

Legal Profession Admission Board



Annual Report
2023-24

Acknowledgment of Country

We acknowledge that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history.

We pay respect to Elders past and present and commit to respecting the lands we walk on, and the communities we walk with.

We celebrate the deep and enduring connection of Aboriginal and Torres Strait Islander peoples to Country and acknowledge their continuing custodianship of the land, seas and sky.

We acknowledge the ongoing stewardship of Aboriginal and Torres Strait Islander peoples, and the important contribution they make to our communities and economies.

We reflect on the continuing impact of government policies and practices, and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples, families and communities, towards improved economic, social and cultural outcomes.

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Letter of Submission

The Hon Michael Daley, DipLaw MP
Attorney General of New South Wales
GPO Box 5341
SYDNEY NSW 2001

Dear Attorney

We are pleased to present the Annual Report of the Legal Profession Admission Board for the year ended 30 June 2024, for presentation to Parliament in accordance with the requirements of the *Government Sector Finance Act 2018*.

The Annual Report includes the audited financial statements prepared in accordance with the *Government Sector Finance Act 2018*.

We thank the members of the Legal Profession Admission Board, its Committees and Sub-Committees, as well as the staff of the Office of the Board, for their support and advice during the year.

Yours faithfully



The Hon Justice A Payne
Presiding Member
Legal Profession Admission Board



The Hon Justice J Kirk
Deputy Presiding Member
Legal Profession Admission Board

31 October 2024

Message from the Board

It is with great pleasure that we write this forward as the newly appointed Presiding Member and Deputy Presiding Member of the Board. This year is a significant year in Australian legal history. It is the bicentenary of the establishment of Supreme Court of New South Wales, which was established in 1824. The Court soon began admitting its own attorneys, and in 1848 the Barristers Admission Board commenced that function. The then Board consisted of three judges, the Attorney General and two elected practising barristers. The present Board is the successor of that Board, and it continues to support the Court's role in the legal system in vetting applicants for admission as a lawyer of that Court.

This year is also the bicentenary of the NSW Legislative Council, the start of Australia's very first legislature. It is also the sixtieth anniversary of the Law Extension Committee of the University of Sydney. It provides tuition to our students-at-law prior to their undertaking of the Board's examinations through a memorandum of understanding which was recently refreshed. The Board acknowledges that long-standing partnership.

Throughout the past year, the Board has continued its primary role in vetting applications for those aspiring to join the legal profession. Whilst the number of admissions is slightly down this year, the number of new admittees continues to trend in the same range. The Legal Admissions Consultative Committee (LACC) commenced a consultation process for the review of admission standards in Australia. The Board will make representations on behalf of New South Wales. Separately, the Board itself has commenced a review of its own accreditation framework with consultation with NSW Law Schools to take place in the latter half of 2024.

The published financial statements will show that the Board made a substantial loss last year due to the planned update of outdated IT systems. The update will allow the citizens of New South Wales to interact with the Board through online portals rather than the current manual processes. Another loss in 2024-25 is projected but with a return to profitability in 2025-26. Additionally, 2024-25 will be a difficult year financially as a result of the recent decision by the NSW Treasury to remove the ability of the Board to receive interest payments on its accounts. The Board will strive to minimise any increase in fees as a result.

We thank our committee members who volunteer their time generously. Their experience and efforts greatly assist the Board in its workload. Lastly, we extend our deepest gratitude to the Honourable Arthur Emmett AO KC, our outgoing Presiding Member. He has served with distinction on the Board for the past ten years. We are both profoundly grateful for his leadership and service over the years.



A handwritten signature in blue ink, reading "A Payne".

The Hon Justice A Payne
Presiding Member



A handwritten signature in blue ink, reading "J Kirk".

The Hon Justice J Kirk
Deputy Presiding Member

Message from the Executive Officer

The past year has been a pivotal time for the Board. It was able to sign contracts through the Department of Communities and Justice during the financial year on two significant IT projects aimed at enhancing our online presence. Each project will streamline the Board's processes and improve the Board's accessibility to the people who use its services. The first project will introduce an online registration and enrolment process for students, allowing them for the first time to complete those tasks without the involvement of staff. A significant part of the year has dedicated to the development and testing of this new student services system, which is set to be introduced by the end of 2024. I am grateful for the enthusiasm and dedication of our staff in bringing in this improvement in our processes.

The second project will upgrade and expand the online services available for individuals applying to become lawyers in New South Wales. This will enable for the first time the ability to apply online for the assessment of legal qualifications and practical legal training, obtaining certificates of good standing, and allowing public notaries to electronically transact with the Board. These new services are expected to be available in the second quarter of 2025.

The Board has spent its first year in its new premises at 109 Pitt Street, Sydney. The new accommodation has improved the Board's service delivery and contributes to the modernisation of our work practices. The new premises will also allow the Board to hold special consideration examinations separate to the main examination venues.

I would also like to extend my heartfelt congratulations to the Board's graduates. Your hard work and dedication have culminated in this significant achievement, and we are immensely proud of your success. It was a great privilege to share your graduation night with you.

The Board also deeply appreciate the efforts of our examiners, whose dedication and hard work are integral to the success of the Diploma in Law course. I also extend my gratitude to the lecturers and staff of the Law Extension Committee of the University of Sydney who have taught and guided our students-at-law for over sixty years.

It is with great sadness that the Board noted the passing of Peter Underwood, a long-standing member of the Legal Qualifications Committee. In honour of his service to the Board, the Board instituted a prize in Real Property bearing his name. His contributions and commitment to the Board will be remembered and missed.

Lastly, I am personally grateful for the mentoring and guidance in my first year at the Board from the outgoing Presiding Member, the Honourable Arthur Emmett AO KC. His service of over a decade on the Board have been invaluable, and he will be sorely missed. I look forward to working with the incoming Presiding Member, the Honourable Justice Anthony Payne, and serving the Board under his stewardship.



Jerry Riznyczok
Executive Officer

Overview

Aims and Objectives

The Legal Profession Admission Board (**LPAB**) is responsible for:

- determining the eligibility and suitability of people seeking to be admitted as a lawyer in NSW
- accrediting academic law courses and practical legal training courses in NSW
- registering, enrolling and examining students in the Board's Diploma in Law Course
- administering the appointment process for public notaries in NSW, and
- maintaining the Roll of Lawyers and the Roll of Public Notaries in NSW.

Management and Structure

The Board comprises 11 members, made up of judges of the Supreme Court, deans of law schools, barristers, solicitors and a nominee of the Attorney General. A list of Board members during 2023-24 is at Appendix A.

The LPAB is supported in the exercise of its functions by a number of Committees and Sub-Committees. The Legal Qualifications Committee is responsible for considering the qualifications of candidates for admission as a lawyer.

The Examinations Committee is responsible for overseeing the content and conduct of the LPAB's examinations and the candidatures of students-at-law in the Diploma course.

Members of the Committees are listed at Appendix B and C. Sub-Committee membership is shown at Appendix D.

Secretariat support to the LPAB and its Committees and Sub-Committees is provided by staff who are employees of the NSW Department of Communities and Justice.

Charter

The Legal Profession Admission Board (**LPAB**) is a self-funding statutory corporation constituted by the *Legal Profession Uniform Law Application Act 2014*, which applies the *Legal Profession Uniform Law (NSW)*.

The LPAB's functions are also governed by the *Legal Profession Uniform Admission Rules 2015*, the *NSW Admission Board Rules 2015*, the *Public Notaries Act 1997*, and the *Public Notaries Appointment Rules*.



Figure 1 - Committees and Sub-Committees of the Board

(There was no Accreditation Sub-Committee during the relevant period)

Strategy

Strategic Objectives and outcomes

One of the Board's key statutory functions is to assess the suitability of law graduates and foreign lawyers for a compliance certificate under the *Legal Profession Uniform Law* (NSW). The Board will assess their academic qualifications, their practical legal training, and whether they are a fit and proper person to be admitted to the Australian legal profession. The issue of a compliance certificate permits the Supreme Court of New South Wales to admit that person as an Australian lawyer.

The Board also undertakes the assessment of the suitability of lawyers should they wish to apply to become a Public Notary under the *Public Notaries Act 1997*. Once the person is appointed as a Public Notary, the Board maintains and updates the roll of Public Notaries in July each year.

The Board accredits universities and other educational institutions providing law courses in New South Wales. Accreditation of a degree is generally for a five-year period and allows the accredited qualification, usually a Bachelor of Law or a Juris Doctor, to be eligible to establish that the law student has met the learning criteria for admission as a lawyer. Similarly, the Board accredits educational institutions to provide Practical Legal Training courses (PLT). A course's accreditation allows a law student to establish that she or he has met the practical component of their legal training.

The Board also runs its own law course for law students. The course exists to provide an affordable and flexible pathway for students from all walks of life to enter and enrich the legal profession. Tuition for the course is provided by the Law Extension Committee of the University of Sydney.

