chairman, between 2009 and 2013. Earlier in his career, he was the CEO Designate of the Australian Government Solicitor and he held the personal office of the Australian Government Solicitor, between 1993 and 1997.

Mr Boucher has also been a partner in a major national law firm and has practised in Canberra as a solicitor and management consultant. Mr Boucher was first admitted to practise in Victoria and has since worked and been admitted in the Northern Territory, Western Australia and the Australian Capital Territory.

THE ADMISSIONS COMMITTEE

An Admissions Committee appointed by the Council is responsible for developing Admission Rules – that is, the rules that govern how people are admitted to the legal profession – which are applied by the local Admission Boards. The Committee also provides the Council with advice about admission issues.

Under Schedule 1, Part 6 of the Uniform Law, the Admissions Committee consists of seven people drawn from the participating jurisdictions (currently NSW and Victoria). Two of the members must be current or former Supreme Court judges, nominated by the Chief Justice of the host jurisdiction of the Uniform Law (Victoria) with the concurrence of the Chief Justice of each other participating jurisdiction. The LCA and the ABA each nominate a member with expertise or experience in legal practice. Two members are appointed on the nomination of the Dean of a Law School or of a Faculty of Law or the head of an institution that provides practical legal training (or a person of equivalent status or who has equivalent functions).

The Standing Committee nominates a member who is either an officer or employee of a government department with relevant expertise or experience or a person who has expertise or experience in developing policy standards for admission or in accrediting education courses or institutions.

The inaugural Admissions Committee members are:

- Dr Elizabeth Boros
- Professor Sandford Clark (Chair)
- Professor Carolyn Evans
- The Hon Justice Emilios Kyrou
- Mr John Littrich
- Mr Gary Ulman
- The Hon Justice Richard White.
The Secretariat

The Secretariat provides support to the LSC and CEO in administering the day-to-day matters of the Council. It comprises an Executive Officer and Policy Officer (both of whom are admitted lawyers), as well as an Executive Assistant to the CEO/Commissioner. The Secretariat team has extensive experience in legal policy and in providing support to advisory bodies and committees.

Local Regulatory Authorities

The LSC and the Commissioner do not have a direct role in the regulation of law practices and legal practitioners and cannot intervene in individual cases. State-based Legal Services Commissioners and professional bodies largely retain their pre-Uniform Law roles in the day-to-day regulation of the legal profession in relation to complaints and investigation functions, granting of practising certificates and provision of professional development. Local Admission Boards and the Supreme Courts maintain their role in the admissions process.

“The Uniform Law is an important first step in the journey to a national profession.”

Katie Miller
President, Law Institute of Victoria

“Consumers, lawyers and law firms are being forced to wade through rivers of red tape which are based on history, not common sense. Our reforms will allow lawyers to focus on lawyering, give consumers consistent protections and make it easier for people to practice on both sides of the Murray.”

Gabrielle Upton
Attorney General NSW

“The Victorian Bar welcomes this important development. The move to a national profession will benefit Victorian lawyers competing for domestic and international work with a more streamlined and uniform approach to practice.”

Jim Peters
President, Victorian Bar Council
Achievements

The LSC completed a significant body of work in the short space of time since it was established in October 2014, until 30 June 2015.

The Council met, on average, once a month in the first eight months of its operation – often by teleconference. This enabled the Council to complete all of the procedural steps required by the Uniform Law to make the rules and, in so doing give full and detailed consideration to feedback and issues.

Establishing relationships and strong two-way communications with local regulators and legal profession associations has also been an important part of the LSC’s work.

The Uniform Law’s commencement was a landmark representing the culmination of our achievements to date, as well as the beginning of our next phase of work. This will focus on embedding the reforms to ensure the full potential of the Uniform Law to establish a common legal services market is realised.

The LSC will continue its consultative approach as we continue to work towards uniform regulation of the Australian legal profession – in Victoria, NSW and ultimately Australia-wide.

COORDINATING THE MAKING OF THE UNIFORM RULES

The creation of the Uniform Rules to commence on 1 July 2015 is a testament to the professionalism and effective working relationships achieved by the LSC, LCA, ABA and Admissions Committee.

Extensive public consultation, including with a range of industry and consumer bodies, was undertaken on all rules. With the LSC, LCA, ABA and Admissions Committee using a jointly agreed timetable and work plan (developed in October 2014), consultation drafts of the Uniform Rules were released for comment in late 2014.

The LSC’s website was used as a central portal where stakeholders could access consultation drafts of all Uniform Rules and find out how they could provide feedback.

