



Contents

Report to beneficiaries 2012–13	3
Profile	3
Current board members	4
Retired board members	5
Investment of Funds	6
Projects funded or approved in principle during the period	6
Video Conferencing	7
Schemes to assist solicitors in need	7
SOLICITORSHOTLINE	7
SOLICITORSHELPINGHAND	8
PRACTITIONERS' BENEVOLENT FUND	8
PRIMARY PRODUCERS' LEGAL HANDBOOK	8
QLF WEBSITE	8
Notes to the Financial Report 2012–13	9
Independent auditor's report	9
Notes to the financial statements for the year ended 30 june 2013	13
1 Statement of Significant Accounting Policies	13
2 Trade and Other Receivables	15
3 Financial Assets	15
4 Property, Plant and Equipment	16
5 Unpaid Trust Distributions	16
6 Related Party Transactions	16
Financial Report 2012–13	11
Income statement for the year ended 30 june 2013	11
Balance sheet as at 30 june 2013	12
Profit and loss statement for the year ended 30 june 2013	18
Director's Declaration	17

Report to beneficiaries 2012–13

I have much pleasure in delivering the Annual Report of Law Foundation-Queensland.

Profile

I have much pleasure in delivering the Annual Report of Law Foundation-Queensland.

The Law Foundation-Queensland (LF-Q) trust was settled by the Honourable Chief Justice Paul de Jersey AC on the 15th November 2002.

Queensland Law Foundation Pty Ltd (QLF) is trustee for Law Foundation-Queensland

(LF-Q), which by Court approval received the assets previously held by Law Foundation Insurance Trust.

The following is the tenth annual report to beneficiaries setting out the activities and business affairs of that Trust for the 2012 – 2013 financial year. Included in this report are the Trust's Annual Accounts and Auditor's Report.

The beneficiaries of the Trust are named in the Trust Deed and include the Queensland Law Society Inc. (QLS), as well as practitioner members of the QLS.

QLF supports its beneficiaries through the various grants it has made to the QLS and other interested bodies, and also through direct assistance both financial and/or otherwise. This assistance is made available through the Solicitor Assist Hotline Program, the Solicitor Assist Helping Hand Program and the Benevolent Fund; projects which the QLF has established to assist those in need.

On the 13th December, 2012, the trustee company, Queensland Law Foundation Pty Ltd (QLF), held a meeting of Beneficiaries wherein a new Board was constituted.

The Board changes are as follows:

Current board members



Mr Raoul Giudes

- Elected to Chair the Board from 29 August, 2001;
- Re-appointed a Director in December, 2012;
- Partner of Guides & Elliot;
- Member of QLS Professional Conduct Committee; and
- A QLS Past President.



Mr Michael Meadows

- Re-appointed a Director in December, 2012;
- Former senior partner of Flower & Hart and now a consultant to the firm of KL Gates;
- Chair of QLS Professional Conduct Committee; and
- Director of Lexon Insurance Pte Ltd.



Mr Glenn Ferguson

- Partner of Ferguson Cannon Lawyers;
- Chair Of WorkCover Queensland;
- Past President of Law Asia;
- Past President of the Law Council of Australia;
- Chair of the College of Law Queensland;
- Foundation Fellow of the Australian Academy of Law;
- Chair of Lexon Insurance Pte Ltd;
- Fellow of the Australian Institute of Company Directors; and
- A QLS Past President.
- Mr Ferguson retired as a Director in December, 2012 and was appointed as a replacement for Mr Ian Berry upon Mr Berry's retirement.



Mr David Roberts

- Re-appointed a Director in December, 2012;
- Consultant to the firm of Cooper, Grace & Ward.



Mrs Joan Bennett

- Re-appointed a Director in December, 2012;
- Member of the Legal Practitioners Admissions Board; and
- Consultant to Forbes Dowling Lawyers;



Mr Peter Short AM

- Appointed as a Director in December, 2012;
- A former partner of Allens; and
- Past president of the Law Council of Australia.



Mrs Annette Bradfield

- Appointed to the Board in December, 2012;
- A principal of the firm Fox Bradfield; and
- QLS President.



Mrs Suzanne Greenwood

- Appointed to the Board as the representative of the Queensland Law Society in December, 2012;
- Councillor, Queensland Law Society;
- A member of ACLA;
- A Fellow of the Australian Institute of Management;
- A Member of the Australian Institute of Company Directors;
- A member of the Executive Committee of LawAsia; and
- A Council member of the Queensland Law Society.