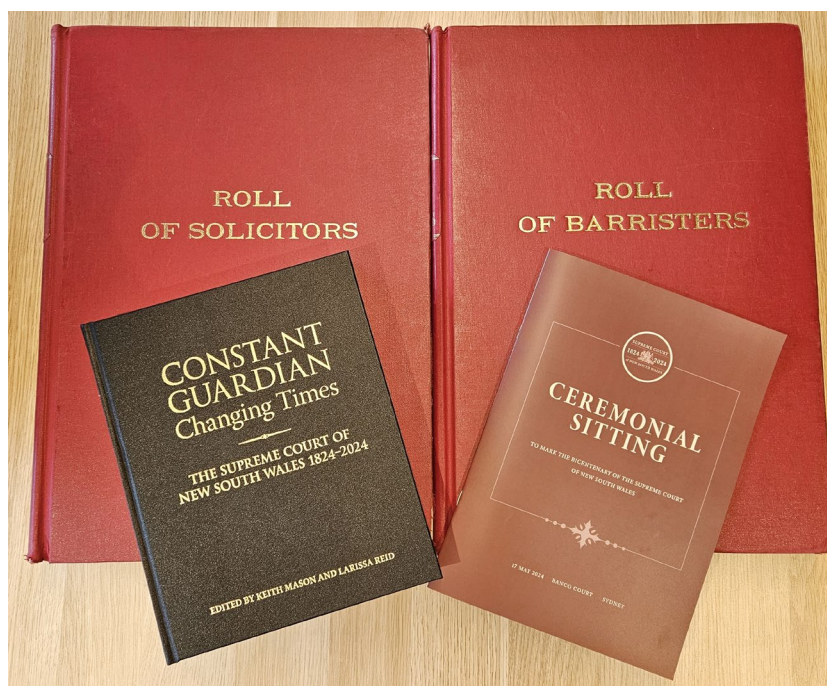


Figure 2 - The Rolls with items celebrating 200 years of the NSW Supreme Court

Operations and Performance

Management and activities

The LPAB's core activity is to assess applicants for admission to the Australian legal profession, assess applications by lawyers who wish to become Public Notaries, and accredit law degrees and practical legal education courses. It also provides a Diploma in Law educational course.

Major works in progress

The Board engaged the NSW Department of Communities and Justice to deliver a digital student management system for students-at-law undertaking the Diploma in Law. Following a tender process, a contract was signed on 7 December 2023 with the software vendor Eviden Australia. The project will allow for the first time the ability for a student-at-law to register, enrol in a subject or subjects, and obtain academic transcripts online. It is expected to go live in the first half of 2024-25.

The Board also engaged the NSW Department of Communities and Justice to deliver an upgrade to the Board's admission system for lawyers and Public Notaries. A contract was signed on 29 May 2024 with the software vendor Dialog Pty Ltd. The project will deliver the ability for applicants seeking admission or appointment to upload documents, apply for assessments of their qualifications, and obtain certificates of good standing online. It is expected to go live in the last quarter of 2024-25.

The Board exchanged contracts on 3 June 2024 for the purchase of a suite located adjacent to its current premises. The Board was unable to negotiate the purchase of suite in 2022-23 when it moved to its current premises. The purchase will allow the Board to consolidate its presence at 109 Pitt Street, Sydney.



Figure 3 - Public area



Figure 4 - Boardroom

Summary review of operations

Admission of lawyers

The Supreme Court of NSW may admit a person to the Australian legal profession after the Board issues a compliance certificate.

During the period under review, 2,926 people were admitted as lawyers in NSW¹, a decrease of 2.3 per cent compared with the previous year. Other statistics about admission as a lawyer are set out in Table 1.

Most lawyers admitted in NSW hold qualifications in law which were obtained wholly or partly in Australia. Around 6 per cent had previously been admitted as a lawyer in another country.

Admission ceremonies are held in the Banco Court of the Supreme Court in Sydney. The Court also held an admission day in Newcastle on 9 February 2024 in the University of Newcastle Conservatorium of Music Concert Hall. The Board is grateful for the University of Newcastle for providing the venue for that use.

The Supreme Court ceased to offer remote admission to admittees from the beginning of 2024.

Assessment of academic qualifications

The Board assesses the law qualifications of overseas lawyers (and those who hold an Australian law qualification which is more than five years old) to determine if any additional study is necessary to be eligible for a compliance certificate.

The LPAB received 639 such applications during 2023-24, an increase of 2.5 per cent, compared with the previous year's increase of 27 per cent. The previous year's increase likely reflected a return to the number of applications that were being received prior to the impact of the COVID-19 pandemic on the intentions of foreign lawyers to migrate to Australia.

Applicants who sought an assessment of their foreign qualification had studied law in many different countries. The top countries were:

- United Kingdom (153)
- South Africa (53)
- India (48)
- Fiji (44)
- Hong Kong (23)
- Pakistan (19)
- United States of America and Philippines (18 each)
- Ireland (16)
- Sri Lanka (13)
- Brazil and China (10 each)
- Colombia (8)
- France and Singapore (6 each)

Assessment of Practical Legal Training (PLT)

People who completed PLT overseas and have been admitted in a foreign jurisdiction (or who completed PLT in Australia more than five years ago) must apply for an assessment of what, if any, additional PLT is necessary in order to be eligible for admission.

The LPAB received 202 applications for the consideration of PLT completed overseas, or more than five years in Australia, during 2023-24, representing an increase of 30 per cent compared with the previous year.

Assessment of stale learning

The LPAB determined 43 applications for assessment of stale academic qualifications. Around 27 per cent of those applicants were required to undertake further academic study. No applications for assessment of stale PLT were received during 2023-24.

¹ This includes 21 New Zealand lawyers who were admitted pursuant to the *Trans-Tasman Mutual Recognition Act 1997* (Cth), where an applicant applies directly to the Court.

Early commencement of PLT

Law students cannot commence their PLT until after completing their academic qualifications in law, unless the PLT course is integrated with the qualification or the prior permission of the LPAB has been obtained. During 2023-24, the LPAB received 250 applications for prior permission from persons eligible pursuant to clause 4(1)(b) of Schedule 2 of the Legal Profession Uniform Admission Rules 2015.

Assessment of fitness and propriety

Applicants for admission must disclose to the LPAB any matter that could influence the assessment of their fitness and propriety to be admitted.

Around 45 per cent of applicants in 2023-24 made one or more disclosures. Around 5.7 per cent of applicants made a disclosure that was categorised as potentially significant to the assessment of their fitness and propriety.

The LPAB carefully reviews all disclosures and gives particular focus to those considered significant, often requiring the applicant to provide further information, and/or the Office of the LPAB to obtain independent verification of the facts.

During the year under review, 68 admission applicants disclosed a mental health condition. The LPAB issued a compliance certificate in respect of all of those applicants. In each case, the LPAB was satisfied that the conditions disclosed would not affect the capacity of the applicant to carry out satisfactorily the inherent requirements of practice as an Australian legal practitioner.

The LPAB relied on recent medical evidence that the applicants' conditions were being appropriately monitored, treated and managed, or that the applicants had not been symptomatic for an extended period of time.

Conditional admission

During 2023-24, the LPAB granted 5 applications by foreign lawyers for conditional admission pursuant to section 20 of *Legal Profession Uniform Law (NSW)*. The foreign lawyers were from:

- England and Wales (2)
- Ireland (1)
- Italy (1)
- United States of America (1)

Four of the applicants were female, and one applicant was male.

Applications for readmission

The LPAB received 2 applications for readmission in 2023-24. One application was refused and the other was pending as at 30 June 2024.

Objections to issue of compliance certificates

The LPAB is required to give notice of admission applications on its website and does so by publishing the full names of applicants and their proposed dates of admission.

The LPAB cannot issue a compliance certificate in respect of an applicant until it has afforded a reasonable opportunity for persons to object to the issue of a certificate. Objections were received in relation to one applicant during the year under review. The applicant has since been admitted after considering the objection.

Refusals of compliance certificates

In 2023-24, the LPAB refused to issue a compliance certificate in respect of the admission of 1 applicant. The reason for the refusal was that the Board was not satisfied the applicant was a fit and proper person to be admitted.

	2021-22	2022-23	2023-24
Applicants for admission as a lawyer	2,787	2,858	2,803
Applicants previously admitted overseas	198	137	172
Total	2,985	2,995	2975

Table 1: Applications lodged regarding admission as a lawyer

	2021-22	2022-23	2023-24
Applicants disclosing a fitness and propriety matter	1,084	1,263	1,264
Applicants with significant disclosures	183	197	162
Applicants with minor disclosures	918	1,071	1,105

*Table 2: Categories of disclosures made in applications for compliance certificates**

* An applicant may disclose in one or more categories, which is reflected in this table

	2021-22	2022-23	2023-24
Number admitted to the legal profession	2,883	2,795	2754
Number admitted previously admitted overseas	203	136	151
Number admitted under mutual recognition**	57	76	21
Total	3,143	3,007	2,926

Table 3: Number of lawyers admitted

** Mutual recognition applications are filed and determined in the Supreme Court of New South Wales

	2021-22	2022-23	2023-24
Applicants refused a compliance certificate	1	5	1

Table 4: Refusal of compliance certificates

	2021-22	2022-23	2023-24
Assessments of academic qualifications	495	629	639
Assessments of practical legal training	167	155	202

Table 5: Other types of applications

Accreditation of law courses

The LPAB determines applications from law schools in NSW for accreditation or reaccreditation of law courses that provide the academic qualifications prerequisite. Law courses are usually a Bachelor of Laws (LLB), a Juris Doctor (JD), or in the case of the Board's course of instruction, a Diploma in Law (DipLaw).

Law School accreditations are usually for a five-year period. In November 2023 the Board reaccredited the following existing law courses:

- Macquarie University LLB and JD
- University of Newcastle LLB and JD
- University of Notre Dame LLB

In September 2022 the Board accredited Southern Cross University's (SCU) reconfigured Bachelor of Laws degree, known as the 'Southern Cross Model'. The reconfigured degree consists of 6 semesters, each of 6 weeks duration. The degree was accredited subject to a minimum of 36 hours face-to-face instruction (either in person or via synchronous online communication) in all Priestley and capstone units.