This coordination and close collaboration ultimately resulted in all Uniform Rules needed to support the commencement of the scheme being made by the Council on 26 May 2015. The LSC is grateful to all parties involved in both the consultation and the preparation of the Uniform Rules for their assistance and input provided in a spirit of collegiality and cooperation.
CONSULTATION AND DEVELOPMENT
OF THE GENERAL RULES

As part of the making of the Uniform Rules, the LSC was also responsible for the development of a specific set of rules, the General Rules. This involved preparing a consultation draft, releasing it for public and targeted consultation and drafting amendments in response to submissions. Fundamental to this was establishing arrangements with the NSW and Victorian Parliamentary Counsel offices for the drafting of the rules. The General Rules were drafted by expert parliamentary drafters, ensuring the rules were expressed clearly and accurately without unnecessary prescription.

The General Rules were informed by wide-ranging public and specific consultation. The consultation draft released on 28 November 2015 was based to some extent on the draft Legal Profession National Rules (December 2010) developed by the Council of Australian Government’s National Legal Profession Reform Taskforce. The National Rules had been the subject of extensive consultation in mid-2010. The LSC also looked at what rules the Uniform Law required and whether there were any other matters that needed to be dealt with to support the Law’s operation. This meant examining the arrangements that applied under the previous Legal Profession Acts and Legal Profession Regulations, with a view to minimising unnecessary change for legal practitioners, ensuring regulation was proportionate and targeted and was consistent in its application.

More than 130 bodies around Australia were directly invited to comment on the consultation draft of the proposed General Rules. Further feedback was sought through communication channels including a joint media release with the ABA and LCA, the LSC’s website, online surveys for legal practitioners and consumers, and social media.

Professional associations including the Victorian Legal Services Board and the Victorian and NSW justice departments also invited interested parties to comment on the draft and complete online surveys through websites and other channels.

The LSC received 30 submissions on the consultation draft of the General Rules, with legal professional associations, legal services commissioners and consumer and community legal groups providing detailed feedback on the draft rules. The LSC carefully considered all submissions and feedback received including a rule-by-rule analysis of each draft rule. In doing so, the LSC was careful to consider any impact on law practices, as well as their role to ensure the Uniform Law framework appropriately accounts for the interests and protection of clients of law practices. This was informed by further consultation with the NSW and Victorian Legal Services Commissioners, the ABA, the LCA, Law Society of NSW and Law Institute of Victoria.

Feedback on the consultation draft led to around 20 changes to specific rules to better align them with contemporary business practice, minimise unnecessary regulatory change and strengthen alignment with the Uniform Law’s consumer protection objectives.
New rules were also incorporated, based on feedback about supervised legal practice, bar exams, notification of summary offences and itemised billing.

A range of minor amendments were also made to remove unnecessary differences between the General Rules and NSW and Victorian pre-Uniform Law requirements.

The consultation also highlighted a number of areas for work by the LSC and others in the longer term, including:

- exploring the need for guidelines about how local regulatory authorities conduct audits of law practices and the issue of management directions;
- developing an agreed approach and any rules, if necessary, for the titles which may be used by foreign lawyers who are not admitted to practise law in Australia;
- investigating the use and types of powers of attorney, with a view to providing for appropriate rules and a register, if required;
- developing an agreed approach with the LCA about specific conduct and practice rules about wills and estates; and
- investigating the need for a policy or guidelines about retainers and whether they should be treated as trust money.

The consultation report is available on the LSC’s website. The report contains further information about the feedback received and how it was considered during the development of the general Uniform Rules.

**FORMATION OF THE ADMISSIONS COMMITTEE AND DEVELOPMENT OF THE ADMISSION RULES**

The members of the inaugural Admissions Committee were appointed by the LSC in November 2014.

The Committee’s first task was to develop proposed Admission Rules, setting out the qualifications that a person who wants to practise law must obtain before being admitted to the legal profession by the relevant Supreme Court.

The Uniform Law required the Admissions Committee to develop the Admission Rules in consultation with others and, with the approval of the Council, to release a draft for public consultation.

The consultation draft of the Admission Rules was prepared based on rules developed by the Law Admissions Consultative Committee, a national body on which all states and territories are represented. As admission in one state or territory is recognised in other Australian jurisdictions, it is important that all Australian jurisdictions have common principles and practices relating to admission to the legal profession.
The consultation draft of the proposed Admission Rules was released for consultation in November 2014.

After considering the submissions, the Admissions Committee made a series of minor amendments and submitted the final draft of the proposed Rules to the Council together with a report on compliance with section 426(3) of the Uniform Law. Following their approval by the Standing Committee, the Admission Rules were made by the Council on 26 May 2015 – together with the other Uniform Rules. The Admission Rules commenced in NSW and Victoria on 1 July 2015. Further information about the Admission Rules is available on the LSC’s website.

