



Queensland
Law Society[®]

ANNUAL REPORT 2024-25

LEADING SOLICITORS IN QUEENSLAND

**We acknowledge the First Nations peoples
as the original inhabitants of this land.**

**We recognise, respect and celebrate the
cultural distinctions of First Nations peoples
and value their rich and positive contribution
to not only Queensland but also to the
broader Australian society.**

About this report

The Queensland Law Society (QLS) 2024-25 Annual Report presents our corporate performance for the period 1 July 2024 to 30 June 2025, the last financial year of our four-year strategic plan.

This report outlines our key activities, achievements and challenges during the financial year, evaluated against the key performance indicators (KPIs) and targets set in our strategic and operating plans. It also provides a forward-looking summary of our corporate priorities for 2025-26 and informs planning for the next Strategic Plan (2025-29).

The 2024-25 year marked a period of positive growth and significant achievement for QLS, with the QLS Council approving the new Strategic Plan 2025-29. QLS finished the final year of the Strategic Plan 2021-25 on a high, incurring an underlying operating surplus of \$1.748m, on the back of a successfully led Symposium and well-run Renewals, ahead of the 2025-26 practising certificate year.

This annual report concludes the fourth year of our strategic plan, which outlines our vision of Leading Solicitors in Queensland and reaffirming our purpose of Good Law, Good Lawyers, Public Good:

- To co-regulate solicitors in Queensland for the benefit of the profession and the public
- To be the authoritative voice of solicitors in Queensland
- To help our members succeed
- To connect the profession with QLS and with each other
- To respect, protect and promote human rights in our decision-making and actions.

Across the organisation, we continue to deliver on new goals and initiatives. Our progress of the final year of the strategic plan is detailed throughout this report.

This annual report complies with Queensland Government reporting requirements and aligns with QLS's operational plan. It evaluates our corporate performance against our six strategic objectives: Advocate, Regulate, Guide, Educate, Connect, and Grow.

Our commitment to accessibility

This annual report can be accessed at www.qls.com.au/annualreports, via the Queensland Parliament website or in print form by contacting us (see below).

Our website www.qls.com.au also contains the required reporting in relation to the Council of Queensland Law Society as a government body. Previous annual reports can be accessed via our website.



Please contact us if you require assistance in understanding the annual report or for referral to interpreter services. Our open data reports can be accessed via www.data.qld.gov.au.

Feedback

If you have feedback or questions about content in this annual report, please contact:

Law Society House, 179 Ann Street Brisbane Qld 4000
1300 367 757
info@qls.com.au

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9 September 2025

The Honourable Deborah Frecklington
Attorney-General and Minister for Justice and
Minister for Integrity
1 William Street
Brisbane QLD 4000

Dear Attorney

I am pleased to submit for presentation to the Parliament the Annual Report 2024-25 and financial statements for Queensland Law Society.

I certify that this Annual Report complies with:

1. the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
2. the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found on pages 185-186 of this document.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Genevieve Dee', with a stylized, flowing script.

Genevieve Dee
President

Email: president@qls.com.au

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About us

Queensland Law Society (QLS) is incorporated under the *Legal Profession Act 2007* and is defined as a statutory body under the *Financial Accountability Act 2009*. Governance and strategic direction are overseen by the QLS Council.

As the leading membership representative body and co-regulator for Queensland's solicitors, QLS oversees the professional conduct of 16,188¹ practising solicitors and provides leadership, guidance, and support to 13,890² members across various career stages.

QLS operates in a co-regulatory capacity with the Legal Services Commission and the Bar Association of Queensland, working collaboratively to administer the *Legal Profession Act 2007* in the interests of justice and the legal profession.

While QLS holds regulatory powers, our broader role reflects our vision to be a versatile, responsive, and collegiate representative body. We advocate for the legal profession, engage with government and the public, and represent solicitors with integrity, professionalism, and a commitment to the public good.

Our purpose is to empower good lawyers, advocate for good law, and serve the public good by providing a clear and reasoned voice for solicitors in Queensland. This aligns with the Queensland Government's objectives for the community, particularly in supporting skills development, meaningful employment, and future pathways for our members.

What we do

In collaboration with our members, QLS delivers a wide range of services and initiatives, including:

- Regulation of trust account provisions under the *Legal Profession Act 2007*, external administration of law practices, and management of the Legal Practitioners' Fidelity Guarantee Fund
- Administration and issuing of practising certificate records
- Professional indemnity insurance through Lexon Insurance Pte Ltd
- Advancement of the public good, including support for First Nations communities via the First Nations Cultural Outreach Strategy 2020-25
- Ethical support and guidance through QLS Solicitor Support Pty Ltd, including direct consulting, tailored education, and published guidance
- Balanced advocacy on issues of importance to the profession and the broader community
- Accessible, high-quality professional development and specialist accreditation
- Practical resources to help solicitors maintain and grow their professional skills
- Public referrals via the *Find a Solicitor* web search and promotion of solicitors' role in the community
- Mental health support, including access to the LawCare service
- Trust account compliance support and guidance
- Direct practice consultancy services for new and emerging law firms across Queensland
- Clear, considered and balanced advocacy on matters of importance to the legal profession and the broader community
- Accessible, high-quality, ongoing professional development and specialist accreditation

¹ Membership and practising certificate figures circulated through Dynamics software based on available data as at 30 June 2025

² Ibid

- Practical resources and opportunities for the profession to maintain and develop professional skills
- Referrals via our Find a Solicitor web search and promotion of solicitors' role in the community
- Support for practitioners' mental health, including the LawCare service
- Support and guidance on trust account issues and trust account compliance, and
- Direct practice support consultancy services to new and developing law firms throughout the state.

Key performance indicators

Performance overview

Strategic and operational performance overview

The 2024-25 financial year marks the final year of Queensland Law Society's (QLS) four-year Strategic Plan 2021-25.

This strategic plan outlines six strategic objectives and seven key performance indicators (KPIs) that measure our success. Performance for the fourth year is assessed through the Operating Plan 2024-25, which categorises our work by strategic objectives, key actions, KPIs, and operational targets. These measures include both qualitative and quantitative assessments, capturing engagement across our membership, staff, and key stakeholders.

This year's performance reflects strong progress across our strategic KPIs, with thoughtful commentary on how initiatives have evolved and a pleasing finish of the Society's four-year strategic plan.

Strategic Plan 2021-25

QLS commenced its 2021-25 strategic plan on 1 July 2021, which is built around 14 key strategies aligned with our six strategic objectives. These strategies are supported by assessments of strategic opportunities, risks, and challenges.

Strategic risks and challenges

Key strategic challenges this year continued in the digital innovation and technology space, which is observed in the feedback around Client Relationship Management (CRM) systems and Electronic Document and Records Management System (EDRMS). This qualitative feedback is instrumental in gaining a deeper understanding of the functionality and experience of both systems, to assist in future work and investment in this area.

Pleasingly the 2025 renewals period demonstrated clear improvements and a seamless run, which places QLS in good stead as it begins its new chapter and new strategic plan.

Performance highlights

This financial year, QLS achieved well-rounded success across several measures of success, including:

- Growing membership engagement and attendance numbers to events and CPD
- Thriving, engaged and high quality QLS committee volunteer base
- High levels of profession and member engagement with QLS communications
- An engaged, high performing and productive QLS team
- Annual financial targets and non-financial performance targets achieved.

Pleasingly the measure of success "return on investment on upgrades to Law Society House" was realised in FY24 and was not measured in FY25. The measure of success "growing membership to PC conversion rate" was measured in BAU plans during FY25 and it is noted that it resulted in a successful FY25 renewals and a significant operating surplus at the end of FY25.