A review of the 'Southern Cross Model' was conducted by an external consultant retained by the Board during 2023-24. As at 30 June 2024 the review was still in progress.

As of 30 June 2024, apart from the LPAB's Diploma in Law course, there were 20 accredited law courses being offered in NSW by 13 institutions:

- Australian Catholic University (LLB)
- Australian National Institute of Management and Commerce (IMC) (formerly Top Education Institute (LLB))
- Charles Sturt University (LLB and LLB/CrimJustice)
- Macquarie University (LLB and JD)
- Southern Cross University (LLB)
- University of New England (LLB)

- University of Newcastle (LLB and JD)
- University of Notre Dame (LLB)
- University of NSW (LLB and JD)
- University of Sydney (LLB and JD)
- University of Technology Sydney (LLB and JD)
- University of Wollongong (LLB)
- Western Sydney University (LLB and JD).

Accreditation of PLT providers

The LPAB also determines applications for accreditation from institutions which offer courses of PLT. Accreditation or reaccreditation recognises that successful completion of the course provides the required competencies for entry-level lawyers set out in Schedule 2 of the *Legal Profession Uniform Admission Rules 2015*.

During the year under review, the LPAB commenced considering an application for accreditation from Leo Cussen Centre for Law and Justice.

Existing providers of PLT courses had been notified in April 2023 that the end date for COVID exemptions for PLT providers would be 1 October 2023. However, on request from one provider, the end date for that PLT provider was extended to 1 January 2024.

As of 30 June 2024, there were four providers of Practical Legal Training courses in NSW:

- The College of Law
- University of Newcastle
- University of New South Wales
- University of Technology Sydney.

Review of accreditation process

In 2022-23, the Board established a sub-committee to review its accreditation framework. During 2023-24 it engaged Emerita Professor Hitchens to assist it with the review. A final report is expected in the last half of 2025.

Diploma in Law Course

The LPAB's Diploma in Law Course (the Course) provides an affordable and accessible means of entry to the Australian legal profession. Examinations for barristers and solicitors have been undertaken by the Board and its predecessors since April 1859.

The LPAB sets the curriculum of the course and registers, enrolls and examines students in the Course, while the Law Extension Committee (LEC) of the University of Sydney provides the legal tuition for those students. The Law Extension Committee of the University of Sydney has been preparing the Board's students for these exams since 1964. Applicants for registration must meet one of the specified entry criteria as specified in Rule 29 of the *NSW Admissions Board Rules 2015*.

The Course consists of 27 available subjects, of which 17 are compulsory and where another 3 are electives that must be completed. Students are awarded a Diploma in law upon the successful completion of 20 subjects. Examinations are held in the first week of March and September each year, with enrolments for the subsequent term taking place during the last weeks of October and April.

There is a compulsory assignment task set in each subject contributing up to 20 marks. Up to 80 marks can be obtained after sitting for the examination.

Orientation Days

Orientation days for new students were held twice a year at the beginning of each semester, in November and May.

Examinations

Examinations in the LPAB's Diploma in Law Course were held from 31 August to 7 September 2023 and 29 February to 7 March 2024. For the September 2023 examinations, candidates were able to choose from the Sydney CBD location and 10 Country University Centres to sit exams. For the March 2024 Examination the LPAB re-established examination venues in Canberra and Newcastle.

Examinations are held in examination centres. Students have the option to handwrite or type. In special circumstances, a remote examination might be permitted.

Graduation

The LPAB and the LEC traditionally host the Diploma in Law graduation ceremony at the Great Hall of the University of Sydney once in each calendar year.

There was a graduation ceremony held on 4 August 2023 at the Great Hall of the University of Sydney. The Honourable Chief Justice Susan Kiefel, AC gave the occasional address at the graduation event.

	2021-22	2022-23	2023-24
Applications for registration as a student-at-law	437	479	538
Students enrolled in Term 1	1,080	1,026	1,065
Students enrolled in Term 2	1,018	1,044	1,042
Number of enrolments in all subjects	3,848	3,766	4,155
Examinations sat	3,476	3,288	3,350
Students graduated	126	105	116

Table 6: Statistics regarding the Diploma in Law course

Public Notaries

Public notaries are appointed by the Supreme Court, pursuant to the *Public Notaries Act 1997* and the *Public Notaries Appointment Rules*. Applicants must have completed the Notarial Practice Course offered by The College of Law and must be lawyers of at least five years standing.

The LPAB administers the appointment process and maintains the Roll of Public Notaries, including an annual update of the particulars on record for all notaries.

Common functions of notaries include authenticating official and personal documents for use overseas, witnessing the signatures of individuals on documents and authenticating identity by affixing an official seal.

During 2023-24, the LPAB administered the appointment of 75 new public notaries.

The LPAB was notified that 29 public notaries had either retired or not renewed their practising certificates. This brought the total number registered in NSW to 1,110.

	2021-22	2022-23	2023-24
New public notaries appointed	2	42	75
Public notaries not renewing	15	41	29
Total number of public notaries on Roll	1,063	1,064	1,110

Table 7: Statistics regarding Public Notaries

Financial information for programs or operations

Financial information about programs and operations is included in the Financial Statements at Appendix [G].

Land Disposal

No land was disposed of during the financial year.

Research and Development

The LPAB did not undertake any research and development activities during 2023-24.

Determinations

The Legal Profession Admission Board is not subject to a determination or recommendation of the Independent Pricing and Regulatory Tribunal.

Management and Accountability

There are no Senior Executives employed by the Department of Communities and Justice who act as staff for the LPAB. The number of officers employed by category are summarised in the following table.

	2021-22		2022-23		2023-24	
	M	F	M	F	M	F
Clerk 11/12	1	0	1	0	1	0
Legal Officer IV	0	1	0	1	0	1
Clerk 9/10	0	0	1	2	1	1
Clerk 7/8	0	2	0	3	0	3
Clerk 5/6	0	2	0	2	1	0
Clerk 3/4	1	2	1	2	1	2
Clerk 1/2	1	3	1	3	2	2
Total males and females	3	10	4	13	6	8
Total employees	13		17		15	

Table 8: Employee statistics

As of 30 June 2024, the Office of the LPAB was staffed by 15 full time equivalent employees of the Department of Communities and Justice. The LPAB also engages temporary and casual staff including examiners, revising examiners and examination invigilators during its examination periods. The names of examiners and revising examiners are listed in Appendix E.

The Board engaged one expert at a total cost of \$21,000.00.

The Board engages assessors to accredit Law Schools. Under the terms of the *Legal Profession Uniform Admissions Rules 2015*, the relevant Law School or PLT provider is required to bear those costs.



Figure 5 - Staff of the Board

Standing: Swati Kumar, Angus Henderson, Jerry Riznyczok, Bethany Alemeida, Robert Fahrenholz
 Sitting: Leigh Plater, Angel Nunley, Sophie Scott
 Absent: Alison Smith, Angela Drake, Connie Smith, Dawn Rose, Kate Anderson, Margaret Horan, Ming Han, Roy Vann

No overseas visits were undertaken by members, officers or employees of the LPAB with the use of LPAB funds during the reporting year.

In 2023-24 the *Institutions Legislation Amendment Act 2024* made amendments to section 20A and 21A and inserted sections 20B and 20C into the *Legal Profession Uniform Law Application Act 2014*. These amendments clarified the functions of the Board, its committees, and the employment of staff. There were no significant judicial decisions that affected the functions of the LPAB or users of its services.

No economic factors affected the achievement of operational objectives during 2023-24.

After the end of the annual reporting period, there were no events having a significant effect on:

- Financial operations;
- Other operations;
- Clientele and community served.

Risk management and insurance activities

The LPAB shares the Audit and Risk Committee of the NSW Department of Communities and Justice. In 2023-24 the LPAB reviewed and updated its risk register. Information about the management of financial risk is contained in the notes to the financial statements.

The LPAB's insurance cover is arranged by the NSW Department of Communities and Justice and provided by the Treasury Managed Fund (TMF), a government-wide self-insurance scheme. The insurance program covers workers' compensation, public liability, motor vehicle accident, property, and miscellaneous liability. During 2023-24, the LPAB did not make any claims under this insurance cover.

Internal audit and risk management policy attestation

The LPAB's Internal Audit and Risk Management Attestation Statement for the 2023-2024 Financial Year is at Appendix [F].

Compliance with the Privacy and Personal Information Protection Act 1998 (PPIP Act)

All employees of the Department of Communities and Justice who provide staffing services to the Office of the LPAB are required to undertake training in respect of the *PPIP Act*, the *Health Records and Information Privacy Act 2002*, and handling and storing personal information in accordance with the requirements of both those statutes and the *State Records Act 1998*.

Government Information (Public Access) Act 2009 (GIPA Act)

During the reporting period the LPAB did not receive any access applications pursuant to the GIPA Act.

Public Interest Disclosures Act 1994 (PID Act)

During the reporting period:

- No Public Officials made a public interest disclosure (PID) to the LPAB.
- The LPAB did not receive any PIDs.

The LPAB did not finalise any PIDs.

Other Information

The LPAB did not incur any external costs in producing the Annual Report for 2023-24.

Exemptions

The LPAB does not have any exemptions from including certain information in this Annual Report.

Sustainability

Disability Inclusion Action Plan

The LPAB is not required by the *Disability Inclusion Act 2014* to have a disability inclusion action plan.