As well as being responsible for developing Admission Rules, the Admissions Committee has a broader role providing advice to the LSC about admission matters. The Admissions Committee has been investigating the need for the LSC to issue guidelines or directions to ensure that the Uniform Law’s requirements with respect to admission are applied consistently by the admission bodies in participating jurisdictions; currently the NSW Legal Profession Admission Board and Victorian Legal Admissions Board.

**COSTS DISCLOSURE FORM**

Consumers of legal services have not always found it easy to understand how legal costs are determined and the fees they will need to pay. The Uniform Law introduces enhanced obligations in relation to providing estimates of legal costs, and under these new provisions, a law practice has a duty to only charge legal costs that are fair and reasonable.
These new costs disclosure obligations will ensure that consumers are better able to understand the costs they can expect to pay for their legal services so they can exercise informed consent.

To improve business efficiency, the Uniform Law introduced a new (optional) standard costs disclosure form for use when legal costs for consumers are not likely to exceed $3,000, before GST and disbursements are added, as an optional alternative to full disclosure.

An early objective for the LSC was to develop a relatively simple and easy to use form that would reduce red tape for law practices while providing transparency for their clients about the estimated costs of their matter. To encourage the use and adoption of such a form, the LSC consulted extensively with local authorities and key stakeholders, including consumer organisations, about the design, content, and format of the forms, including the use of plain English. The LSC also engaged expert form design advice.

The resulting forms are available in two formats, one for law practices (other than barristers) and one for barristers briefed directly by the client. The forms are published on the LSC website, and can be downloaded for use together with the information sheets developed by the LSC for consumers and legal practitioners about how to use them.

BUILDING A WELL-GOVERNED AND UNIFIED ORGANISATION

As this was the LSC’s first year of operation, a range of initial activities were undertaken to establish the LSC as an organisation. The LSC established dialogue and working relationships with key stakeholders, including initiating regular Uniform Law implementation meetings. Recruitment of the Secretariat team, developing templates and branding and establishing meeting procedures for the Council and Admissions Committee were also early priorities.

Development of an initial and triennial budget and establishing arrangements with the NSW Department of Justice to access corporate services including human resources, communications and financial supports were also a focus.

This work was completed in parallel with the development and consultation on the Uniform Rules.
The Year Ahead

STRATEGIC AND BUSINESS PLAN

Over 2015-16, the LSC will further develop its Strategic and Business Plan to pursue the strategic outcomes the LSC and Commissioner intend to achieve over the first three years of the Uniform Law’s operation. These strategic outcomes will be used to identify key result areas and frame a supporting action plan. The plan was shaped by stakeholder feedback during the development of the proposed General Rules, as well as by reference to the issues that the Standing Committee requested the Council examine.
MAIN LSC PRIORITIES FOR 2015-16
INCLUDE:

Further embedding the Uniform Law reforms:
Working with local regulators and professional associations to ensure the Uniform Law is implemented consistently across NSW and Victoria and exploring opportunities to facilitate seamless practice across participating jurisdictions.

Stakeholder engagement and communication:
The Council and the Commissioner are part of a wider framework of entities that play an integral role in the legal profession’s regulation. The Council and Commissioner will continue working collaboratively with local regulatory authorities, the LCA, the ABA and other bodies with direct involvement in the profession.

Consultative Forum
In order to foster open dialogue with stakeholders, the LSC decided during the period under report to establish a biannual Consultative Forum to share information and ideas, and explore issues related to the Uniform Law particularly with consumers. The Forum will help inform the LSC’s work ensuring the Uniform Framework remains efficient, targeted and effective, promoting the maintenance of professional standards and consumer interests.

The first biannual forum will be held in NSW in November 2015.

Office Location
The LSC Secretariat will relocate from its temporary offices at the Law Society of NSW to a nearby office in the MLC Centre in Martin Place, Sydney in August 2015. The LSC is grateful to the NSW Law Society for their assistance in providing temporary office space, as well as access to meeting rooms, information technology support and other assistance for the Secretariat since it commenced operations in October 2014.
HOSTING ARRANGEMENTS FOR THE LEGAL SERVICES COUNCIL AND COMMISSIONER FOR UNIFORM LEGAL SERVICES REGULATION

New South Wales ‘hosts’ the LSC and Commissioner. As a result the LSC and Commissioner’s office is based in Sydney NSW. Staff (apart from the Commissioner) are NSW public service employees under the Government Sector Employment Act 2013 (NSW). The NSW Department of Justice provides communication, human resources, information technology and finance services to support the operation of the LSC. These services are provided under service level agreement arrangements.

Oversight legislation that commonly applies to NSW Government agencies such as the Privacy and Personal Information Protection Act 1998 and the Government Information (Public Access) Act 2009 also apply to the LSC and to the Commissioner.