Our operating plan 2024-25

Strategic Objective	Initiative	Strategic KPI	Timeline	Accountability	Performance target / KPI	Average status	Q4 – 1 Jul 2024 to 30 June 2025	
Advocate	01. Publish, promote and engage with members of the Queensland Parliament on the State Call to Parties 2024	KPI3, KPI4, KPI5	30-Jun-25	Legal Policy	01.1 Members are consulted on the Queensland Parliament State Call to Parties 2024 by 30 Sept 2024	ACHIEVED	0.1.1	ACHIEVED – Members have been consulted on the Queensland Parliament Call to Parties
					01.2 The Queensland Parliament State Call to Parties 2024 is promoted and published by 26 October 2024		01.2	ACHIEVED – The Queensland Parliament State Call to Parties 2024 has been promoted and published
Advocate	02. Advocate adoption of the State Call to Parties 2024 with the new Queensland Attorney-General and relevant portfolio Ministers	KPI4, KPI5	30-Jun-25	Legal Policy	02.1 Advocacy of the State Call to Parties 2024 takes place with the Queensland Attorney-General and relevant portfolio Ministers by 30 June 2025	ACHIEVED	2.1	ACHIEVED – Met with the Attorney-General and relevant portfolio Ministers on the State Call to Parties 2024
Regulate	03. Consult on a proposal for Incorporated Legal Practice Rules and submit to Council	KPI3, KPI4, KPI5	30-Jun-25	Regulation	03.1 Stakeholders are consulted on the proposal for Incorporated Legal Practice Rules03.2 The proposal for Incorporated Legal Practice Rules is submitted to Council by 30 June 2025	COMPLETED	03.1	ACHIEVED – Consultation with LSC, sole stakeholder has taken place
							03.2	ON TRACK & ON GOING – Council approved further development of the proposal on 8 May 2025
Guide	04. Develop a Legal Costs Course to assist practitioners with legal cost compliance and management issues, accompanying the existing QLS Legal Ethics Course	KPI1, KPI5	30-Jun-25	Ethics	04.1 A Legal Costs Course is developed by 30 June 2025	ACHIEVED	04.1	ACHIEVED – Legal Costs Course was developed and successfully rolled out in February 2025.
Educate	05. Deliver a program of mental health awareness initiatives and training for the profession	KPI1, KPI5, KPI6	30-Jun-25	Education	05.1 Report to CEO by 30th June 2025, on delivery of Mental Health CPD training including: - provision of Mental Health First Aid Certification Course every quarter - Annual Minds Count lecture (in partnership with BAQ) - Mental Health Breakfast and panel (in QLD Mental Health week).	ACHIEVED	05.1	ACHIEVED – Report to CEO has taken place on delivery of the Mental Health CPD training
					05.2 Engage and consult with Wellbeing Working Group on Wellbeing training, articles and content for QLS website and publications		05.2	ACHIEVED – Wellbeing Working Group highly engaged and meeting monthly. Providing input into initiatives and created content for training and Proctor.
Educate	06. Educate the profession to shape positive legal workplace cultures	KPI1, KPI5, KPI6	30-Jun-25	Education	06.1 Deliver at least 5 positive Workplace Culture training sessions to the profession, including Sexual Harassment prevention and Active Bystander workshops, by way of in person/ webinar and bespoke inhouse training by 30 June 2025	ACHIEVED	06.1	ACHIEVED – 12 Bespoke workshop sessions have been provided.
					06.2 Develop and launch recorded/LMS training package of positive legal workplace culture CPD content by 30 June 2025		06.2	COMPLETED – Content and PPT finalised of the LMS training package. Launch of Changing Workplace Culture: Sexual Harassment webinar is anticipated for FY26. Extensive work and support on wellbeing support and resources was undertaken through out 2024-25, as reported in the President's Report and the Connect Report.
Connect	07. Develop and submit to Council the First Nations Cultural Outreach Strategy 2025-30	KPI3, KPI5	30-Jun-25	COS	07.1 Consultation takes place with the First Nations Consulting Committee, First Nations Legal Policy Committee and QLS stakeholders on Cultural Outreach Strategy 2025-30	ACHIEVED	07.1	ACHIEVED – Consultation took place with the First Nations Consultation Committee, representatives from the FNLPC and QLS stakeholders on COS 2025-30
					07.2 The Cultural Outreach Strategy 2025-30 is submitted to Council for approval by 30 June 2025		07.2	ACHIEVED – COS was submitted to Council in May 2025 and was approved before 30 June 2025

Strategic Objective	Initiative	Strategic KPI	Timeline	Accountability	Performance target / KPI		Average status	Q4 – 1 Jul 2024 to 30 June 2025	
Connect	08. Undertake a member survey to inform the QLS 2025-29 strategic plan and refinement of services for members	KPI3, KPI4, KPI5	30-Jun-25	Membership & Engagement	08.1	Survey is complete (including final report) by 31 December 2024 achieving an industry benchmark response rate	ACHIEVED	08.1	ACHIEVED – Survey report was published on the website and the intranet on 13/12/24
Grow	09. Develop a QLS governance and subsidiaries framework	KPI3, KPI4	30-Jun-25	Governance	09.1	A QLS governance and subsidiaries framework is developed in consultation with QLS Council and subsidiaries	ACHIEVED	09.1	ACHIEVED – Council approved the governance and subsidiaries framework in June 2025
Grow	10. Improve QLS's new technologies, data and key business systems	KPI5, KPI6	30-Jun-25	Information Management	10.1	A Customer Satisfaction Score (CSAT) of 70% for QLS members and QLS staff on Dynamics and for QLS staff on Onbase	ON TRACK & ONGOING	10.1	ON TRACK & ON GOING – CSAT Survey circulated to QLS staff for feedback and to guide future work late in Q4 and at the start of Q1 FY26. Whilst a CSAT score of 70% was unable to be achieved for both Dynamics and OnBase, the feedback is instrumental in gaining a deeper understanding of the functionality and experience of both systems, to assist in FY26.
Grow	11. Grow an engaged QLS team through performance enablement, focussing on career development in a culture supported by values-based behaviours	KPI5	30-Jun-25	People and Culture	11.1	90% of employees participating in quarterly progress, development and growth discussions.	ON TRACK & ONGOING	11.1	ON TRACK & ON GOING – Approximately 89% of employees have engaged in the process at some point during the financial year, which reflects a strong start for a new process and a positive cultural shift. Consistency across all three quarters remains the next step, which will be continued in FY26.
					11.2	2000+ hours of formal and informal growth and development accrued across the organisation.		11.2	ON TRACK & ON GOING – In the past year, we achieved a total of 1,679 recorded hours of learning and development. This is just shy of our target at a rate of 84% and equating to an average of approximately 12.5 hours per employee. This highlights that, despite perceptions of limited time, employees are engaging in meaningful development opportunities, which will be continued in FY26.

Strategic KPIs description	First Year of Strategic Plan Status (Average)	Second Year of Strategic Plan Status (Average)	Third Year of Strategic Plan Status (Average)	Fourth Year of Strategic Plan Status (Average)
KPI1: Growing membership engagement and attendance numbers to events and CPD	ON TRACK & ONGOING	ON TRACK & ONGOING	ACHIEVED	ACHIEVED
KPI2: Growing membership to PC conversion rate	ON TRACK & ONGOING	ON TRACK & ONGOING	ON TRACK & ONGOING	(Measured in BAU plans, noting a successful FY25 renewals and a significant operating surplus FY25 – see financial reporting)
KPI3: Thriving, engaged and high quality QLS committee volunteer base	ACHIEVED	ON TRACK & ONGOING	ACHIEVED	ACHIEVED
KPI4: High levels of profession and member engagement with QLS communications	ON TRACK & ONGOING	ON TRACK & ONGOING	ACHIEVED	ACHIEVED
KPI5: An engaged, high performing and productive QLS team	ON TRACK & ONGOING	ON TRACK & ONGOING	ACHIEVED	ACHIEVED
KPI6: Annual financial targets and non-financial performance targets achieved	ON TRACK & ONGOING	ON TRACK & ONGOING	ACHIEVED	ACHIEVED
KPI7: Return on investment on upgrades to Law Society House	ON TRACK & ONGOING	ON TRACK & ONGOING	ACHIEVED	(ACHIEVED in Yr3)

Key

ACHIEVED

COMPLETED

ON TRACK & ONGOING

DEFERRED

President's review

It has been a privilege to be Queensland Law Society President in 2025. I have always been proud to be part of a profession that places integrity, fairness and truth at its core. This year I also celebrate 20 years in the profession, and while it was these principles that drew me to law, I also wanted to make a difference – a difference in the lives of my clients, a difference in the way lawyers experience work in legal practices and a difference in the laws that apply to the communities which we serve.