Modern Slavery Act 2018 Reporting

The NSW Anti-slavery Commissioner did not raise any issues concerning the operations of the LPAB.

Expenditure by the LPAB is subject to the Department of Communities and Justice Procurement Policy. The legislative framework of the Procurement Policy of the Department includes the *Modern Slavery Act 2018*. The Board's officers follow the procedures and processes established by the Department in procuring good and services.

Work Health and Safety

No employee made any claim for workers compensation for a work-related injury.

Workforce Diversity

As staff of the LPAB are employees of the NSW Department of Communities and Justice, workforce diversity information is reported in the Annual Report of the Department.

Financial Performance

Financial Statements are at Appendix [G].

Acronym Glossary

DipLaw	Diploma in Law
JD	Juris Doctor degree
LACC	Law Admissions Consultative Committee
LEC	Law Extension Committee (of the University of Sydney)
LLB	Bachelor of Laws degree
LPAB	Legal Profession Admission Board
NSW	New South Wales
PLT	Practical Legal Training

Appendix A: Legal Profession Admission Board

During 2023-24, the members of the LPAB were as set out below. The LPAB held six scheduled meetings, which were attended as indicated. The LPAB also made 10 circular resolutions at out-of-session electronic meetings.

Member	Qualification and method of appointment	Term**	Attendance
The Hon A S Bell	Chief Justice of the Supreme Court of NSW		N/A*
The Hon A R Emmett AO KC (Presiding Member)	Judge of the Supreme Court of NSW, nominated by the Chief Justice		6
The Hon Justice A Payne (Deputy Presiding Member)	Judge of the Supreme Court of NSW, nominated by the Chief Justice		6
The Hon Justice F Kunc	Judge of the Supreme Court of NSW, nominated by the Chief Justice	3 August 2023 to 30 June 2024	5
Mr Peter Brereton SC	Barrister, nominated by the Bar Council		3
Mr Julian Sexton SC	Barrister, nominated by the Bar Council		4
Mr Mark Follett	Department of Justice officer, nominated by the Attorney General		4
Ms Jennifer Ball	Solicitor, nominated by the Law Society Council		5
Mr Wen-Ts'ai Lim	Solicitor, nominated by the Law Society Council		6
Professor Andrew Lynch	Dean of Law School, nominated by Australian Law Deans, being NSW members		6
Professor Michael Quinlan	Dean of Law School, nominated by Australian Law Deans, being NSW members		6

* The Chief Justice is represented at meetings of the LPAB by the Presiding Member.

** The Board Member served during the whole of the financial year unless otherwise indicated.

Appendix B: Legal Qualifications Committee

During 2023-24, the members of the Legal Qualifications Committee were as set out below. The Legal Qualifications Committee held six scheduled meetings, which were attended as indicated.

Member	Qualification and method of appointment	Term*	Attendance
The Hon Justice Richard Cavanagh (Chairperson until 7 November 2023)	Judge of the Supreme Court of NSW, nominated by the Chief Justice		4
The Hon Justice Jeremy Kirk (Deputy Chairperson then Chairperson from 30 January 2024)	Judge of the Supreme Court of NSW, nominated by the Chief Justice		6
The Hon Justice Julia Lonergan	Judge of the Supreme Court of NSW, nominated by the Chief Justice		2
Mr Edward Muston SC	Barrister, nominated by the Bar Council		4
Ms Sonia Tame	Barrister, nominated by the Bar Council		5
Ms Claire Palmer	Barrister, nominated by the Bar Council		4
Mr Angelo Biliias	Solicitor, nominated by the Law Society Council		4
Jacqueline Dawson	Solicitor, nominated by the Law Society Council		4
Lauren Absalom	Solicitor, nominated by the Law Society Council		4
Professor Brian Opeskin	Law Lecturer, nominated by New South Wales law deans		6
Professor Gregory Tolhurst	Law Lecturer, nominated by New South Wales law deans		3
Professor Gerard Ryan	Law Lecturer, nominated by New South Wales law deans		4
Dr Gordon Elkington	Barrister, appointed by co-option		6
Mr Greg Ross	Solicitor, appointed by co-option		6
Mr Peter Underwood **	Lawyer, appointed by co-option	1 July 2023 to 27 July 2023	1
Ms Margot Stubbs	Solicitor, appointed by co-option	7 November 2023 to 30 June 2024	2

*The committee member served during the whole of the year unless otherwise indicated

** Mr Underwood passed away on 27 July 2023

Appendix C: Examinations Committee

During 2023-24, the members of the Examinations Committee were as set out below. The Examinations Committee held six scheduled meetings, which were attended as indicated.

Member	Qualification and method of appointment	Term*	Attendance
The Hon Justice Rowan Darke (Chairperson until 21 August 2023)	Judge of Supreme Court of NSW, nominated by the Chief Justice	1 July 2023 to 21 August 2023	2
The Hon Justice Elisabeth Peden (Deputy Chairperson and Chairperson from 10 October 2023)	Judge of Supreme Court of NSW, nominated by the Chief Justice		6
The Hon Justice Nicholas Chen (Deputy Chairperson from 10 October 2023)	Judge of Supreme Court of NSW, nominated by the Chief Justice	21 August 2023 to 30 June 2024	3
Mr Michael Christie SC	Barrister, nominated by the Bar Council		6
Mr Angelo Biliass	Solicitor, nominated by the Law Society Council		5
Her Honour Judge Miko Kumar	Examiner appointed by the Chairperson under Rule 27A(e)		5
Mr Ross Anderson	Examiner, appointed by the Chairperson of the Committee		6
Mr John Dobson	Appointed by co-option by the Committee		6
Professor David Rolph	Appointed by co-option by the Committee	20 November 2023 to 30 June 2024	2
Ms Joanna Ernenwein	Director, Law Extension Committee Ex-officio		4

* The Committee Member served for the whole of the year unless other indicated

Appendix D: Sub-Committees

Academic Exemptions Sub-Committee

The Academic Exemptions Sub-Committee, determines applications in relation to overseas and local academic qualifications. During 2023-24, members of the Sub-Committee were:

- The Hon Justice Richard Cavanagh (to 29 January 2024)
- Dr Gordon Elkington
- Mr Peter Underwood¹ (to 27 July 2023)
- Ms Margot Stubbs (from 7 November 2023).

Curriculum Sub-Committee

The Curriculum Sub-Committee to review the examination curriculum, consider any appropriate changes to provide the Quality Sub-Committee with appropriate changes. Members were appointed to the Sub-Committee on 15 August 2023. The members were:

- The Hon Justice Elizabeth Peden
- Mr Ross Anderson
- Mr Angelo Biliias

Performance Review Sub-Committee

The Performance Review Sub-Committee determines applications under Rule 67 in relation to exclusion from the LPAB's Diploma in law course. During 2023-24, members of the Sub-Committee were:

- Mr John Dobson
- Mr Angelo Biliias.

Practical Training Exemptions Sub-Committee

The Practical Training Exemptions Sub-Committee determines applications in relation to overseas and local practical training experience and qualifications. During 2023-24, members of the Sub-Committee were:

- Ms Jacqueline Dawson
- Mr Greg Ross
- Ms Sonia Tame

Quality Sub-Committee

The Quality Sub-Committee reviews the examination curriculum, and considers any appropriate changes to provide the Quality Sub-Committee. Members were appointed to the Sub-Committee on 15 August 2023. The members were:

- The Hon Justice Nicholas Chen
- Her Honour Judge Miiko Kumar
- Mr Angelo Biliias

Board Committee

A Committee was set up during the year to review the accreditation process. The members of this committee were:

- The Hon A R Emmett AO KC
- Ms Jennifer Ball
- Mr Wen-Ts'ai Lim.

Examiners and Revising Examiners Sub Committee

The examinations Committee on 3 October 2023 established this sub-committee. The members of this sub-committee were:

- The Hon Justice Elisabeth Peden
- Her Honour Judge Miiko Kumar
- Mr Ross Anderson

¹ Mr Underwood passed away on 27 July 2023

Appendix E: List of Examiners

Dr Sonia Allen	Ms Louise Mathias
Mr Ross Anderson	Prof. Barbara McDonald
Dr Fady Aoun	Mr Peter McGhee
Mr Nader Badra	Dr Jacqueline Mowbray
Dr Nell Bennett	Prof. Joellen Munton
Dr Christopher Birch SC	Mr Michael Najem
Mr Anthony Britt	Ms Sandra Noakes
Mr Justin Brown	Mr Peter Norman
The Hon. Susan Carter	Mr Anthony O'Brien
Mr Peter Chaim	Mr Patrick O'Mara
Mr Simon Chapple	Ms Beth Oliak
Dr Ben Chen	Ms Angela Penklis
Mr Graham Connolly	Mr Louis Pierotti
Mr Kevin Connor SC	Mr Philip Quadrio
Dr Derwent Coshott	Prof. Peter Radan
Ms Andrea Cottor-Moroz	Mr John-Paul Redmond
Mr Bryce Douglas-Baker	Prof. David Rolph
Ms Joanna Ernenwein	Dr Christopher Rudge
Mr Frank Esparraga	His Honour Judge David Russell
Ms Kirsten Fulcher	Mr Greg Sarginson
Mr John Gooley	Mr Harrison Simons
Mr Bob Gowenloch	Mr Joshua Sinn
Mr Nathan Johnstone	Mr Cameron Stewart
Mr Alexander Kuklik	Mr Philip Sutherland
Her Honour Judge Miiko Kumar	Prof. Yane Svetiev
Ms Patricia Lane	Mr Greg Tolhurst
Ms Kerrie Leotta	Ms Mary Wyburn
Judge Gordon Lerve	Ms Sophie York
Mr Robert Lovas	Mr Michael Zammit