Register of delegations

The LSC may delegate certain functions to the Chair of the Council or the Commissioner. No delegations were made in 2014-15. The Uniform Law requires that the register be reviewed annually. No changes were identified in reviewing the 2014-15 arrangements. The Council will keep the need for the delegations under review as the Uniform Law’s arrangements are further bedded down over the course of 2015-16. The register of delegations is published on the LSC’s website.

Funding arrangements

The LSC’s funding arrangements are provided by an Intergovernmental Agreement, entitled the Bilateral Agreement on the Legal Profession Uniform Framework, between the two participating jurisdictions.

The LSC is jointly funded by the jurisdictions participating in the Uniform Law scheme (currently NSW and Victoria). The LSC’s budget is approved by the Standing Committee (currently comprising the NSW and Victorian Attorneys General).

For 2014-15, a one year operating budget of $611,686 was approved. This amount was funded by a contribution from the Law Society of NSW of $500,000 (or $454,545 excluding GST) and a contribution from the Victorian Legal Services Board of $157,141 ($142,855 excluding GST).

The LSC also received significant in-kind support during its initial establishment period, with the Law Society of NSW providing temporary office accommodation and the Victorian Legal Services Board making two experienced legal policy professionals available to assist the Council in developing the consultation draft Uniform General Rules.

From 2015-16 onwards, any direct funding contribution required will be funded in accordance with each participating jurisdiction’s proportion of the total number of legal practitioners to whom practising certificates were issued over the preceding financial year.
Each jurisdiction will individually determine how it will meet its funding obligations.

In practice, the NSW contribution is funded by admission fees prescribed by the Legal Profession Uniform Law Application Regulation 2015.

Each admission fee of $900 is to be allocated as follows:

- $500 to the NSW Legal Profession Admission Board, and
- $400 to the NSW Department of Justice.

In Victoria, the Victorian Legal Services Board, each financial year, must pay an amount determined by the Attorney-General as Victoria’s contribution to the funding of the Legal Profession Uniform Framework. This amount is paid from the Public Purpose Fund.

Financial safeguards, such as controls on when expenditure can be incurred, apply to the LSC under the Public Finance and Audit Act 1983 (NSW).

Audited financial statements are presented in this report from page 40.
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Report of the Legal Services Council 03
Financial Reporting 40
8 December 2015

The Hon Michael Black AC QC  
Chair  
Legal Services Council  
PO Box 728  
KEW VIC 3101

Dear Mr Black

**Annual Report for 2014 - 2015**

I submit my annual report for 2014 – 2015 to the Legal Services Council, in accordance with Item 10 in Schedule 2 to the Legal Profession Uniform Law.

The annual report does not include separate financial statements for me as Commissioner, as the financial statements of the Council and for my office have been consolidated with those for the Council, as one entity. However, the financial statements have been prepared in accordance with Australian Accounting Standards and have been audited. A report from the Auditor is with the financial statements.

Yours sincerely

Dale Boucher  
Chief Executive Officer | Legal Services Council  
Commissioner for Uniform Legal Services Regulation
I commenced as the Commissioner for Uniform Legal Services Regulation (the Commissioner) on 29 September 2014. This report therefore covers the same period as the preceding Annual Report for the LSC on the first part year in which the LSC commenced operations, to 30 June 2015.

Under the Uniform Law scheme, my role as Commissioner is to:

• promote compliance with the requirements of the Uniform Law and the Uniform Rules;

• ensure the consistent and effective implementation of the provisions of Chapter 5, which relate to dispute resolution and professional discipline and supporting Uniform Rules through the development and making of appropriate guidelines; and

• raise awareness of the Legal Profession Uniform Framework and its objectives.

The Commissioner is a separate and distinct role to that of the Council. The Uniform Law also provides that the functions of Chief Executive Officer (CEO) of the Council are to be exercised by the Commissioner and that the CEO is to administer the affairs of the LSC in accordance with policies and directions of the Council. As such I have a dual role. As the Commissioner, I also:

• seek to promote consistency in the exercise of the dispute resolution and professional discipline functions;

• for that purpose, monitor and review the exercise of Chapter 5 functions by local authorities;

• report to the Council on these matters; and

• recommend changes to Chapter 5 functions, should any changes be desirable.

My functions relating to dispute resolution and professional discipline did not commence until the Uniform Law scheme commenced in NSW and Victoria on 1 July 2015. Consequently, my main focus during the reporting period was on preparing for the commencement of and later promoting the Uniform Law. I sought to achieve this through giving presentations both in NSW and Victoria and meeting with key stakeholders from other jurisdictions, and through development of the LSC’s communications capability.

I also began the important and ongoing task of developing close working relationships with local regulatory authorities. One of my main priorities was fostering open communication and working through issues collaboratively to support consistent and effective implementation of the Uniform Law’s dispute resolution and professional disciplinary functions.