During my term, I have had the honour of meeting many practitioners who also strive to make a difference. From providing input to help shape our laws to pro-bono work helping society's most marginalised access justice, we are fortunate to be part of a profession that does not lose sight of the privileged place we hold in the community.

A collegiate and connected profession

One of my focus areas this year was highlighting the importance of collegiality. While we have long understood the benefits of promoting collegiality in our profession, the practice of law is becoming isolating. The need to foster collegiality within the profession has never been greater. Creating a supportive network of other professionals can not only counter act the isolation and pressure solicitors experience but assist to make our profession a place where we all feel we belong, including early career lawyers.

This year, the Queensland Law Society has maintained its close connection with practitioners, particularly our regional ones, with important roadshows including the Seller Disclosure Framework which came into effect in August. These roadshows not only strengthened the existing connection with our membership but provided invaluable learning opportunities to ensure our profession continues to evolve and adapt to new challenges.

The Society will continue to be the hub for solicitors of Queensland to access opportunities to engage with their community and profession. The well attended 'Celebrate Recognise Socialise' events across our great state highlight the significant contribution of members and celebrate collegiality within our profession. Connection is critical to our shared success and to ensure the profession of tomorrow is stronger than the profession of today.

Wellbeing

Last year, Immediate Past President Rebecca Fogerty commenced an important conversation regarding mental health in the profession. With the increasing pace of life and the rapid rate of technological change we experience, it was a conversation I committed to continuing.

The Queensland Law Society is committed to supporting the wellbeing of our members through a wide range of resources.

We have a dedicated Mental Health and Wellbeing Working Group which promotes meaningful initiatives in this space.

By engaging with the Ethics and Practice Centre, members can access ongoing guidance on ethical issues and practice support. The Society also provides LawCare – a confidential support service available not just to members, but also to employees of a law firm, and their immediate families. This includes up to six professional counselling sessions at no cost.

Many events and courses offered throughout each year prioritise mental health including the Practice Management Course which includes a compulsory unit on mental health and wellbeing in the workplace. This commitment to the wellbeing of practitioners and their employees and families, reflects our belief that leadership in practice must include a commitment to the mental health of ourselves and our teams. Very few professions can proudly say they have responded to the health needs of their members in this important and substantial way.

Additionally, we offer Mental Health First Aid Training to equip members with the skills to recognise and respond to mental health challenges in their workplaces. Other mental health seminars and workshops offered by the Society are designed to foster wellbeing through connection and learning. Our mental health is as important as our physical health; the Society is committed to providing members with access to the information they need to enjoy long and healthy careers in the law and build sustainable, and resilient practices.

Leading advocacy for our profession

My role as President also allows me to witness and engage in the great work done by our numerous policy committees. The legal policy advocacy undertaken by the committees is aimed at upholding the rule of law and contributing to the development of sound and effective laws; good law for the greater good.

Leading into the 2024 State Election, our Legal Policy team, in consultation with policy committees and the broader membership of the Society, prepared our Call to Parties Statement which identified priority issues needing to be addressed for the legal profession and the community.

Key issues identified included upgrading court infrastructure and accessibility, housing affordability and availability, additional support for the Queensland Civil and Administrative Tribunal among many others.

It was pleasing to see political parties respond to this statement during the lead up to the election and how the elected State Government has committed to undertaking reform in some of the key priority areas we identified.

The response from the parties and the Government is indicative of our strong collective voice and reputation as a trusted advisor to key stakeholders, underpinned by our vision of Good Law, Good Lawyers and Public Good.

During the year I have also been honoured to take part in many judicial welcomes and farewells. These ceremonies are a reminder of both the traditions we uphold and the changes shaping our profession. They also highlight the strong and respectful relationship we have with the judiciary – one that allows us to work together and support each other as the justice system continues to evolve. Those relationships are vital to the proper and efficient administration of justice which benefits both our members and the clients we represent.

The 2024-25 year marked the final year of our Strategic Plan – a blueprint which outlines our vision, purpose and key strategies which guide our work.

The new 2025-29 Strategic Plan crafted by Council and senior management builds on this foundation. I look forward to watching how the Society and its members respond to the new strategic plan and the initiatives that will ensure the continued growth of the profession.

I would like to sincerely thank the 2025 QLS Council for their unwavering support, leadership, and commitment throughout the year. Their dedication to upholding the values of the profession and guiding the strategic direction of the Society has been invaluable to me, and to our members.

I also extend my deep appreciation to Chief Executive Officer Matt Dunn for his leadership and tireless efforts in delivering on our vision and priorities. Matt and the team at Queensland Law Society, have been instrumental in achieving the outcomes highlighted in this report and have been a source of wisdom, humour, and friendship throughout this wonderfully rewarding year.

Genevieve Dee
President

CEO Review

The 2024-25 financial year marked my first full year as CEO, having stepped into the role in March 2024. It was a year that brought both challenges and opportunities – and by all measures, a strong one for our organisation.

There has been much to celebrate with thanks to the hard work of our talented staff, engaged QLS Council and our committed members.

Our renewals period was highly successful, with practitioners and members navigating our systems even more smoothly than previous years. It was especially gratifying to see practising certificates being issued efficiently from early May, reflecting the strength of our renewals system and processes and the dedication of our team.

It was very satisfying to see the results of the Professional Indemnity Insurance survey which demonstrated another year of overall growth for Lexon insured practices. We have seen strong year on year growth in the size of the profession and the gross fee income. This is a cause to celebrate cautiously.

Symposium 2025 was a record-breaking event with total number of registrations exceeding previous years and expanding to two floors at the Brisbane Convention and Exhibition Centre. It has firmly re-established itself as Queensland's premier legal conference, with a refreshed and dynamic feel. This success is a testament to the outstanding efforts of our Education, Events, Partnerships, and Marketing teams at QLS.

Our Ethics and Practice Centre launched a new Costs Course on referral from regulators which served to both highlight the importance of good client communication and to be a more targeted and preferable consequence of consumer complaints.

Externally, we saw momentous shifts in the world around us. Internationally, financial markets, trade relationships, old alliances and our place in the world has been challenged. More concerningly, the trend is escalating internationally where Governments are targeting the judiciary and legal profession for political purposes. It was distressing to see attempts made to dominate or diminish some of our sister bodies in other countries over the year, especially in countries where we all thought the separation of powers was enshrined.

At home, we have had very orderly elections at the Queensland and Federal level where QLS has put the views of members of the legal profession in excellent Call to Parties statements. It is very pleasing to see all political parties waiting for and engaging with the Queensland legal profession's issues. Also pleasing, has been seeing some recommendations from our Call to Parties statement being implemented by the current State Government.

More broadly, significant work has been done this year on Tranche 2 of AML/CTF obligations which passed the Commonwealth Parliament in 2024 under tight timelines. For seventeen years, QLS has advocated a Tranche 2 scheme which is targeted, effective and workable. There does remain concern about the impact these reforms will have on access to justice, especially in regional Queensland. Unfortunately, this does not appear to have been a consideration in the current reforms and needs further thought and exploration.

It was a pleasure to work with QLS Council on a new strategic plan for the coming years and a multi-year corporate plan to see us well into the future. I am looking forward to leading work to deliver Council's new plan over the next three years.

I extend my sincere thanks to our members, Council, Committees, and especially our dedicated staff for their continued support and tireless efforts. I look forward to implementing and building on our new strategic plan together in the year ahead.

Matt Dunn
Chief Executive Officer

Our Council

In accordance with the *Legal Profession Act 2007* (LPA), the Queensland Law Society Council comprises 12 elected members and one appointed member – the Attorney-General's representative. The elected members include four office bearers: President, Deputy President, Vice President, and Immediate Past President, along with eight additional elected members.