Appendix F: Internal Audit and Risk Management

Internal Audit and Risk Management Attestation Statement for the 2023-2024 Financial Year for the Legal Profession Admission Board

I, Jerry Riznyczok am of the opinion that the Legal Profession Admission Board has internal audit and risk management processes in operation that are, excluding the exemptions or transitional arrangements described below, compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements

For each requirement, please specify whether compliant, non-compliant, or in transition

Risk Management Framework

1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant

Internal Audit Function

2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant

Audit and Risk Committee

3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

The independent chair and members of the Audit and Risk Committee are:

- Independent Chair, Carolyn Burlew, 1 August 2019 to 31 July 2024
- Independent Member 1, Christine Feldmanis, 1 August 2019 to 31 July 2024
- Independent Member 2, Abby Bloom, 1 August 2019 to 31 July 2024
- Independent Member 4, Garry Dinnie, 1 February 2021 to 31 January 2024
- Independent Member 5, Ian Gillespie, 14 July 2021 to 13 July 2028
- Independent Member 6, Jan McClelland, 1 February 2024 to 31 July 2024

Shared Arrangements

I, Jerry Riznyczok advise that the Legal Profession Admission Board has entered into an approved shared arrangement with the following agencies:

- Department of Communities and Justice
- Crown Solicitor's Office
- Office of the Ageing and Disability Commissioner

The resources shared include the Audit and Risk Committee, the Chief Audit Executive and the internal audit functions. The shared Audit and Risk Committee is a Principal Department Led Shared Audit and Risk Committee.



Jerry Riznyczok
Executive Officer

Legal Profession Admission Board
12 September 2024

Appendix G: Financial Statements

Legal Profession Admission Board

Annual Financial Statements

for the year ended 30 June 2024

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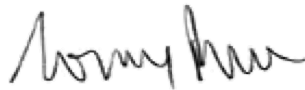
Legal Profession Admission Board
Statement by the Accountable Authority
 for the year ended 30 June 2024

Pursuant to Section 7.6 (4) of the *Government Sector Finance Act 2018* and in accordance with a resolution of the members of the Legal Profession Admission Board, we declare on behalf of the Board that in our opinion:

1. The accompanying financial statements present fairly of the financial position as at 30 June 2024 and financial performance and cash flows of the Legal Profession Admission Board for the year then ended.
2. The financial statements have been prepared in accordance with the provision of the *Government Sector Finance Act 2018* (the GSF Act), Government Sector Finance Regulation 2024, applicable Australian Accounting Standards (which include Australian Accounting Interpretations) and Treasurer's Directions issued under the GSF Act.

As at the date of this statement, there are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Dated: 10 September 2024



Presiding Member



Deputy Presiding Member

Legal Profession Admission Board
Statement of comprehensive income
for the year ended 30 June 2024

		Actual 2024 \$	Actual 2023 \$
	Notes		
Expenses excluding losses			
Personnel service expenses	2(a)	2,159,844	2,197,850
Operating expenses	2(b)	2,516,542	1,763,185
Depreciation	2(c)	234,954	143,961
Total expenses excluding losses		4,911,340	4,104,996
Revenue			
Sale of goods and services from contracts with customers	3(b)	3,439,764	3,258,537
Investment revenue	3(c)	537,155	410,231
Acceptance by the Crown of employee benefits and other liabilities	3(d)	-	13,332
Other revenue	3(e)	-	2,013,208
Total revenue		3,976,919	5,695,308
Operating result		(934,421)	1,590,312
Gain/(losses) on disposal	4	-	5,029,337
Net result		(934,421)	6,619,649
Other comprehensive income			
<i>Items that will not be reclassified to net result in subsequent periods</i>			
Changes in revaluation surplus of property, plant and equipment	7	485,861	425,220
Total other comprehensive income		485,861	425,220
TOTAL COMPREHENSIVE INCOME		(448,560)	7,044,869

The accompanying notes form part of these financial statements.

Legal Profession Admission Board
Statement of financial position
as at 30 June 2024

		Actual 2024 \$	Actual 2023 \$
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	5	12,484,357	13,046,253
Receivables	6	731,281	343,425
Total current assets		13,215,638	13,389,678
Non-current assets			
Receivables	6	19,700	18,720
Property, plant and equipment			
Land and Building	7	7,936,710	7,619,662
Plant and equipment	7	444,661	510,802
Total property, plant and equipment		8,381,371	8,130,464
Intangible assets	8	-	-
Total non-current assets		8,401,071	8,149,184
Total assets		21,616,709	21,538,862
LIABILITIES			
Current liabilities			
Payables	10	2,185,467	1,688,594
Contract liabilities	11	462,686	489,840
Provisions	12	451,602	395,894
Total current liabilities		3,099,755	2,574,328
Non-current liabilities			
Provisions	12	22,843	21,863
Total non-current liabilities		22,843	21,863
Total liabilities		3,122,598	2,596,191
Net assets		18,494,111	18,942,671
EQUITY			
Reserves		911,081	425,220
Accumulated funds		17,583,030	18,517,451
Total equity		18,494,111	18,942,671

The accompanying notes form part of these financial statements.

Legal Profession Admission Board
Statement of changes in equity
for the year ended 30 June 2024

	Accumulated funds \$	Asset revaluation surplus \$	Total equity \$
Balance at 1 July 2023	18,517,451	425,220	18,942,671
Transfers from asset revaluation surplus	-	-	-
Net result for the year	(934,421)	-	(934,421)
Other comprehensive income			
Net change in revaluation surplus of property, plant and equipment	-	485,861	485,861
Total other comprehensive income	-	485,861	485,861
Total comprehensive income for the year	(934,421)	485,861	(448,560)
Balance at 30 June 2024	17,583,030	911,081	18,494,111
Balance at 1 July 2022	8,843,116	3,054,686	11,897,802
Transfers from asset revaluation surplus	3,054,686	(3,054,686)	-
Net result for the year	6,619,649	-	6,619,649
Other comprehensive income			
Net change in revaluation surplus of property, plant and equipment	-	425,220	425,220
Total other comprehensive income	-	425,220	425,220
Total comprehensive income for the year	6,619,649	425,220	7,044,869
Balance at 30 June 2023	18,517,451	425,220	18,942,671

The accompanying notes form part of these financial statements.

Legal Profession Admission Board
Statement of cash flows
for the year ended 30 June 2024

	Notes	Actual 2024 \$	Actual 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Personnel services		(2,364,316)	(2,266,639)
Tuition fees		(146,038)	(197,078)
Other		(2,307,019)	(1,661,352)
Total payments		(4,817,373)	(4,125,069)
Receipts			
Admission	3(b)	1,631,895	1,588,990
Diploma Course		1,251,816	1,176,975
Public Notary	3(b)	155,710	127,880
Interest received	3(c)	537,155	410,231
Other		678,901	3,122,746
Total receipts		4,255,477	6,426,822
NET CASH FLOWS FROM OPERATING ACTIVITIES	15	(561,896)	2,301,753
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	4	-	9,359,929
Purchases of property, plant and equipment	7	-	(1,378,683)
NET CASH FLOWS FROM INVESTING ACTIVITIES		-	7,981,246
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(561,896)	10,282,999
Opening cash and cash equivalents		13,046,253	2,763,254
CLOSING CASH AND CASH EQUIVALENTS	5	12,484,357	13,046,253

The accompanying notes form part of these financial statements.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION

(a) Reporting entity

The Legal Profession Admission Board (the Board) is constituted under Division 1 of Part 3 of the *Legal Profession Uniform Law Application Act 2014 No. 16*. The Board is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The Board is a NSW government entity and is controlled by the State of New South Wales, which is the ultimate parent.

The financial statements for the year ended 30 June 2024 have been authorised for issue by the Board on 10 September 2024.

(b) Basis of preparation

The Board's financial statements are general purpose financial statements which have been prepared on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Government Sector Finance Act 2018* (the GSF Act); and
- Treasurer's Directions issued under the GSF Act.

Property, plant and equipment are measured using fair value basis. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations that management have made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest dollar and are expressed in Australian currency, which is the Board's presentation and functional currency.

The financial statements have been prepared on a going concern basis.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and service tax (GST), except that the:

- amount of GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Equity and reserves

(i) Revaluation surplus

The revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Board's policy on the revaluation of property, plant and equipment as discussed in Note 7.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(ii) Accumulated funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

(f) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(g) Change in accounting policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in 2023-24

The accounting policies applied in 2023-24 are consistent with those of the previous financial year. Several amendments and interpretations apply for the first time in 2023-24. The Board has assessed the new and amended standards and interpretations that are effective for the first time and have determined they are unlikely to have a material impact on the financial statements.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective, as per NSW Treasury Policy and Guidelines Paper TPG 24-06 *Mandates of options and major policy decisions under Australian Accounting Standards*:

- AASB 17 *Insurance Contracts* (effective from 1 January 2023)
- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between Investor and its Associate or Joint Venture* (effective from 1 January 2025)
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* (effective from 1 January 2024)
- AASB 2021-7c *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* (effective from 1 January 2025)
- AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* (effective from 1 January 2024)
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* (effective from 1 January 2024)
- AASB 2022-9 *Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector* (effective from 1 July 2026)
- AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* (effective from 1 January 2024)
- AASB 2023-1 *Amendments to Australian Accounting Standards – Supplier Finance Arrangements* (effective from 1 January 2024)
- AASB 2023-3 *Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2* (effective from 1 January 2024)
- AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability* (effective from 1 January 2025)

The Board has assessed these new standards and interpretations and consider the impact to be immaterial.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Superannuation on annual leave loading

The Board has determined that it is not probable a liability arises to pay superannuation on annual leave loading. This position has been formed based on current inquiries, other information currently available to management, and after considering the facts from a decision in the Federal Court of Australia: *Finance Sector Union of Australia v Commonwealth Bank of Australia [2022] FedCFamC2G 409*. That decision confirmed that, in relation to the industrial agreement considered in that case, annual leave loading did not form part of ordinary time earnings and therefore, did not require superannuation contributions to be made under superannuation guarantee legislation because the obligation to pay annual leave loading was not referable to ordinary hours of work or to ordinary rates of pay. Rather, it was paid by reference to the period of annual leave, and for the purpose of compensating employees for their loss of opportunity to work additional hours at higher rates during this period.