During the reporting period, it was necessary mainly to focus on my role as CEO of the LSC. This was partly due to the fact that my role in overseeing dispute resolution and professional discipline matters under Chapter 5 did not commence until the commencement of the Uniform Law on 1 July 2015. In addition, it was necessary to assist the Council in its task of consulting with stakeholders and making the General Rules. This occupied most of my time and that of the Secretariat.
However, I undertook a number of outreach initiatives to raise awareness about the Uniform Framework, which are outlined in this report. The Uniform Law is now operating in both NSW and Victoria. My focus for 2015-16 will now turn to promoting compliance with the Uniform Law and working with local regulatory authorities to ensure dispute resolution and professional discipline arrangements are implemented consistently and effectively in both states.

During 2015-16, I intend to finalise information sharing arrangements with local regulatory authorities that will facilitate information exchange about complaints and disciplinary matters. This will support an evidence-based approach to my role in monitoring and reviewing how Chapter 5 functions are exercised.

Guidelines on new functions are currently being drafted to complement aspects of the Uniform Law and Rules, and I will keep the need for updates and amendments to the guidelines under review.

Building awareness of the Uniform Framework is an ongoing priority. I will continue to meet with legal professionals, consumer groups, professional bodies and regulators in participating jurisdictions and elsewhere, to talk with them about the Uniform Law.

Lastly, I would like to acknowledge the tremendous combined efforts of many to bring about commencement of the Uniform Law in NSW and Victoria – an important step towards creating a common legal services market in Australia. In particular, I mention the staff of the LSC including those officers made available by the Victorian Legal Services Commissioner and Board. I include in this, the very experienced former Parliamentary Counsel of NSW, Dennis Murphy QC who led the efforts to draft and oversee the drafting of the General Rules. Without the contributions of these people, the support of the Council and the goodwill and encouragement of stakeholders we would not have been able to make as much progress as was achieved in this important measure for the regulation of the legal profession in Australia.

Dale Boucher
Commissioner for Uniform Legal Services Regulation
THE COMMISSIONER FOR UNIFORM LEGAL SERVICES REGULATION

The independent office of the Commissioner is established by the Uniform Law. The Commissioner is appointed for a term of up to five years by the Victorian Attorney-General on the recommendation of the Standing Committee and with the concurrence of the Council; and may be reappointed but not serve for more than a total of ten years. Mr Dale Boucher commenced as Commissioner and CEO on 29 September 2014 for a one year term, and his biographical information can be found on page 21.

The Commissioner is independent of the Council in exercising functions under the Uniform Law, except as provided in Part 8.3 of the Uniform Law. In practice the Commissioner works in close consultation with the Chair and staff of the Secretariat.

The role of the Commissioner is to:

- promote compliance with the requirements of the Uniform Law and Uniform Rules;

- ensure consistent and effective implementation of Chapter 5 of the Uniform Law (Dispute Resolution and Professional Discipline) and supporting Uniform Rules through the development and making appropriate guidelines; and

- raise awareness of the Legal Profession Uniform Framework and its objectives.

The Commissioner performs a number of functions in relation to local authorities. These activities seek to promote consistency in the exercise of Chapter 5 functions by monitoring and reviewing the exercise of Chapter 5 functions. (See Glossary on page 5 for more information about Chapter 5.)

The Commissioner may report to the LSC, any matter relating to the exercise of Chapter 5 functions to which the Commissioner believes the attention of the Standing Committee should be drawn. The Commissioner can also recommend for reporting to the Standing Committee, any changes to Chapter 5 functions that the Commissioner thinks desirable.

RELATIONSHIP TO THE COUNCIL

The functions of the Council in relation to the Commissioner are to:

- monitor and review the exercise of the functions of the Commissioner;

- examine annual and other reports of the Commissioner and report to the Standing Committee on any matter appearing in or arising from any such report;

- make recommendations to the Standing Committee on any changes to the role or functions of the Commissioner that the Council thinks fit; and

- inquire into and report on any question about the Commissioner’s functions referred to it by the Standing Committee.

The Commissioner is also the CEO of the LSC.
The Commissioner undertook a number of outreach initiatives to raise awareness about the Uniform Framework and promote compliance during 2014-15, including interviews for Law Council of Australia and Law Institute of Victoria publications and presentations about the Uniform Law at forums, including:

- The Law Society of NSW Regional Presidents’ Conference – (February 2015);
- National Costs Conference (Victoria) – (February 2015);
- Community Legal Centre NSW Legal Training Day – (February 2015);
- Australian Corporate Counsel Day – (March 2015);
- Eastern Suburbs Law Association (Victoria) – (2015);
- Inner West Law Society (NSW) – (March 2015);
- Australian Government Legal Network – (June 2015); and
- Law Crime and Community Safety Council (in conjunction with the LSC Chair) – (May 2015).