The Council is elected for a two-year term, with the President serving a one-year term. In the second year of the Council's term, the elected Deputy President succeeds to the office of President, and the outgoing President becomes the Immediate Past President. The Immediate Past President from the first year retires from Council. As a result, there are up to 13 Council members in the first year, and 12 members in the second year of each Council term.

The most recent Council election was held in September 2023, for the term commencing 1 January 2024 and concluding 31 December 2025. The next election will take place in September 2025.

Governance and leadership

The Council is responsible for the leadership and governance of QLS. Its key duties include:

- Setting and reviewing the strategic plan and operating plan for QLS and its subsidiary QLS Solicitor Support Pty Ltd
- Monitoring operating performance as reported by the CEO
- Approving the annual budget
- Overseeing the financial management of QLS's affairs
- Ensuring QLS meets its statutory obligations
- Representing and responding to the needs of the legal profession.

QLS's core values – respect, integrity, and service – are embedded in the Code of Conduct and Council Charter, guiding stakeholder engagement and decision-making.

The Council is committed to excellence in corporate governance, referencing best practice frameworks including:

- The Australian Institute of Company Directors' Good Governance Principles and Guidance for Not-for-profit Organisations
- The ASX Corporate Governance Principles and Recommendations

These resources serve as benchmarks for QLS's governance standards.

Delegation and operational oversight

The Council delegates responsibility for day-to-day operations to the Chief Executive Officer (CEO), who is empowered to act in accordance with Council policies and directions. The CEO supports the Council in fulfilling its governance responsibilities and ensures QLS operates in compliance with all statutory requirements.

To support effective governance and operational efficiency, the QLS Council delegates a range of its powers to several committees. These sub-committees play a vital role in helping the Council fulfil its responsibilities.

Council sub-committees

QLS operates three well-established sub-committees:

- **Executive Committee**

Responsible for decisions relating to practising certificate matters, external interventions, and other occupational issues arising under the *Legal Profession Act 2007* (LPA). The committee also considers operational matters, including QLS committee appointments and resignations, where required.

- **Finance and Risk Committee (FRC)**

Oversees the integrity of financial reporting, monitors QLS's risk management framework, and ensures the responsible investment of surplus funds in accordance with QLS's investment policies. The FRC also oversees QLS's insurance arrangements.

- **Governance Committee**

Reviews and provides recommendations on corporate governance policies and charters. Throughout 2024-25, the committee was specifically tasked with reviewing the subsidiary governance framework. Other work included recommending the draft role descriptions for the 2026-27 Council.

During the financial year, the Council undertook a comprehensive review of QLS's governance frameworks. Key outcomes included:

- Approval of amendments to the Finance Committee Charter
- Approval of amendments to the Professional Conduct Committee Charter
- Approval of amendments to the Specialist Accreditation Board and Committee Charter
- Approval of amendments to the Council Travel Policy
- Approval of amendments to the Mediator Accreditation Handbook
- Approval of the QLS Subsidiary Governance Policy Framework
- Approval of the Proctor Publication Policy
- Endorsement of the Delegations Manual
- Consideration of the Human Rights Act in decision-making
- Acceptance of audit and performance audit recommendations from the Queensland Audit Office (QAO)
- Ongoing review of interim audit reports and progress updates.

During 2024-25, the QLS Council undertook an external recruitment for the role of independent Finance and Risk Committee Chair and QLS nominee director to Lexon Insurance Pte Ltd.

Finance and Risk Committee

The Finance and Risk Committee (FRC) is chaired by an independent leader, appointed by the Council following a formal selection and recruitment process in April 2022. The Chair commenced in the role on 1 July 2022 and brings strong leadership to the Committee, supported by extensive financial expertise and current accountancy qualifications.

For the 2024-25 financial year, the FRC is chaired by Mr Tim Cronin, Partner at PKF Brisbane. Mr Cronin is a member of Chartered Accountants Australia and New Zealand, a Certified Internal Auditor, and holds certifications in Risk Management Assurance and Internal Audit Quality and Assurance Assessment. He is also a registered company auditor with over 30 years of experience in assurance and risk advisory services.

During the 2024-25 financial year, Mr Cronin received remuneration as set out in the Government bodies (statutory bodies and other entities) available on qls.com.au.

QLS does not currently operate an internal audit function but has undertaken a project to do an internal review of a discrete finance function. The sufficiency of internal controls is assessed through the external audit process conducted by the Queensland Auditor-General, with risk and fraud risk reviewed quarterly by the FRC and Council.

In line with its charter, the FRC addressed a range of matters during the year, including:

- Its Finance and Risk Committee Charter
- Council Travel Policy
- Financial management and strategy
- Financial statements and investments
- Retained earnings
- Cyber risk and fraud management
- Workplace health and safety
- Insurance arrangements.

Recommendations were made to Council accordingly.

Other Committees

In addition to its core sub-committees, the Council oversees several long-standing committees that support its statutory responsibilities and broader business functions:

Committee of Management for the Fidelity Guarantee Fund

Established under *s366 of the LPA*, this committee manages the Legal Practitioners' Fidelity Guarantee Fund under delegated authority from Council.

Practice Management Course Committee

Established under Part 5 of the *Queensland Law Society Administration Rule 2005*, this committee oversees the conduct and management of the Practice Management Course.

Continuing Professional Development Committee

Established under Part 6 of the *Queensland Law Society Administration Rule 2005*, this committee assists Council in managing and monitoring Continuing Professional Development (CPD) obligations for legal practitioners.

Ethics Advisory Committee

Established by Council to provide advice and reports on matters relating to lawyers' professional ethics.

All committee chairs and members are appointed by Council and supported by QLS staff.

Council and Finance Risk committee meetings

During the financial year nine Council meetings and five Finance and Risk Committee (FRC) meetings were held. The attendance list for these Council and FRC meetings is set out below. The 2024-25 Council photo can be accessed on the website – www.qls.com.au.

Meetings held 2024-25

Name, firm	Role	QLS Council 2024-25		Finance & Risk Committee 2024-25	
		Eligible to attend	Attended	Eligible to attend	Attended
Genevieve Dee Partner Lander & Rogers	President 2025 (01.01.25 – 30.06.25)	5	5		
	Deputy President 2024 (01.07.24 – 31.12.24)	4	4		
	FRC member 2024-25 (01.07.24 – 30.06.25)			5	5
Peter Jolly Partner Thynne + Macartney	Vice President 2024-25 (01.07.24 – 30.06.25)	9	9		
	FRC member 2024 (01.07.24 – 30.06.25)			5	5
Rebecca Fogerty Partner Jasper Fogerty Lawyers	Immediate Past President 2024 (01.01.25 – 30.06.25)	5	4		
	President 2024 (01.07.24 – 31.12.24)	4	4		
	FRC member 2024-25 (01.07.24 – 30.06.25)			5	3
Chloé Kopilović Director Ferguson Cannon Lawyers	Immediate Past President 2024 (01.07.24 – 31.12.24)	4	1		
	FRC member 2024 (01.07.24 – 31.12.24)			2	0
Mia Behlau Director M Behlau & Associates	Councillor 2024-25 (01.07.24 – 30.06.25)	9	5		
Samantha Bolton Director Pippa Colman & Associates	Councillor 2024-25 (01.07.24 – 30.06.25)	9	5		
	FRC member 2024-25 (01.07.24 – 30.06.25)			5	2
Craig Chapman Partner Dentons	Councillor 2024-25 (19.11.24 – 30.06.25)	6	5		