This position will be re-assessed in future reporting periods as new information comes to light on this matter.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

2. EXPENSES EXCLUDING LOSSES

(a) Personnel service expenses

	2024	2023
	\$	\$
Salaries and salaries related ^{1,3}	1,656,189	1,565,084
Redundancy costs	-	251,722
Annual leave and on-costs	162,298	92,209
Payroll tax and fringe benefits tax	112,260	90,898
Worker's compensation insurance	26,051	20,403
Superannuation - defined benefit plans ²	-	10,727
Superannuation - defined contribution plan	203,046	166,807
Total	2,159,844	2,197,850

¹ Salaries and salaries related expenses include the Board's office staff salaries as well as salaries for examiners, examination supervisors and Academic Exemptions Sub-Committee members.

² The Board's liability for the defined benefit scheme has been assumed by The Crown in right of the State of New South Wales (the Crown) as at 1 July 2018.

³ No employee related costs have been capitalised in property, plant and equipment (Note 7) or intangible assets (Note 8).

Recognition and measurement

The Department of Communities and Justice (the Department) provides employees to the Board to enable it to carry out its functions. The expense and liabilities due to the Department are classified as 'Personnel Services' in the Statement of Comprehensive Income and 'Provisions' in the Statement of Financial Position respectively. The expenses and liabilities are calculated using the following recognition and measurement criteria:

Salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave as prescribed by TPG24-23) can be used to approximate the present value of the annual leave liability.

The Board has assessed the actuarial advice based on the Board's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the Board does not expect to settle the liability within 12 months as the Board does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

On-costs, such as payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

2. EXPENSES EXCLUDING LOSSES (CONT'D)

(a) Personnel service expenses (cont'd)

Recognition and measurement (cont'd)

Long service leave liability comprises the Board's liability to the Department for costs arising from personnel services rendered by the Department to balance date. Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

From 1 July 2018, the Board accounts for personnel services relating to the defined benefit superannuation liability assumed by the Crown as a non-monetary revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

As the Department provides personnel services to the Board, defined benefit superannuation liabilities were recognised within personnel services provisions. All re-measurements arising from defined benefit plans were recognised as personnel services expenses in the year in which they occurred.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (Basic Benefit and Aware Super (formerly known as First State Super)) is calculated as a percentage of the employees' salary. For other superannuation schemes (State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions. Defined benefit superannuation obligations are as determined by Mercer Administration Services.

The Board is a member of the Agency Funded Crown Long Service Leave Pool. Personnel services receivable comprises the Board's receivable from the Department for long service leave reimbursements from the Crown. The amount expected to be reimbursed by the Crown is recognised as personnel services receivable (Note 6).

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

2. EXPENSES EXCLUDING LOSSES (CONT'D)

(b) Operating expenses

	2024	2023
	\$	\$
Department of Communities and Justice - fees	141,382	137,264
Exam related - Rental for venue and computer	82,814	59,801
Rates	45,688	68,931
Police checks	69,618	78,197
Printing	33,388	27,193
Postage and freight	11,907	10,941
Bank charges	50,866	36,632
Legal services	5,646	72,504
Archive fees - State Archives and Records	30,090	60,168
Land tax	2,347	(720)
Computer expenses ¹	1,722,618	663,053
Stores and stationery cost	4,270	2,111
Marketing	40,000	-
Agency staff fees	102,893	168,984
Internal auditor fee	8,400	8,400
Telephone	21,639	14,082
Repairs and maintenance	22,301	-
Electricity	3,937	2,126
Auditor's remuneration - audit of the financial statements	32,400	30,900
Graduate placement contribution	-	892
Minor equipment	14,910	30,108
Consultants	-	4,800
Insurance	13,192	8,283
Security (office)	7,685	6,473
Graduation ceremony expense	6,033	12,258
Others ²	42,518	259,804
Total	2,516,542	1,763,185

¹ Computer expense including Software as a Service (SaaS) cost of \$1,523,986 (2023: \$644,550) for LITS project fee paid to the Department.

² Including office relocation cost of Nil (2023: \$210,487).

*Reconciliation – Total maintenance

	2024	2023
	\$	\$
Maintenance expense - contacted labour and other (non-employee related)		
as above	22,301	-
Employee related maintenance expense included in Note 2 (a)	-	-
Total maintenance expense included in Note 2 (a) and 2 (b)	22,301	-

Recognition and measurement

Insurance

The Board's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

Maintenance expense

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement or an enhancement of a part or a component of an asset, in which case the costs are capitalised and depreciated.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

2. EXPENSES EXCLUDING LOSSES (CONT'D)

(c) Depreciation

	2024	2023
	\$	\$
Depreciation		
- Building	168,813	137,850
- Plant and equipment	66,141	6,111
Total Depreciation expenses	234,954	143,961

Refer to Notes 7 and Note 8 for recognition and measurement policies on depreciation.

3. REVENUE

Recognition and measurement

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15 *Revenue from Contracts with Customers*. Comments regarding the accounting policies for the recognition of income are discussed below.

(a) Statement of Compliance and Deemed Appropriations

Deemed appropriation money is government money that the Board receives or recovers (including from the Commonwealth or another entity) or a kind prescribed by the regulation that is not appropriated under the authority of the GSF Act.

The Lead Minister for the Board, being the Attorney General, is taken to have been given an appropriation out of the Consolidated Fund under the authority s4.7 of the Government Sector Finance Act, at the time the Board receives or recovers any deemed appropriation money, for an amount equivalent to the money that is received or recovered by the GSF Board. The spending authority of the Attorney General from deemed appropriation money has been delegated or sub-delegated to officers of the Board for its own services.

The delegation/sub-delegations for FY23/24 and FY22/23, authorising officers of the Board to spend Consolidated Fund money, impose limits to the amounts of individual transactions, but not the overall expenditure of the Board. The individual transaction limits have been properly observed.

The Board did not receive any Consolidated Fund money in the current year and prior year.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

3. REVENUE (CONT'D)

(b) Sale of goods and services from contracts with customers

	2024	2023
	\$	\$
Admission ¹	1,631,895	1,588,990
Diploma Course	1,278,970	1,151,885
Public Notary	155,710	127,880
Academic fees	373,189	389,782
Total	3,439,764	3,258,537

¹ Admission excludes admission revenue of \$1,161,600 (2023: \$1,133,850) collected on behalf of the Department under the Legal Profession Uniform Law Scheme.

Recognition and measurement

Revenue from rendering of services is recognised when the Board satisfies the performance obligation by transferring the promised services. The Board provides the service of admission of lawyers in New South Wales, diploma courses to law students, public notary and other academic related services. The Board typically satisfies its performance obligations when the services are provided to the customers either at the point in time or over time. For performance obligations that the Board satisfies at a point in time, the Board recognised the revenue when the admission application and payment are received. For the performance obligations satisfied over time, because the students simultaneously receive and consume the benefits of the courses as the Board performs its obligations, the revenue is recognised when the students complete the subjects.

The Board receives enrolments fees comprising of tuition fees and examinations fees from students for the Diploma in Law Course taught by the University of Sydney. The transaction price is the amount of consideration that the Board is entitled to in exchange for the services to the students (examination fees) excluding the amounts collected on behalf of the University of Sydney (tuition fees). Revenue is only recognised at the transaction price at the completion of exams.

(c) Investment revenue

	2024	2023
	\$	\$
Interest income	537,155	410,231
Total	537,155	410,231

Recognition and measurement

Variable interest earned on cash balances is recognised when it is probable that the economic benefits will flow to the Board and the amount of interest income can be measured reliably. The interest income is accrued on a time basis, based on the applicable interest rate.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

3. REVENUE (CONT'D)

(d) Acceptance by the Crown of employee benefits and other liabilities

	2024	2023
	\$	\$
The following liabilities and expenses have been assumed by the Crown:		
Superannuation – defined benefit plans ¹	-	13,332
Total	-	13,332

¹ The liabilities and expenses have been disclosed from 1 July 2018 as the defined benefit transactions are in the Department's accounts. From 1 July 2018 the Crown assumed the superannuation defined benefit of the Board. As a result, a notional amount equivalent to defined benefit super expense the Board would have otherwise incurred is recognised as expense and revenue. Refer Note 2 (a).

Recognition and measurement

The Board's liabilities for defined benefit superannuation are assumed by the Crown. The Board accounts for the liability as having been extinguished; resulting in the amount assumed being shown as part of the revenue item described as 'Acceptance by the Crown of employee benefits and other liabilities'.