Retired board members



Mr Justin O'Sullivan AM

- Re-appointed a Director in December, 2012;
- Chair until 29 August 2001 when he retired as Chairman but continued as a Director;
- Partner of Justin F O'Sullivan & Edgar from 1951 to June 1988;
- Consultant to Justin O'Sullivan & Edgar from 1 July 1998 to 30 September 1999;
- Consultant to Laherty & O'Sullivan from November 1999 to 31 January, 2007; and
- A QLS Past President.
- Mr O'Sullivan was awarded an Australia Medal in the Queen's Birthday Honours List in 2008 for services to the profession and to the community, and retired as a director at the meeting of beneficiaries in December 2012.



The Honorable Mr Ian Berry MP

- Re-appointed a Director in December, 2012;
- Principal of Ian Berry Solicitors at Ipswich;
- Past President of the Queensland Law Society Inc; and
- Elected as the parliamentary member for Ipswich at the Queensland State Elections held on the 24th March, 2012.
- Mr Berry retired as a Director in June 2013.



Ms Joanne Parisi

- Appointed to the Board as the representative of the Queensland Law Society;
- Senior Associate in MacDonnells Law; and
- Councillor, Queensland Law Society.
- Ms Parisi retired from her position on the Board as the representative of the Queensland Law Society at the meeting of Beneficiaries in December, 2012.

Investment of Funds

Under the provisions of the Trust Deed, the capital and income of the trust fund is held on behalf of the beneficiaries named in the trust.

During and after the global financial crises, the value of the portfolio representing the invested funds suffered significantly.

The Board, mindful of its duty as trustee for the fund, after much deliberation, arranged for the transfer of those funds to another financial advisor.

A committee of the Board works closely with the new advisors and the portfolio is showing an improved state.

Projects funded or approved in principle during the period

The following funds have been made available to the beneficiaries of the trust in support of the named projects during the period 1 July 2011 – 30 June 2012.

To QLS to assist in the continued running expenses incurred by the QLS video conferencing network including:-

- Licence fees, Telstra line and call charges, and internode charges;

\$222,195.00

To Lawasia to assist in the relocation of the Secretariat to Brisbane under the extended commitment of \$50,000.00 per year for 2 years commencing 1.1.12

\$50,000.00

By way of assistance to practitioners from the BENEVOLENT FUND project operated by the Law Foundation-Queensland Trust for the benefit of QLS member practitioners.

\$33,000.00

By way of assistance to practitioners from the Solicitors' HELPINGHAND project established for the benefit of QLS member practitioners.

\$13,500.00

By way of assistance to practitioners from the Solicitors' HOTLINE project

\$91,448.00

To QLS to assist with the provision of webinar services to its members.

\$42,000.00

By way of establishing a website to inform all beneficiaries of the philosophy and ways and means of accessing assistance offered by LF-Q.

\$7105.00

Video Conferencing

The system commenced in 2005 with eight sites located in Brisbane, at QLS, and various regional centres. Throughout the years the number of sites was extended to twenty one throughout Queensland.

For some time during the year 2012 – 2013, the Foundation and QLS had considered closing down the video conferencing system.

It was agreed that technology had developed significantly and, as there exists far more flexible means of delivering educative material, as well as the possibility of doing so to each member's desktop, that these newer methods would be investigated.

As a result, in May of 2013, the QLS began the delivery of its seminars via a webinar service. The QLF board agreed that, as it would no longer be required to fund the video system costs, it would instead fund the cost of the QLS webinar facility.

Schemes to assist solicitors in need

Over the last several years, the Directors of QLF have acknowledged the personal and practical difficulties experienced by a number of solicitors. These difficulties have come to light through the Queensland Law Society's Professional Standards Department and the profession's insurer, Lexon Pte Ltd.

Reports from these bodies indicate that some solicitors unfortunately continue to face health and/or personal or financial difficulties, including serious illness of a family member etc. In consequence, these solicitors often encounter difficulties within their practices usually of an health or financial nature.

In co-operation with QLS, the Foundation has established programs to provide on the spot advice, as well hands on, in practice, assistance to the solicitor members of QLS, free of charge to that QLS member.

Confidentiality is assured, with the Solicitor Assist services being provided by practicing solicitors on a Solicitor/Client basis. Other service providers (eg accountants, practice managers etc) similarly operate under strict confidentiality arrangements.

The services provided by these programs are :-

1. SOLICITORSHOTLINE

The Hotline is a telephone advisory service which operates, so far as is practicable, 24/7.