The LSC also developed a website and a number of information sheets for law practices, legal practitioners and consumers. These seek to raise awareness about central aspects of the Uniform Law and promote compliance.

The information sheets are available on the LSC’s website and include:

- Overview of the Uniform Law;
- Uniform Law Framework;
- Legal costs and cost disclosure obligations;
- Information sheets for law practices and consumers about the costs disclosure form;
- Billing provisions;
- Costs agreements; and
- Costs assessment arrangements.

Work on information sheets explaining key changes for legal practitioner and law practices and what the Uniform Framework means for consumers of legal services and corporate and government lawyers also commenced in 2014-15.
The Year Ahead

STRATEGIC AND BUSINESS PLAN

The Commissioner’s future priorities will be contained in the LSC’s Strategic and Business Plan. One early priority for 2015-16 will be establishing an information sharing framework between local regulatory authorities to support the consistent and effective implementation of the Uniform Law’s dispute resolution and professional discipline arrangements.
REPORT ON COMPLAINTS HANDLING AND DISCIPLINARY PROCEDURES FOR THE YEAR

The Uniform Law requires that the Commissioner report on the following information each year:

• statistical information about complaints received, resolved and determined;

• a report containing information regarding compliance functions; and

• audit information submitted by fidelity authorities for fidelity funds.

Because the related provisions had not commenced during the 2014-15 reporting period, such information will be included in future reports.

REGISTER OF DELEGATIONS

The Commissioner may delegate any of their functions (other than the power of delegation) to a member of the staff of the Commissioner. No delegations were needed or were made in 2014-15. The Uniform Law requires that the register be reviewed annually. No changes have been identified in reviewing the 2014-15 arrangements. The Commissioner will keep the need for the delegations under review as the Uniform Law’s arrangements are further bedded down over the course of 2015-16. The register of delegations is published on the LSC’s website.
Financial Statements for the Year Ended 30 June 2015

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General Information

These financial statements contain the consolidated financial statements of the Legal Services Council and the Commissioner for Uniform Legal Services Regulation, as one entity. The Legal Services Council was created by the Legal Profession Uniform Law Application Act 2014 (Vic) and the Legal Profession Uniform Law Application Act 2014 (NSW) 2014. The intention of the parliaments of each state is that one single Council and one single Office of Commissioner is created.

The legislation to create the Council and the Office of Commissioner commenced operation on 1 July 2014. The occupant of the Office of Commissioner for Uniform Legal Services Regulation and the members of the Council were appointed in September and October 2014, respectively.

The statements cover the period from 1 July 2014 to 30 June 2015.

The financial statements are presented in Australian dollars, which is Legal Services Council’s functional and presentation currency.

The Legal Services Council is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

The financial statements were authorised for issue, in accordance with a resolution of the Council, on 8 December 2015. The Council has the power to amend and reissue the financial.

FINANCIAL STATEMENTS SUMMARY

Net Result for the Year
The net result for the year ended 30 June 2015 was nil, as the Legal Services Council’s expenditure was equal to its revenue for the financial year. The Legal Services Council also had no comprehensive income to report for the financial year.

Revenue
The revenue for the Legal Services Council for the year ended 30 June 2015 was $538,325.00 (2014: Nil).

Expenses
The expenditure for the Legal Services Council for the year ended 30 June 2015 was $538,325.00 (2014: Nil).

Assets
The total assets for the Legal Services Council as at 30 June 2015 were $140,347.00 (2014: $500,000.00 – refer to Note 5), representing cash at bank and receivables.

Liabilities
The total liabilities for the Legal Services Council as at 30 June 2015 were $140,347.00 (2014: $500,000.00 – refer to Note 6), representing employee related provisions and other accrued liabilities.
In the Commissioner’s opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards – Reduced Disclosure Requirements, and other mandatory professional requirements;

- the attached financial statements and notes give a true and fair view of the Legal Services Council’s financial position, incorporating the Commissioner for Uniform Legal Services Regulation, as at 30 June 2015 and of the performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Legal Services Council and the Commissioner for Uniform Legal Services Regulation will be able to pay their debts as and when they become due and payable.

Signed in accordance with a resolution of the Legal Services Council made pursuant to Item 26 in Schedule 1 to the Legal Profession Uniform Law (NSW) 2014.

Dale Boucher
Chief Executive Officer
Commissioner for Uniform Legal Services Regulation

8 December 2015

Sydney
INDEPENDENT AUDITOR’S REPORT

To the members of Legal Services Council,


We have audited the accompanying financial report of Legal Services Council, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Commissioners’ declaration.