(e) Other revenue

	2024	2023
	\$	\$
Disturbance compensation fee ¹	-	2,010,588
Refund of building strata rates	-	2,620
Total	-	2,013,208

¹ On 28 June 2022, the Board accepted an offer from Sydney Metro on sale of property, which comprised market value of \$9.5 million (Refer to Note 4 for details) and disturbance compensation of \$2.01 million. The sale was completed on 17 August 2022.

4. GAIN / (LOSSES) ON DISPOSAL

	2024	2023
	\$	\$
Proceeds from asset sale ¹	-	9,359,929
Net carrying amount of property	-	(4,330,592)
Gain/(loss) on disposal	-	5,029,337

¹ Proceeds from sale are net of the sales costs and levy adjustments. Gross sales proceeds received being \$9.5 million. The gain on disposal relates to sale of land and commercial strata office space at Level 4, 37 Bligh Street, Sydney. The sale was completed on 17 August 2022.

5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash at bank	12,484,357	13,046,253
Total	12,484,357	13,046,253

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand. Cash and cash equivalent assets recognised in the statement of financial position are the closing cash and cash equivalents in the statement of cash flows. Cash at bank includes \$1,644,777 (2023: \$1,363,764) (Note 10) that is restricted for payment to the University of Sydney and \$116,400 (2023: \$125,200) for the admission fee payable to the Department. Refer Note 16 for details regarding credit risk and market risk arising from financial instruments.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

6. CURRENT / NON-CURRENT ASSETS – RECEIVABLES

	2024	2023
	\$	\$
Current receivables		
Personnel services ¹	457,297	189,280
GST receivable	156,822	154,145
Prepayments ²	116,352	-
Others	3,660	3,950
	734,131	347,375
Less: Allowance for expected credit losses – Others	(2,850)	(3,950)
Total	731,281	343,425
Non-current receivables		
Personnel services		
Personnel service ¹	19,700	18,720
Total	19,700	18,720
*Movements in the allowance for expected credit losses		
Balance at 1 July	3,950	14,000
Amounts written off during the year	-	(8,240)
Amounts recovered during the year	(1,100)	(1,810)
Balance at 30 June	2,850	3,950

¹ The Board is a member of the Agency Funded Crown Long Service Leave (LSL) Pool. The Department contributes to the LSL Pool on behalf of the Board. The amount expected to be reimbursed by the Crown is recognised as personnel services receivable, current and non-current. Refer to Note 2 (a).

² The Board exchanged contracts to acquire Suite 1804, 109 Pitt Street, Sydney, NSW 2000. A prepayment of \$115,000 (excluding GST) has been made, representing 10 percent of the total purchase price of \$1,150,000 (excluding GST). The settlement of this property is expected to occur on 15 July 2024. Refer to Note 13 for details on contractual commitments for the property acquisition as at the reporting date.

Refer Note 16 for details regarding credit risk of trade debtors that are neither past due nor impaired, liquidity risk and market risk arising from financial instruments.

Recognition and measurement

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The Board holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

The Board recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Board expects to receive, discounted at the original effective interest rate.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

6. CURRENT / NON-CURRENT ASSETS – RECEIVABLES (CONT'D)

Impairment (cont'd)

For trade receivables, the Board applies a simplified approach in calculating ECLs. The Board recognises a loss allowance based on lifetime ECLs at each reporting date. The Board has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward looking factors specific to the receivable. Details regarding credit risk of trade receivables that are neither past due nor impaired are disclosed in Note 16.

7. PROPERTY, PLANT AND EQUIPMENT

(a) Total property, plant and equipment

	Land and Building \$	Plant & Equipment \$	Total \$
At 1 July 2022 – fair value			
Gross carrying amount	6,470,522	207,252	6,677,774
Accumulated depreciation and impairment	-	(207,252)	(207,252)
Net carrying amount	6,470,522	-	6,470,522
Year ended 30 June 2023			
Net carrying amount at beginning of year	6,470,522	-	6,470,522
Addition	861,770	516,913	1,378,683
Net revaluation increments less revaluation decrements	425,220	-	425,220
Depreciation expense (Note 2(c))	(137,850)	(6,111)	(143,961)
Net carrying amount at end of year	7,619,662	510,802	8,130,464
At 1 July 2023 – fair value			
Gross carrying amount	7,655,818	516,913	8,172,731
Accumulated depreciation and impairment	(36,156)	(6,111)	(42,267)
Net carrying amount	7,619,662	510,802	8,130,464
Year ended 30 June 2024			
Net carrying amount at beginning of year	7,619,662	510,802	8,130,464
Net revaluation increments less revaluation decrements	485,861	-	485,861
Depreciation expense (Note 2(c))	(168,813)	(66,141)	(234,954)
Net carrying amount at end of year	7,936,710	444,661	8,381,371
At 30 June 2024 – fair value			
Gross carrying amount	7,995,521	516,913	8,512,434
Accumulated depreciation and impairment	(58,811)	(72,252)	(131,063)
Net carrying amount	7,936,710	444,661	8,381,371

Further details regarding the fair value measurement of property, plant and equipment are disclosed in Note 9. The property, plant and equipment listed above are held and used by the Board.

(b) Property, plant and equipment held and used by the Board

All property, plant and equipment included in Note 7(a) above is held and used by the Board.

(c) Property, plant and equipment where the Board is lessor under operating leases

There is nil property, plant and equipment where the Board is a lessor.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Recognition and measurement

Acquisition of property, plant and equipment

Property, plant and equipment are initially measured at cost, and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to the asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Capitalisation threshold

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

Depreciation of property, plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Board. All material separately identifiable components of assets are depreciated over their useful lives. Land is not a depreciable asset.

The depreciation rates used for each class of assets are as follows:

Asset Class	Rate of Depreciation
Land and building	2.5%
Plant and equipment	10 to 20%

Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 21-09). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participant's perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and recognise unobservable inputs. Also refer Note 9 for further information regarding fair value.

The Board revalues its land and building property at least every three years where the market approach is the most appropriate valuation technique. No other class of property, plant and equipment is subject to valuation.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Revaluation of property, plant and equipment (cont'd)

Interim revaluations are conducted between comprehensive revaluations where cumulative changes to indicators suggest fair value may differ materially from carrying value. The Board used an external professionally qualified valuer to conduct the interim fair value assessment. An interim valuation of the Board's property has been performed on 31 March 2024 based on an indexation assessment, resulted in a revaluation increment of \$0.486 million recognised in the Statement of Comprehensive Income. The next comprehensive valuation of the Board's property will be on 31 March 2025.

Non recognised assets with short useful lives are measured at depreciated historical cost as an approximation for fair value. The Board has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, any balance of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are recognised in other comprehensive income and credited to the revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the revaluation surplus. As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where the income approach or market approach is used, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. Since property, plant and equipment is carried at fair value, or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

The Board assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Board estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The Board's assets are not impaired as at the reporting date.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

8. INTANGIBLE ASSETS

	Software \$
At 1 July 2022	
Cost (gross carrying amount)	835,869
Accumulated amortisation and impairment	(835,869)
Net carrying amount	-
Year ended 30 June 2023	
Net carrying amount at beginning of year	-
Additions	-
Amortisation	-
Net carrying amount at end of year	-
At 1 July 2023	
Cost (gross carrying amount)	835,869
Accumulated amortisation and impairment	(835,869)
Net carrying amount	-
Year ended 30 June 2024	
Net carrying amount at beginning of year	-
Additions	-
Amortisation	-
Net carrying amount at end of year	-
At 30 June 2024	
Cost (gross carrying amount)	835,869
Accumulated amortisation and impairment	(835,869)
Net carrying amount	-

Recognition and measurement

The Board recognises intangible assets only if it is probable that future economic benefits will flow to the Board and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Board's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite. The Board's intangible assets are amortised using the straight-line method over a period from five to ten years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

Amortisation of intangible assets

Intangible assets are also amortised using the straight-line method. The amortisation rates used for each class of assets are as follows:

Intangible assets

Software – Minor Projects	20%
Software – Major Projects	10%

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

9. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

Fair value measurement and hierarchy

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13 *Fair Value Measurement*, the Board categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

Level 1 – quoted (unadjusted) prices in active markets for identical assets/liabilities that the Board can access at the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Board recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Refer Note 16 for further disclosures regarding fair value measurements of financial assets.

(a) Fair value hierarchy

2024	Level 1	Level 2	Level 3	Total fair value
	\$	\$	\$	\$
Property, plant and equipment				
Land and Building (Note 7)	-	7,936,710	-	7,936,710
	-	7,936,710	-	7,936,710
2023	Level 1	Level 2	Level 3	Total fair value
	\$	\$	\$	\$
Property, plant and equipment				
Land and Building (Note 7)	-	7,619,662	-	7,619,662
	-	7,619,662	-	7,619,662

(b) Valuation techniques, inputs and processes

The Board's property has been valued using market evidence with adjustment for condition, location, comparability, etc. Level 2 inputs have been used in determining the fair value of the property since observable market data is readily available. There were no transfers between level 1 and 2 during the period.

The building and improvements are non-specialised assets, for which current market buying price can be observed. The property is valued having reference to current market transactions of comparable properties in the surrounding locality.

The Board owns the new office space at Level 18, 109 Pitt Street, Sydney. An indexation revaluation was performed by an independent registered valuer from Valuation NSW as at 31 March 2024. This resulted in a revaluation increment of \$0.486 million. The next comprehensive valuation of the Board's property will be on 31 March 2025.