It is manned by two (2) experienced practitioners who have each operated in private practice in Queensland for 30 years, and who fully understand the day to day difficulties which arise from running a practice while attending clients' needs.

This service, the QLF is very pleased to advise, is being extensively used by solicitor practitioners in need of practical advice, or even just a "sounding board" for a sole practitioner.

2. SOLICITORS **HELPING HAND**

In the event that a phone call is not enough, and in-depth specialist advice is required, or if there is a need for support to address difficult issues arising in the course of practice, the Foundation has established the Solicitors' Helping Hand Panel.

This panel comprises experienced practitioners who are willing to assist in this role.

Their areas of expertise are varied and comprehensive and any practitioner seeking assistance is referred to a panel member, appropriate for the matter at hand.

As previously mentioned, confidentiality is assured as all advice is offered on a solicitor/client basis.

3. PRACTITIONERS' BENEVOLENT FUND

In addition to the HELPLINE and the HELPING HAND projects, the Foundation has also established a Benevolent Fund to assist practitioner members of the QLS, their families and dependents in times of financial difficulty.

Assistance is provided:

- On a strictly confidential basis;
- Through a modest, but unsecured and interest free short term loan;
- To applicants approved by the Foundation.

Financial difficulty could arise from a range of circumstances, not necessarily from a practice related issue, example, serious illness or an accident.

It is hoped that this fund may be eligible to be granted DGR status by the ATO and thereby be available to receive bequests or donations from the QLS member community. Investigations into this prospect are currently being undertaken.

4. PRIMARY PRODUCERS' LEGAL HANDBOOK

As the Primary Producers Legal Handbook was last revised in 2007, the Board considered that this most popular booklet should be updated to reflect the most recent position of the law in this area.

Messrs Thynne & Macartney, through its most senior expert in this area, Mr Bill Loughnan, was again engaged to revise the material provided in the handbook, and the new edition is available in hardcopy as well as being available on the QLS or QLF websites.

5. QLF WEBSITE

The Foundation has now established its own website which can be accessed by all members.

The website, www.qlf.com.au, informs visitors of the philosophy of QLF, and provides information on all areas of assistance offered by QLF, as well as contact details for QLS members to access the assistance provided through its programs.

Independent auditor's report

To the Trustee of the Law Foundation Queensland Trust

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of the Law Foundation Queensland Trust, which comprises the balance sheet as at 30 June 2013, the income statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' of the Trustee Company's declaration.

Trustees' Responsibility for the Financial Report

The directors of the Queensland Law Foundations Pty Ltd, as trustee of the Law Foundation Queensland Trust, are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the trust deed and is appropriate to meet the needs of the members. The trustees' responsibility also includes such internal control as the trustees determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

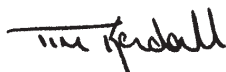
In our opinion the financial report presents fairly, in all material respects, the financial position of the Law Foundation Queensland Trust as at 30 June 2013, and its financial performance for the year then ended in accordance with Australian Accounting Standards described in Note 1 and the financial reporting requirements of the trust deed.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the trustees' financial reporting responsibilities under the trust deed. As a result, the financial report may not be suitable for another purpose.

BDO Audit Pty Ltd

BDO



T J Kendall

Director

Brisbane

20 January 2014

ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

Financial Report 2012–13

Queensland Law Foundation Pty Ltd
ATF Law Foundation Queensland Trust

Income statement for the year ended 30 june 2013

	Note	2013 \$	2012 \$
Revenue		527,571	1,163,078
Accountancy expenses		(7,874)	(7,535)
Depreciation and amortisation expenses		(5,361)	(4,441)
Employee benefits expenses		(76, 185)	(85,898)
Other expenses		(263,310)	(275,346)
Profit for the year before investment impairment		174,841	789,858
Investment impairment		(147,775)	(3,175,799)
Profit for the year available for distribution		27,066	(2,385,941)

Retained earnings at the beginning of the financial year			
Distribution to beneficiaries		27,066	2,385,941)
Trust Capital		(7,300,005)	(7,300,005)
Balance at 30 June 2013		7,300,005	7,300,005
Beneficiary distribution		27,066	(2,385,941)
		27,066	(2,385,941)

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.