Members’ Responsibility for the Financial Report

The Commissioner for Uniform Legal Services Regulation and CEO of the Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and for such internal control as the Commissioner or Council members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

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

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

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

In our opinion:

(a) the financial report presents fairly, in all material respects, the financial position of the Legal Services Council as at 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards - Reduced Disclosure Requirements; and

(b) the financial report also complies with Schedule 1 of the Legal Profession Uniform Law (NSW).

BDO East Coast Partnership

Paul Bull
Partner

Sydney, 8th December 2015
Statement of profit or loss and other comprehensive income
for the year ended 30 June 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses excluding losses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee related expenses</td>
<td>2</td>
<td>370,471</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>2</td>
<td>167,854</td>
</tr>
<tr>
<td><strong>Total expenses excluding losses</strong></td>
<td></td>
<td>538,325</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and contributions</td>
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<td>534,466</td>
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<tr>
<td>Acceptance by the Crown Entity of employee benefits and other liabilities</td>
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<td>3,859</td>
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<tr>
<td><strong>Total revenue</strong></td>
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<td>538,325</td>
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<tr>
<td>Gain/(loss) on disposal</td>
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<td>-</td>
</tr>
<tr>
<td>Other gains/(losses)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net result</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Statement of financial position
as at 30 June 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>30 June 2015</th>
<th>Actual 30 June 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
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<td>135,795</td>
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<tr>
<td>Receivables</td>
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<td>4,552</td>
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<tr>
<td>Total current assets</td>
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<td>140,347</td>
</tr>
<tr>
<td>Total assets</td>
<td></td>
<td>140,347</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
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<td></td>
</tr>
<tr>
<td>Payables</td>
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<td>106,760</td>
</tr>
<tr>
<td>Provisions</td>
<td>6</td>
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<td>Total current liabilities</td>
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<td>140,207</td>
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<tr>
<td>Non-current liabilities</td>
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<tr>
<td>Provisions</td>
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<td>140</td>
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<tr>
<td>Total non-current liabilities</td>
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<td>140</td>
</tr>
<tr>
<td>Total liabilities</td>
<td></td>
<td>140,347</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated funds</td>
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<td>-</td>
</tr>
<tr>
<td>Total equity</td>
<td></td>
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</table>
### Statement of changes in equity for the year ended 30 June 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>Accumulated funds $'000</th>
<th>Total $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2014</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net result for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transactions with owners in their capacity as owners</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2015</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 1 July 2013</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net result for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transactions with owners in their capacity as owners</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 30 June 2014</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
## Statement of cash flows
for the year ended 30 June 2015

<table>
<thead>
<tr>
<th>Notes</th>
<th>30 June 2015</th>
<th>30 June 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Payments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee related</td>
<td>(317,236)</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>(207,969)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total payments</strong></td>
<td>(525,205)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of goods and services</td>
<td>657,141</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>3,859</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total receipts</strong></td>
<td>661,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>8</td>
<td>135,795</td>
</tr>
</tbody>
</table>

**Net increase/(decrease) in cash**
- Opening cash and cash equivalents: -
- Cash transferred in as a result of administrative restructuring: -

**Closing cash and cash equivalents**
- 4 | 135,795 | -
NOTE 1.
SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Legal Services Council is an incorporated body and the Commissioner is a Statutory Office holder established under the Legal Profession Uniform Law Application Act 2014 (NSW). These entities are not Crown bodies.

New, revised or amending Accounting Standards and Interpretations adopted

The Council has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Council.

The following Accounting Standards and Interpretations are most relevant to the Council:

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities;
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets; and
- AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C).

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Council and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Grants

Grant revenue is recognised in the statement of profit and loss and other comprehensive income when the entity obtains control of the grants and it is probable that the economic benefits gained from the grant will flow to the entity and the amounts of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied, the recognition of grant revenue will be deferred until those conditions are satisfied.
When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised on receipt.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.
Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax (‘GST’) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.
Employee benefits provision

As discussed above, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Cash and Cash Equivalents