Name, firm	Role	QLS Council 2024-25		Finance & Risk Committee 2024-25	
		Eligible to attend	Attended	Eligible to attend	Attended
James Conomos Director James Conomos Lawyers	Councillor 2024-25 (01.07.24 – 30.06.25)	9	9		
Sheetal Deo Senior Consultant Elevate Consulting Partners	Councillor 2024-25 (01.07.24 – 30.06.25)	9	3		
Adam Dwyer Consultant Fisher Dore Lawyers (A-G appointee)	Councillor 2025 (03.02.25 – 30.06.25)	5	4		
Bridie Edwards Lawyer Bradley & Bray Lawyers	Councillor 2024 (01.07.24 – 29.08.24)	1	1		
Chris Kahler Director Kahler Lawyers	Councillor 2024-25 (01.01.24 – 09.04.25)	6	4		
	FRC member 2024-25 (01.07.24 – 09.04.25)			4	2
Sarah-Jane MacDonald Director MacDonald Law (QLD) Pty	Councillor 2024-25 (01.07.24 – 30.06.25)	9	9		
Dan Rogers Legal Director Robertson O’Gorman Solicitors (A-G appointee)	Councillor 2024 (01.07.24 – 09.12.24)	4	2		
	FRC member 2024 (01.07.24 – 09.12.24)			2	2
Phil Ware General Counsel Stanwell Corporation	Councillor 2024-25 (01.07.24 – 30.06.25)	9	8		
	FRC member 2024-25 (01.07.24 – 30.06.25)			5	5
Jon Wiedman Director Hede Byne & Hall Lawyers	Councillor 2025 (08.05.25 – 30.06.25)	1	1		
Tim Cronin Partner PKF	FRC Chair 2024-25 (01.07.24 – 30.06.25)			5	5

The legal landscape and looking ahead – new strategic and operating Plans

Throughout 2024-25, QLS held strategic workshops and surveyed the membership, legal stakeholders, QLS staff and Council in planning for its new Strategic Plan 2025-29. This year's legal landscape has been notably shaped by technology with the rapid proliferation of Artificial Intelligence (AI), both globally and within the legal profession, as well as consultation with AML (anti-money laundering scheme), rolling out roadshows for the new seller disclosure regime and a deep reflection on best practice guidelines, to support the sustainability of all practices.

On 10 December 2024, Council approved the Strategic Plan 2025-29 and on 8 May 2025 Council approved revisions to the Strategic Plan to reflect the Government's new Objectives for the Community. On 19 June 2025 Council approved the first operating plan of the new Strategic Plan, which represents the first year of the Society's first four year Corporate Plan.

As QLS begins its new strategic chapter, QLS remains focused on delivering its strategies while managing emerging risks. Key areas of focus will include:

- Council governance
- Technology enhancement
- Regulatory standards.

The new QLS Strategic Plan 2025–2029 and Operating Plan 2025-26 are available at www.qls.com.au.

Profession snapshot³

Total QLS Members

13,890

Total Queensland Practising Certificates

16,188

Practising Certificate by type⁴

Practising Certificate type	Total
Restricted Employee	3242
Unrestricted Employee	8907
Foreign Law	23
Limited Principal	49
Unrestricted Principal	3853
Restricted Principal	4
Unrestricted Volunteer	55
Restricted Volunteer	65
Interstate Principal	270
Interstate Employee	66
Total	16,524

Total membership by Category

	Total
Full member	12,781
Associate member	189
Honorary member	209
Student member	711
Incorporated legal practice members	929 ⁵
Total	14,819

³ Membership and practising certificate figures circulated through Dynamics software based on available data as at 30 June 2025

⁴ Practising certificate by type includes interstate principal and employee PCs which are not included in the Total Queensland Practising Certificate figure. Where a practitioner is practising on a previous years PC. The PC being practised under is the PC Type/Supervision counted here.

⁵ As ILP members must also hold full or honorary membership (pursuant to r10B *Legal Profession (Society) Rules 2007*), they are excluded from this calculation of the total number of QLS members.

Full members by generation

Year	Generation	Full Member
1925-1945	Builders	18
1946-1964	Baby boomers	1377
1965-1979	X	3322
1980-1994	Y	5340
1995-2010	Z	2723
NO DOB		1
Total		12,781

Full members by law firm type⁶

	Full Members
Sole	1229
Micro	2649
Small	2374
Medium	1185
Large	2218
Total	9655

Gender Balance⁷

	Male	Female	Not available	Total
Full Member	5608	7154	19	12,781
Associate Member	70	119	0	189
Honorary	179	30	0	209
Student Member	58	110	543	711
Total	5915	7413	562	13,890

⁶ Full members by firm size excludes full members employed outside a firm (eg government, inhouse), but includes Incorporated Legal Practice members, full members in Multi-Disciplinary Practices, rule 7 (b) & (c) Society Rules, full members who are unemployed as of 30 June 2025 and also captures full members who may be employed by more than one firm.

⁷ Gender details were not captured in data files for numerous membership categories

ADVOCATE

We advocate for the role of solicitors and for balanced laws and the rule of law for the benefit of the profession and the community.

Advocating for good law

QLS's policy committees and working groups comprise over 364 volunteer members who contribute their expertise, knowledge and valuable time to advocating for good law for the public good. Their dedication enables QLS to develop balanced and pragmatic submissions to government in support of legislative and policy reform benefiting both the legal profession and the Queensland community. The QLS Legal Policy team assists the committees and engages in ongoing consultation with the Queensland Government to develop policy positions and better legislative outcomes.

2024-25 Key highlights

- Developed the Call to Parties for the 2024 state election in consultation with the legal policy committees, the broader QLS membership and Queensland legal profession, and the QLS Council. It called for candidates to give a commitment to take specific actions on issues important to the legal profession, community and promotion of good law. QLS received responses from the Australian Labor Party, Liberal National Party and Queensland Greens and has continued to advocate throughout the year on key issues identified in the Call to Parties. QLS has welcomed the following successes from the Call to Parties:
 - the comprehensive review into the QCAT Act, announced on 23 May 2025
 - implementing the Criminal Procedure Review, as announced on 3 June 2025
 - improved court infrastructure which led to the Mount Isa Court upgrade and improvements to other regional courts
 - the appointment of more judicial officers to support all courts across Queensland.
- Established an AI in Legal Practice Consulting Committee in 2024, overseeing six specialised advisory groups: GenAI and Legal Practice; GenAI, the Courts and Dispute Resolution; GenAI and Regulation; GenAI and Legal Education; GenAI and Access to Justice; and GenAI and Policy. The advisory groups include technical experts, lawyers and legal educators.
- Provided input to inform the Law Council of Australia's (LCA) response to the Federal Court's consultation on AI use in the Court in collaboration with our AI in Legal Practice Committee, relevant advisory groups and committees. QLS continues to monitor developments in other jurisdictions and consider implications for Queensland practitioners.
- Contributed to driving national coordination and discussions regarding the responsible use of AI in the legal profession.