Queensland Law Foundation Pty Ltd
ATF Law Foundation Queensland Trust

Balance sheet as at 30 june 2013

	Note	2013 \$	2012 \$
Current assets			
Cash and cash equivalents		57,710	19,186
Trade and other receivables	2	33,000	113,280
Total current assets		132,466	132,466
Non-current assets			
Financial assets	3	8,016,852	8,186,311
Property, plant and equipment	4	5,755	11,116
Total non-current assets		8,022,607	8,197,427
Total assets		8,113,317	8,329,893
Current liabilities			
Amounts Withheld		3,658	5,180
Unpaid trust distributions	5	809,644	1,024,697
Total current liabilities		813,302	1,029,877
Total liabilities		813,302	1,029,877
Net assets		7,300,015	7,300,015
Equity			
Settlement Sum		10	10
Retained earnings		7,300,005	7,300,005
Total equity		7,300,015	7,300,015

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.

Queensland Law Foundation Pty Ltd
ATF Law Foundation Queensland Trust

Notes to the financial statements for the year ended 30 June 2013

1 Statement of Significant Accounting Policies

The financial statements cover Queensland Law Foundation Pty Ltd As Trustee For Law Foundation Queensland Trust as an individual entity. Queensland Law Foundation Pty Ltd As Trustee For Law Foundation Queensland Trust is a trust, established and domiciled in Australia.

Basis of Preparation

The financial statements are special purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board. The trust is a not for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on a cash basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present. The cost of fixed assets constructed within the trust includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the trust. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the trust commits itself to either purchase or sell the asset (i.e. trade date accounting adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income statement.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and short investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents and are presented within current liabilities on the balance sheet.

Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is mainly on interest bearing cash and cash equivalent balances. Interest revenue is recognised upon receipt.

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or in the case of dividend reinvestment schemes, credited to the owner.

All revenue is stated net of the amount of goods and services tax (GST).

Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the trust that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

2 Trade and Other Receivables

	2013	2012
	\$	\$
Current		
Benevolent Fund	33,000	113,280

3 Financial Assets

	2013	2012
	\$	\$
Non-Current		
Investments in Managed Funds (at cost)	8,016,852	11,362,110
Provision for Investment Revaluation	–	(3, 175, 799)
	8,016,852	8,186,311

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.

4 Property, Plant and Equipment

	2013	2012
	\$	\$
Office Furniture & Equipment at Cost	32,654	32,654
Less: Accumulated Depreciation	(26,899)	(21,538)
	5,755	11,116
Total Plant and Equipment	5,755	11,116
Total Property, Plant and Equipment	5,755	11,116

5 Unpaid Trust Distributions

	2013	2012
	\$	\$
Beneficiary		
Balance brought forward	1,024,697	3,871,020
Share of profit (loss)	27,066	(2,385,942)
	1,051,764	1,485,078
Drawings	(242,120)	(460,381)
	809,644	1,024,697
Total Beneficiaries Funds	809,644	1,024,697

6 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.

Queensland Law Foundation Pty Ltd
ATF Law Foundation Queensland Trust

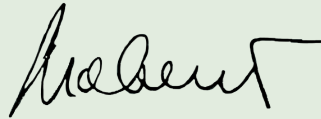
Director's Declaration

The director of the trustee company declares that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The director of the trustee company declares that:

- 1 The financial statements and notes, as set out on pages 1 to 6, present fairly the trust's financial position as at 30 June 2013 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 In the director's opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

Director:



Mr David Roberts (Director)

Dated this day 20 of January 2014

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.

Queensland Law Foundation Pty Ltd
ATF Law Foundation Queensland Trust

Profit and loss statement for the year ended 30 june 2013

	2013 \$	2012 \$
Other income		
Dividends Received	170,575	222,268,
Interest Received	121,961	119,770
Capital Gain/(loss) from Investments	235,035	821,040
	527,571	1,163,078
Expenses		
Accountancy Fees	7,874	7,535
Bank Charges	311	321
Computer Expenses	6,810	6,372
Depreciation	5,361	4,441
Fees & Permits	1 '106	801
Insurance	19,042-	–
Internet Expenses	945	996
Legal Guide Publication	53,862	–
Management Fees	39,628	99,783
Meeting Expenses	4,634	7,460
Postage	711	458
Printing & Stationery	1,125	183
Rent	–	21,515
Solicitors Assistance Panel	115,382	132,036
Storage Fees	427	419
Sundry Expenses	40	122
Superannuation Contributions	6,767	6,563
Telephone	9,488	3,681
Travelling Expenses	297	1,067
Video Conference Expenses	–	132
Wages	69,418	79,335
Wages	9,502	–
	352,730	373,220
Profit for the year before investment impairment	174,841	789,858

The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached auditor's report.