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

10. CURRENT LIABILITIES – PAYABLES

	2024	2023
	\$	\$
Current payables		
Accrued salary and wages	44,540	31,277
Sundry accrual ¹	485,529	281,432
Tuition fees ²	1,655,398	1,375,885
Total	2,185,467	1,688,594

¹ Sundry accrual include \$74,626 (2023: \$nil) to be paid to the Department for payroll related costs.

² The Board collects the tuition fees on behalf of the University of Sydney and remits the full amount of fee collections to the University at least twice a year. The tuition fees are not recognised as revenue by the Board.

Recognition and measurement

Payables represent liabilities for goods and services provided to the Board and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables are financial liabilities at amortised cost, initially measured at fair value, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

As per clause 63 of the Legal Profession Uniform Law Application Regulation 2015, the admission fee to the Australian legal profession in New South Wales is \$950. The Board is responsible for collecting the fees of which \$400 is payable to the Department to fund the operation of the Legal Services Council in regulating the Legal Profession Uniform Framework.

Details regarding liquidity risk are disclosed in Note 16.

11. CONTRACT LIABILITIES

	2024	2023
	\$	\$
Contract liabilities – current	462,686	489,840
	462,686	489,840

Recognition and measurement

Contract assets relate to the Board's right to consideration in exchange for goods transferred to customers/works completed, but not billed at the reporting date.

Contract liabilities relate to consideration received in advance from customers. The Board receives examination fees in advance from the students.

	2024	2023
	\$	\$
Revenue recognised that was included in the contract liability balance at the beginning of the year	489,840	464,750
Transaction price allocated to remaining performance obligations from contracts with customers	462,686	489,840

The Board charges examination fees at the beginning of each semester. The Board recognises revenue from examination fees once it satisfies its performance obligation in regard to the fees received. The transaction price allocated to the remaining performance obligations relates to examination fee for revenue. 100% is expected to be recognised as revenue in the following financial year.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS

The provisions below relate to annual leave and long service leave for personnel services provided by the Department.

	2024	2023
	\$	\$
Current: Employee benefits and related on-costs		
Annual leave* and related on-costs	234,281	174,835
Long service leave* and related on-costs	217,321	221,059
Total	451,602	395,894
Non-current: Employee benefits and related on-costs		
Long service leave and on-costs	22,843	21,863
Total	22,843	21,863
Aggregate employee benefits and related on-costs		
Provisions – current	451,602	395,894
Provisions – non-current	22,843	21,863
Accrued salaries, wages and on-costs (Note 10)	44,540	31,277
Total	518,985	449,034
* Expected settlement of current employee benefits and related on-costs		
No later than 12 months	228,428	188,037
Later than 12 months	223,174	207,857
Total	451,602	395,894

The non-current provisions are long service leave and are expected to be settled after more than 12 months.

Recognition and measurement

Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted).

Actuarial advice obtained by Treasury has confirmed that using the nominal annual leave balance plus the annual leave entitlements accrued while taking annual leave (calculated using 8.4% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Board has assessed the actuarial advice based on the Board's circumstances and has determined that the effect of discounting is immaterial to annual leave. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Long service leave

Long service leave is measured at the present value of expected future payments to be made in respect of services provided up to the reporting date in accordance with AASB 119 *Employee Benefits*. Consideration is given to certain factors based on actuarial review, including expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using Commonwealth government bond rates at the reporting date.

Legal Profession Admission Board
Notes to the financial statements
for the year ended 30 June 2024

12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (CONT'D)

Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of superannuation, payroll tax and workers' compensation insurance premiums.

13. COMMITMENTS

Capital Commitments

	2024	2023
	\$	\$
Aggregate capital expenditure for the acquisition of property contracted for at reporting date and not provided for:		
Within one year	1,150,000	-
Later than one year and not later than five years	-	-
Later than five years	-	-
Total (including GST)	1,150,000	-

Input tax credits of \$115,000 (2023: \$Nil) which is expected to be recoverable from the Australian Taxation Office is included above.

14. CONTINGENT ASSETS AND LIABILITIES

The Board does not have any contingent assets and contingent liabilities at 30 June 2024 (2023: nil).

15. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2024	2023
	\$	\$
Net Cash (used on) / from operating activities	(561,896)	2,301,753
Depreciation expenses	(234,954)	(143,961)
Gain on disposal	-	5,029,338
Increase / (decrease) in receivables and prepayments	388,836	(773,391)
(Increase) / decrease in provisions	(56,688)	257,907
Decrease / (increase) in payables and contract liabilities	(469,719)	(51,997)
Net Result	(934,421)	6,619,649

Legal Profession Admission Board

Notes to the financial statements

for the year ended 30 June 2024

16. FINANCIAL INSTRUMENTS

The Board's principal financial instruments are outlined below. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Board's main risks arising from financial instruments are outlined below, together with the Board's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Board, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Board on a continuous basis.

(a) Financial instrument categories

Class	Note	Category	Carrying amount 2024 \$	Carrying amount 2023 \$
Financial assets				
Cash and cash equivalents	5	N/A	12,484,357	13,046,253
Receivables ¹	6	Amortised cost	810	-
Financial liabilities				
Payables ²	10	Financial liabilities measured at amortised cost	2,035,942	1,688,594

¹ Excludes statutory receivables and prepayments (out of scope of AASB 7 *Financial Instruments: Disclosures*).

² Excludes statutory payables and unearned revenue (out of scope of AASB 7 *Financial Instruments: Disclosures*).

The Board determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(b) Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Board transfers its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- the Board has transferred substantially all the risks and rewards of the asset; or
- the Board has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control.

When the Board has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where the Board has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Board's continuing involvement in the asset. In that case, the Board also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Board has retained.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

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Notes to the financial statements
for the year ended 30 June 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

(c) Financial risks

i. Credit risk

Credit risk arises when there is the possibility of the Board's debtors defaulting on their contractual obligations, resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment).

Credit risk arises from the financial assets of the Board, including cash and receivables. No collateral is held by the Board. The Board has not granted any financial guarantees.

The Board considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Board may also consider a financial asset to be in default when internal or external information indicates that the Board is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Board.

Cash and cash equivalents

Cash comprises cash on hand and bank balances. Interest is earned on daily bank balances.

Receivables – trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand.

The Board applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Board has identified the unemployment rate, wages growth rate and CPI inflation to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments. There are other debtors who are currently past due and impaired. The loss allowance for trade debtors as at 30 June 2024 and prior year are stated below:

30 June 2024						
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	100%	
Estimated total gross carrying amount	-	-	-	-	2,850	2,850
Expected credit loss	-	-	-	-	2,850	2,850
30 June 2023						
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	100.0%	
Estimated total gross carrying amount	-	-	-	-	3,950	3,950
Expected credit loss	-	-	-	-	3,950	3,950

The Board is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2024.

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Notes to the financial statements
for the year ended 30 June 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

(c) Financial risks (cont'd)

ii. Liquidity risk

Liquidity risk is the risk that the Board will be unable to meet its payment obligations when they fall due. The Board continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets.

During the current year and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasury Circular 11-12 *Payment of Accounts*. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the payment of simple interest is at the discretion of the Executive Officer.

The Board has financial liabilities of \$2,035,942 as at 30 June 2024 (2023: \$1,688,594), all of which are non-interest bearing, with maturity dates of less than 1 year.

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

iv. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Board's exposures to market risk are primarily through interest rate risk on the Board's cash at bank. The Board has no exposure to foreign currency risk and does not enter into commodity contracts. The Board does not have borrowings hence does not have exposure to interest rate risk associated with interest bearing liabilities.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. The sensitivity analysis is based on a reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Board's exposure to interest rate risk is set out below.

	2024		2023	
	\$	\$	\$	\$
	-1%	+1%	-1%	+1%
Net Result	(124,844)	124,844	(130,463)	130,463
Equity	(124,844)	124,844	(130,463)	130,463

The analysis is performed on the same basis for 2023. The analysis assumes that all other variables remain constant.

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Notes to the financial statements
for the year ended 30 June 2024

16. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair value measurement

i. Fair value compared to carrying amount

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

The Board does not hold financial assets and financial liabilities where the fair value differs from the carrying amount.

ii. Fair value recognised in the Statement of Financial Position

Management assessed that cash, trade receivables and trade payables approximate their fair values, largely due to the short-term maturities of these instruments. The Board does not hold financial assets and liabilities that are valued at fair value using valuation techniques.

17. RELATED PARTY DISCLOSURES

The Board's key management personnel compensation are as follows:

	2024	2023
	\$	\$
Salaries ¹	171,736	161,823
Other long-term employee benefit	6,059	-
Post-employment benefits ¹	18,508	15,249
Total remuneration	196,303	177,072

¹ The Board made reclassifications between salaries and post-employment benefit to enhance the presentation in 2023-24 which resulted in realignment of comparatives.

The Board did not enter into any transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

During the year, the Board entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by the NSW Government. These transactions in aggregate are a significant portion of the Board's activities.

These transactions include:

- Long Service Leave assumed by the Crown
- Employer contributions paid to Defined Benefit Superannuation funds
- Payments for the provision of personnel and related services to the Board
- Payments into the Treasury Managed Fund for worker's compensation insurance and other insurances
- Admission fees collected by the Board on behalf of the Board for the NSW contribution to the Legal Profession Uniform Law Scheme.

18. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the balance sheet date, the Board acquired a property located at Suite 1804, 109 Pitt Street, Sydney NSW 2000 for a purchase price of \$1,265,000 (GST inclusive). The acquisition was completed on 15th July 2024.

End of audited financial statements.