161

submissions

11

public
hearings

150

stakeholder
consultations

156

requests for
comment

- Continued to deliver the delayed judgements service to members. QLS makes enquiries to heads of jurisdiction on behalf of members where there has been delay in the delivery of reserved judgments. In the 2024-25 financial year, QLS received and processed 80 delayed judgment applications and a further 8 follow-up enquiries.
- Submitted to the State budget consultation process which, together with other QLS advocacy, resulted in additional funding for better resourced courts and infrastructure, effective early intervention and rehabilitation for young people and increased support for the prevention of domestic and family violence.
- Advocated directly to the Attorney-General and during the 2024-25 Queensland Budget process for increased resourcing for the Queensland Civil and Administrative Tribunal (QCAT) in light of its increasing workload, particularly in the guardianship jurisdiction. There was also strong advocacy for further resourcing for the legal and other support services that assist QCAT in meeting increased demand. The QLS Elder Law, Health and Disability, Competition and Consumer, Access to Justice/ Pro Bono, Occupational Discipline and Litigation Rules committees contributed to this advocacy. QLS welcomed the significant funding boost to QCAT in the 2024-25 budget.
- Developed and delivered the Seller Disclosure Roadshow, a bespoke training session supporting members in understanding the impact of the new seller disclosure framework in Queensland. The roadshow ran from 28 April 2025 to 23 July 2025 with sessions in Cairns, Townsville, Mackay, Gladstone, Sunshine Coast, Gold Coast, Toowoomba and Brisbane. The training was presented to over 1400 property practitioners and support staff in person and the recorded product was watched by more than 900 practitioners. With the support of the Property & Development Law Committee, QLS and the Real Estate Institute of Queensland also jointly released updated sale of land contracts reflecting the new *Property Law Act 2023*, in addition to consolidating the previous four standard contracts into 2 new first editions of the Contract for the Sale of Residential Real Estate (1st edition) and Contract for the Sale of Commercial Real Estate (1st edition).
- Successfully advocated for the public release of the Criminal Procedure Review – Magistrates Court report containing recommendations for a new contemporary and effective legislative framework to ultimately replace the *Justices Act 1886*. QLS, through the Criminal Law Committee, was a member of the Consultation Reference Group and will continue to engage in these reforms following the Government's consideration of the recommendations. QLS welcomed the announcement of the review after identifying this as a key issue for the profession in the 2024 Call to Parties.
- Participated in the development of Queensland's new trusts legislation. With the assistance of the Succession Law Committee and Not for Profit Law Committee, QLS successfully advocated for changes to the draft legislation to provide greater clarity of the law and its application for our members and the public. This legislative reform will modernise and address gaps in legislation over 50 years old.
- Continued to participate in advocacy at the national level, including through providing input to LCA submissions on matters such as the Family Law Amendment Bill 2024.
- Continued engagement with a broad range of stakeholders including government agencies, stakeholders in the compulsory insurance schemes, courts and various peak bodies.
- Participated in Legal Stakeholder Roundtable discussions for both the Queensland Law Reform Commission Criminal Defences Review and Non-fatal strangulation – Section 315A Review. QLS also contributed written submissions to both reviews.
- Continued regular engagement with the LCA and Australian Transaction Reports and Analysis Centre (AUSTRAC) by participating in bi-monthly AUSTRAC AML Working Group – Legal Sector meetings. QLS also made submissions to the LCA in response to AUSTRAC consultations on exposure drafts of rules and core guidance materials being developed for the legal sector and conveyancers.
- Supported the application and transition processes for QLS to become a Recognised Accreditation Provider under the new Australian Mediator and Dispute Resolution Accreditation Standards which will enable QLS members to accredit with QLS under the national mediation framework.

- Continued to explore barriers to obtaining capacity reports to support the guardianship jurisdiction of QCAT. This included coordinating national feedback on the extent of barriers to obtaining health reports in other jurisdictions and liaising with medical stakeholders to consider opportunities for collaboration and development of education resources.
- Advocated for whole-of-government reforms to address the increasing prevalence of elder abuse, including submissions regarding the Inquiry into Elder Abuse in Queensland, draft National Plan to end the Abuse and Mistreatment of Older People 2024-2034, and new Aged Care Act 2024 (Cth). Reforms proposed included harmonising enduring power of attorney laws, increasing legal and social support services, reform of restrictive practices, and improving housing security for older people.
- Contributed to the LCA's Call to Parties prepared ahead of the 2025 Federal Election, which outlined key policy priorities for the Australian legal profession and sought a commitment to reform in these areas from political parties and candidates.
- Advocated for the further digitisation of Queensland Courts and Tribunals and engaged with the Department of Justice on the development of online court systems including QCase, the Wills and Estates Portal and the elodgement system. QLS and QLS committee members attended regular meetings with the Department and the Queensland Courts to contribute to new court procedures, pilot programs and to relay issues of concern to the profession.
- Engaged with the Commonwealth Treasury on the development of the new Franchising Code of Conduct, including providing advice from practitioners about the likely impact of proposed changes on parties and franchise systems generally.
- Through the QLS Planning and Environment Law committee, engaged in reviewing the Planning (Social Impact and Community Benefit) and Other Legislation Amendment Bill 2025 and supporting material for the Housing Availability and Affordability (Planning and Other Legislation Amendment) Act 2024, both of which involved key changes to the state's planning regime.
- Successfully advocated for further reform to the Uniform Civil Procedure Rules 1999 to assist members and their clients with the conduct of efficient litigation.
- Participated in the parliamentary committee process in relation to the significant changes to youth justice laws in Queensland.
- Contributed to the LCA's submissions on the National Access to Justice Partnership Agreement.
- Through the Access to Justice & Pro Bono Law Committee, co-hosted an event with the Australian Pro Bono Centre titled *Justice Unlocked: Supporting Pro Bono and Access to Justice in Queensland*, a panel discussion recognising the significant personal and professional rewards of undertaking pro bono work.

REGULATE

We regulate solicitors in Queensland to protect the community and to foster, promote and protect the good reputation of the profession.

Throughout the year, QLS regulated the activities of the solicitors of Queensland in a number of areas including, licensing, auditing trust accounts and when necessary, externally intervening into law practices. The Society also recompensed members of the public through the Legal Practitioners Fidelity Guarantee Fund when their trust money was lost through the dishonest actions of a solicitor or a law practice employee. This serves to achieve our strategic goal to regulate legal practitioners in Queensland to protect the community and the reputation of the profession.

Key Statistics

Trust Account Investigations

- We completed 109 investigations and 348 Trust Account Reviews.
- The non-compliance rate for finalised investigations is 14.7%. At initial assessment, before trust account investigators worked with the law practice regarding what had been found on investigation (and before the investigation is finalised) the noncompliance rate was 38%. The finalisation rate is against a target of 18%.
- The non-compliance rate for finalised Trust Account Reviews is 6.6%. At initial assessment, before trust account investigators worked with the law practice regarding what had been found on review (and before the review is finalised) the non-compliance rate was 20.5%. The finalisation rate is against a target of 11%.
- We continue to receive favourable reviews from the profession for the quality of our Trust Account Investigations and Reviews scoring an average team rating of 4.82 out of 5 in relation to Trust Account Investigations and 4.72 out of 5 in relation to Trust Account Reviews.
- We have provided 63 Trust Account Consultancy Services this year and also conducted 4 Trust Account Remedial Courses attended by 15 practitioners.
- The Trust Account Information Service has answered 5666 (472/ month) requests for assistance this year (4698 last year). We achieved a same day response of 99%.

Fidelity Guarantee Fund

- The fund has paid \$2.232m, inclusive of interest, in respect of 14 claims.
- Five of the 14 claims were the result of dishonest actions by non-solicitor employees of law practices. The amount paid in respect of these claims was \$69,512.87. One of these claims was made by a law practice. The amount paid to the law practice was \$25,308.50.
- Thirteen of the 14 claims were made by members of the public. The amount paid in respect of these claims was \$2,240,295.05.

109

Investigations

348

Trust Account
Reviews

4.82

*(out of 5 – average
team rating)*

Trust Account
investigations
team review

8

External
Interventions

External Interventions

During 2024-2025 QLS has undertaken eight interventions in eight law practices. Of these, five were receiverships and three were supervisions.

The reasons for the receiverships were:

- Failure of sole principal to renew PC
- Bankruptcy of remaining former principal
- Inadequate Trust Accounting.

The reasons for the Supervisions were

- Misappropriations from trust
- Inability to distribute trust money
- Abandoned practices.

Licensing

There have been 20 Show Cause matters (ss67 and 68 LPA 2007) reported by practitioners this year:

- Nine are unresolved
- Four practitioners fit and proper on undertakings
- Six practitioners fit and proper
- One practitioner withdrew application for grant.

The Society issued 10 Show Cause Notices this year (s60 LPA 2007):

- One unfit
- Six practitioners fit and proper on conditions.
- Two fit and proper
- One outstanding.

There have been 25 investigations under s60 that have not resulted in a show cause notice:

- Five fit and proper with no action to be taken
- Six fit and proper on undertakings before action required
- Three paid outstanding monies on letter of demand
- One did not renew
- Ten outstanding.

There have been four notices issued under s51 this year. All are resolved, one refused renewal of a PC on the basis that the applicant could not show they had Professional Indemnity Cover. Two refused on basis they are not fit and proper, one withdrawn

There are or have been 43 other practitioners under investigation under s51:

- Five fit and proper
- Six applications withdrawn
- Three fit and proper on conditions
- 18 fit on undertaking with no formal action required
- One to s68 Show Cause
- 10 continue under investigation.