All cash for the Council is held by the Department of Justice in its treasury function, whereby the cash represented in the cash account of the Council is held by the Department on behalf of the Council.
### NOTE 2. EXPENSES EXCLUDING LOSSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(a) Employee related expenses</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Salaries and wages (including annual leave)</td>
<td>333,953</td>
<td>-</td>
</tr>
<tr>
<td>Payroll tax</td>
<td>19,908</td>
<td>-</td>
</tr>
<tr>
<td>Superannuation</td>
<td>12,717</td>
<td>-</td>
</tr>
<tr>
<td>Workers compensation insurance</td>
<td>34</td>
<td>-</td>
</tr>
<tr>
<td>Long service leave</td>
<td>3,859</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>370,471</td>
<td>-</td>
</tr>
<tr>
<td><strong>(b) Other operating expenses</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Administration</td>
<td>82,046</td>
<td>-</td>
</tr>
<tr>
<td>Communications</td>
<td>36,589</td>
<td>-</td>
</tr>
<tr>
<td>Agency staff</td>
<td>3,753</td>
<td>-</td>
</tr>
<tr>
<td>Audit fees</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>Consultancy services</td>
<td>10,001</td>
<td>-</td>
</tr>
<tr>
<td>Legal representation</td>
<td>8,982</td>
<td>-</td>
</tr>
<tr>
<td>Travel</td>
<td>6,483</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>167,854</td>
<td>-</td>
</tr>
</tbody>
</table>
### NOTE 3. REVENUE

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution from Law Society of NSW</td>
<td>454,545</td>
<td>-</td>
</tr>
<tr>
<td>Contribution from Victorian Legal Services Board</td>
<td>79,921</td>
<td>-</td>
</tr>
<tr>
<td>Employee benefits offsets</td>
<td>3,859</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>538,325</td>
<td>-</td>
</tr>
</tbody>
</table>

### NOTE 4. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and equivalents</td>
<td>135,795</td>
<td>-</td>
</tr>
</tbody>
</table>

### NOTE 5. CURRENT ASSETS - RECEIVABLES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution from Law Society of NSW (including GST)</td>
<td>-</td>
<td>500,000</td>
</tr>
<tr>
<td>Goods and services tax - input tax credits</td>
<td>4,552</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,552</td>
<td>500,000</td>
</tr>
</tbody>
</table>

### NOTE 6. CURRENT LIABILITIES

#### Employee related

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation leave provision</td>
<td>28,505</td>
<td>-</td>
</tr>
<tr>
<td>Recreation leave on costs provision</td>
<td>3,333</td>
<td>-</td>
</tr>
<tr>
<td>Long service leave on costs provision</td>
<td>1,610</td>
<td>-</td>
</tr>
<tr>
<td>Accrued salaries</td>
<td>16,826</td>
<td>-</td>
</tr>
<tr>
<td>Accrued payroll tax</td>
<td>2,821</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>53,095</td>
<td>-</td>
</tr>
</tbody>
</table>

#### Other

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors and sundry accruals</td>
<td>24,182</td>
<td>45,455</td>
</tr>
<tr>
<td>Deferred income</td>
<td>62,930</td>
<td>454,545</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>140,207</td>
<td>500,000</td>
</tr>
</tbody>
</table>
### NOTE 7. NON CURRENT LIABILITIES

<table>
<thead>
<tr>
<th>Employee related</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave on costs provision</td>
<td>140</td>
<td>-</td>
</tr>
</tbody>
</table>

**Aggregate employee benefits and related on-costs**

<table>
<thead>
<tr>
<th>Provisions - current</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provisions - non current</td>
<td>140</td>
<td>-</td>
</tr>
<tr>
<td>Accrued salaries and on costs</td>
<td>19,648</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total** | 53,235 | - |

### NOTE 8. RECONCILATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

Net Cash Generated from Operating Activities | 135,795 | - |

Profit/(Loss) from ordinary activities | - | - |

**Non-cash flows in Profit/(Loss) from ordinary activities**

<table>
<thead>
<tr>
<th>Changes in assets and liabilities</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease/(increase) in receivables and prepayments</td>
<td>500,000</td>
<td>-</td>
</tr>
<tr>
<td>Decrease/(increase) in other assets</td>
<td>(4,552)</td>
<td>-</td>
</tr>
<tr>
<td>(Decrease)/increase in payables</td>
<td>(456,170)</td>
<td>-</td>
</tr>
<tr>
<td>(Decrease)/increase in provisions</td>
<td>32,093</td>
<td>-</td>
</tr>
<tr>
<td>(Decrease)/increase in other liabilities</td>
<td>64,424</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total** | 135,795 | - |
### NOTE 9. COMMITMENTS

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other expenditure commitments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate other expenditure for operational expenditure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not later than one year</td>
<td>5,805</td>
<td>-</td>
</tr>
<tr>
<td>Subsequent to Year End the Council entered into a property rental lease below:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate other expenditure for property lease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not later than one year</td>
<td>85,167</td>
<td>-</td>
</tr>
<tr>
<td>Later than one year but not later than five years</td>
<td>226,208</td>
<td>-</td>
</tr>
</tbody>
</table>

The Council has no capital commitments.

### NOTE 10. CONTINGENT LIABILITIES

The council has no contingent liabilities.

### NOTE 11. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the Legal Services Council’s operations, the results of those operations, or the Legal Services Council’s state of affairs in future financial years.