Twenty-five notices for monies owing (see r7 Queensland Law Society Indemnity rule 2005) sent in conjunction with renewals. All monies were paid before 30 June meaning the practising certificates of the relevant practitioners could be issued

This year the Society received 5 notifications from 5 practitioners informing QLS they have been charged with a serious offence. As at 30 June 2025, 8 Practitioners awaiting the determination of charges of serious offences that have either this year or previously been notified to the Society.

Seventy exemptions or reductions in the required period of supervised practice have been given this year, with 7 refusals. These exemptions or reductions are in the main given to experienced practitioners coming into the Queensland practising certificate system from elsewhere.

Lexon Insurance

About Us

Operating since 2001 as a wholly owned subsidiary of the Queensland Law Society, Lexon Insurance Pte Ltd is a captive insurer providing professional indemnity insurance to members of the legal profession in accordance with the terms of the *Queensland Law Society Indemnity Rule 2005*.

Lexon insures around 2,550 law practices, each of which has at least one office or resident principal in Queensland. These practices comprise over 8,750 Queensland and interstate practitioners.

Reducing Levy Rates

With the rising cost of doing business an ongoing challenge for practices, Lexon remains committed to delivering rates at the lowest responsible levels. Lexon's partnership with QLS seeks to deliver the most affordable levies consistent with the long-term viability of the scheme. This is the key driver, unlike that of commercial insurers, which seek to maximise their returns to shareholders.

Ongoing strong performance permitted the introduction of further improvements to the levy model for the 2025–26 year, delivering additional benefits. These included:

- Further base rate reductions, with band rates **reducing at least 16%**.
- A refinement of the No Claims Discount so it now benefits **over 92% of eligible practices**.
- A relaxation of the claims loading rates; such that a loading will only be payable with a loss ratio exceeding 100% (up from 60%). This results in the removal or reduction of the loading levy for **over 50% of practices** (compared to the previous model).
- A change to the excess structure, such that **almost 90% of practices will be eligible for a lower excess** than that previously payable.

Risk Management

Lexon's support of the profession's risk management efforts continued in 2024-25. Our 9 full time risk staff are responsible for delivering workshops, developing tools and identifying emerging areas of risk with a view to reducing both the number of claims made against the profession and their severity.

During the financial year our team delivered over 1,300 individual workshops (being General & Cyber Risk Workshops together with various System Tests) to insured practices. Substantial resources were also applied towards addressing the 1 August 2025 changes to the *Property Law Act 2023* (QLD), which materially impact the way conveyancing is conducted in Queensland. This necessitated a substantial rewriting of our conveyancing tools which enable us to assist the profession during a period of heightened claims risk as it transitions to the new regime.

Claims Performance

As at 30 June 2025, overall file numbers for 2024-25 were 368 (somewhat higher than the average of the five prior years (323) at the same point in time). Nonetheless, this higher file count did not translate into larger estimated claim values with the central estimate for 2024-25 at a level consistent with the uniformly low values we have seen in the past 5 years at the same point in time. Accordingly, despite the ongoing increase in practitioner numbers, our claims performance continues to track at low levels – something most similar insurers have not been able to replicate. Cyber fraud losses remain a live issue and are being managed via Lexon's innovative risk management program.

Conveyancing was the most frequent type of matter in the 2024-25 year (26.1% of all files, also contributing 26.1% to overall portfolio cost), but this was not surprising given the substantial level of conveyancing activity. Wills & Estates has been a growing area in recent years and 2024-25 saw it record the second highest incurred at 30 June (at 20.8%) followed by commercial matters at 19.0% (a percentage somewhat lower than in recent years) with Litigation also contributing around 11.2% towards the overall portfolio cost.

Due to earlier insurance years again performing far better than the actuaries expected in the 12 months to 30 June 2025, the overall claims expense for 2024-25 was an outstanding \$9.7M, vindicating the value of the profession's commitment to managing claims risk and Lexon's effective management of claim events.

Investment Returns

Investment performance was extremely strong in 2024-25, with the portfolio delivering a 10.1% gross return. The portfolio is divided into two main parts, with both the defensive portion (6.1% gross) and the growth portion (12.4% gross) performing well for the year. Our portfolio continues to be managed by leading investment house, the Queensland Investment Corporation.

Result

Overall, Lexon achieved a before-tax profit of \$21.0M, against a budget of \$4.0M. This was driven by the strong claims and investment performance and, as has been the case in prior years, will be reinvested into providing the insured cohort with the lowest possible levies and highest level of service into the future.

Types of Law practiced by the Insured Profession

Lexon insured practices generated around \$3.41B of GFI in 2024, having grown over 9.0% year on year. This was an extremely robust result – well above the longer-term average. Conveyancing returned to strong growth after its fall in 2023 with activity levels also increasing for Personal Injuries, Family Law and Wills & Estates. Litigation and Mortgages & Securities saw some softening from 2023 levels.

Personal Injuries work remains the largest area (by GFI), at 21.2%. Conveyancing (residential and commercial) now represents 14.9% of the work performed by insured practices. Litigation remains a significant area at 14.2% with Family Law next at 12.6%.

You will find more detail on Lexon's performance in the financial statements, starting on page 60 of this report.

GUIDE

We partner with solicitors in Queensland to guide, advise, promote and support their role as trusted advisors.

QLS Ethics and Practice Centre

Our QLS Ethics and Practice Centre provides guidance to our members on ethical and practice support matters. It is the source that members use to be counselled in making day-to-day ethical decisions that allow them to achieve their best – both personally and for their practice.

2024-25 Key highlights:

- Provide effective guidance service to QLS members on ethical and practice support matters with a response time of 1-2 hours return call. A total of 3,546 calls were taken during 2024-25. The top five topics of discussion were on conflict issues, confidentiality, client instructions, practice management queries, and client documents.
- Conducted 216 Practice Advisory visits throughout all of Queensland. Discussed a range of practice management issues including records management, governance issues, staffing, well-being, technology, finance, budgeting, and costs.
- Provided 416 referrals to our external advisory services which provide 2-4 hours (free) advice on business, financial, HR, costs, employment and workplace conduct matters to QLS members. The utilisation rate was 27.88% (116 referrals).
- Presented 77 education sessions to external law firms, QLS education sessions and conferences, community legal centres, district law associations, universities and other law societies on ethical, legal matter management, cybersecurity and costs issues.
- Published over 76 resources, notes or guidance on Update, Proctor, and the website. Our more substantive resources included:
 - 10 disciplinary case notes
 - Elder abuse guidance
 - Anti-money laundering notes
 - Ethical notes on client communication and courtesy
 - AI companion guide
 - Guidance Statement on disclosure of third-party relationships.
- Created and effectively rolled out a remedial QLS Legal Costs Course for the profession.

3546
calls

216
Practice
Advisory visits

416
referrals

More than
76
resources
published

77
education
sessions

QLS Solicitor Support Pty Ltd

QLS Solicitor Support Pty Ltd (a wholly owned subsidiary of Queensland Law Society) is an incorporated legal practice (ILP) that provides ethical practice support and guidance to practitioners. The purpose of QLS Solicitor Support is to advance Queensland Law Society's strategic goal to guide the profession and to advance the objectives of providing legal services for the delivery of guidance, support and counsel, education and publications on legal ethics and practice management to members of QLS and the legal profession as a whole.

The Practice Advisory Service sits within QLS Solicitor Support and this year has assisted practitioners in technology, trust accounting, governance, wellbeing, finance and solicitor-client issues. Our practitioners travelled throughout Queensland and conducted 216 consultations in the Brisbane, Central Queensland, Darling Downs, Far North Queensland (Cairns), Gold Coast, Sunshine, Ipswich, Beaudesert, Logan/Redlands, North Queensland (Townsville), Sunshine Coast and Wide Bay regions.

The ILP is a wholly owned subsidiary of QLS and is governed by its constitution. In March 2024, QLS, as the ILP's sole shareholder, approved the ILP's annual Strategic Plan, which outlined the ILP's authority, vision, purpose, annual initiatives and KPIs for the 2024-25 financial year.

Over the financial year the Board farewelled Director and Public Officer Peter Gamin in September 2024 and foundation Chair, Director and Legal Practitioner Director, Stafford Shepherd in February 2025. The Board recognises the work and commitment of Mr Shepherd and Mr Gamin during their tenure on the Board. Following their retirement, Ms Grace van Baarle was appointed as Chairperson of the Board from February 2025. Mr Mark Illidge and Ms Judy Hayward are the remaining Legal Practitioner Directors. Key Management Personnel set out at page 162 of the papers is to be read with this announcement, with updates to follow in 2025-26.

QLS Solicitor Support Pty Ltd Strategic Plan 2024-25

The Strategic Plan 2024-25 is set out below:

Authority

Article 69 of the Constitution of QLS Solicitor Support Pty Ltd sets out the requirements for an annual Strategic Plan.

Corporate Values

QLS Solicitor Support Pty Ltd is guided by the values of Fidelity, Service and Courage.

Vision

The vision for QLS Solicitor Support Pty Ltd is to support Queensland Law Society in *Leading Solicitors in Queensland*.

Objects

The object of QLS Solicitor Support Pty Ltd is twofold:

- To advance Queensland Law Society's strategic objective to partner with solicitors in Queensland to guide, advise, promote and support their role as trusted advisors; and
- To advance the objectives of the Company, set out in article 5 of the Constitution, to provide:
 - legal services for the delivery of guidance, support and counsel to members of the Queensland Law Society and other legal practitioners on ethical and legal practice management issues
 - education and publications on legal ethics to the legal profession and practice management to members of the Queensland Law Society and other legal practitioners and
 - all that is incidental, necessary or convenient to facilitate or support the provision of the Objects.

Annual initiatives and KPI reporting

The annual initiatives and reporting on KPIs for QLS Solicitor Support Pty Ltd are set out below:

Initiative	KPI	KPI Report
1. To continue to respond to and provide a high quality ethics advisory service to the profession.	1. To continue to respond within two hours of receipt of the enquiry (if possible) and close a matter on the same day or the next day (if the call is taken after 4pm, further research is required or intervening weekend) – provide an 80% response rate in closing the matter within 48 hours.	1. Completed – 80% response rate in closing the matter within 48 hours.
2. To continue to provide a high quality practice advisory service to firms with up to 20 practising certificates to assist the practitioner on a range of practice management issues including financial, governance, marketing, staffing, wellbeing and organisational culture issues.	2. Quarterly report to Council setting out regions visited and commentary / analysis of the key issues arising from the visits.	2. Completed – submitted quarterly report to Council setting out regions visited and commentary / analysis of the key issues arising from the visits
3. To continue to provide guidance and support in ethical and practice advisory/business management matters to practitioners through: a) practice advisory visits; b) referrals to our external advisory services; c) producing resources such as guidance statements, ethics notes, templates, checklists, and case notes; d) bespoke ethics sessions.	3. a) 80% satisfaction from PAS visits / follow ups; b) 80% satisfaction from referral services; c) 20 major ethics and practice management/ support resources published to the website, Proctor, Update or other QLS social media channels; d) 30 ethics or practice management sessions.	3. Completed – a) Received 100% satisfaction from PAS visits (based on survey responses to the question “ <i>Would you recommend the PAS as an ongoing member benefit?</i> ”). b) Received 100% satisfaction from referral services (85% extremely satisfied, 15% somewhat satisfied). d) Published over 20 (76) major ethics and practice management / support resources to the website, Proctor, Update or other QLS social media channels. c) Presented over 30 (77) ethics or practice management sessions conducted.

Initiative	KPI	KPI Report
4. To scope and (if possible) implement the following:	4.	4. Completed –
a) Build OnBase to accommodate PAS visits and engagement;	a) Implementation of OnBase or other matter management platform – PAS;	a) Implementation of OnBase or other matter management platform for PAS experienced minor delays with implementation completed after 30 June 2025.
b) Website booking tool for PAS visits.	b) Scoping of booking tool and report to the Board.	b) PENDING – Following consultation with Information Management for the booking tool project, it was unable to proceed in in FY25 due to budget considerations and other competing operational priorities.

The Financial Reporting is set out in “Financials.”

Cybersecurity and Artificial Intelligence

QLS continues investing in resources to enhance digital safety and support the Queensland legal profession’s artificial intelligence (AI) and cybersecurity adoption and education.

Cybersecurity

Insurance Coverage

- Successfully renewed Cyber Essentials Insurance Policy with Chubb (Sept 2024 – Aug 2025)
- Coverage: \$50,000 per member per incident, \$10 million aggregate
- No-cost member benefit with 24/7 incident response
- Covers first-party incident response costs, integrates with Lexon’s third-party insurance

Incident Prevention

- Successful cyber-attacks on Queensland solicitors declined in FY 2024-2025
- Ongoing threat intelligence and countermeasure support provided

Education & Training

- Annual cybersecurity survey for insurance eligibility (10-minute completion)
- Training at specialist conferences and regional District Law Associations
- Practice Support team promotes resources through statewide visits

In the next financial year, Queensland will be the first jurisdiction launching DSI’s SMB: 1001 cyber standard for SME law firms. This is a world-leading initiative with comprehensive support resources with substantial benefits for small businesses and individual clients. More on this initiative will be reported in the 2025-26 report.

Artificial Intelligence

Australia's First AI Framework

- Published updated Guidance Statement No. 37: Artificial Intelligence in Legal Practice in October 2024
- Covers: competence, confidentiality, transparency, supervision, accountability, legal costs
- AI Companion Guide (Sept 2024) provides implementation guidance for SME firms
- Dedicated AI webpage with collated resources

Member Consultation

- QLS Business of Law Survey (March 2024) – more than 400 responses
- 2024 QLS Member Survey – more than 700 responses identifying AI as top 5 issue
- Results shape strategic direction and resource allocation

Education Programs

- AI education integrated across major conferences and regional programs

AI Working Group

Established AI in Legal Practice Consulting Committee comprising of 6 specialised advisory groups:

- GenAI and Legal Practice
- GenAI, the Courts and Dispute Resolution
- GenAI and Regulation
- GenAI and Legal Education
- GenAI and Access to Justice
- GenAI and Policy

EDUCATE

We develop and deliver leading education experiences to advance the expertise and accreditation of solicitors and their businesses.

Throughout the year, QLS provided accessible education to all members, including those in regional and rural areas, through flexible delivery methods such as in-person and on-demand offerings, with pathways for professional certification and specialisation.

QLS Education initiatives are strengthened by the invaluable expertise of practitioners who serve on our committees and contribute to program development. We value these partnerships with legal professionals who bring contemporary practice insights to our educational offerings, ensuring our programs remain relevant and responsive to the profession's evolving needs.

- **Specialist Accreditation Scheme:** In 2024 offered programs in Criminal, Personal Injury and Business Law with 15 successful graduates. In 2025, Accreditation is being offered in Workplace Relations (collaboration with LIV), Family (national program), Succession Law, and Commercial Litigation. Accreditation enhances solicitors' credentials and provides them with recognition as leading practitioners in their area of law.
- **Practice Management Courses (PMC):** Offered 7 practice management courses with a total of 232 attendees across two medium to large, and five sole to small practice streams aimed at ensuring solicitors obtain the necessary knowledge and skills to become a principal practicing solicitor.
- **Professional Learning:** provided 33 live educational events to 3,804 participants through conferences, webinars, lectures, and specialised courses. With 289 expert speakers and presenters contributing their knowledge, QLS educational offerings addressed diverse legal practice areas, ensuring accessible, quality education across all career stages.
- **Mental Health and Wellbeing Initiatives:** expansion of Mental Health First Aid Australia Courses (tailored for lawyers) to face-to-face, blended, and online formats for all four modules plus launch of Ways to Wellbeing Series addressing burnout management, unconscious bias, and lawyer resilience.
- **Wellbeing regional outreach:** provided specialised training to firms in Toowoomba, Cairns, Mackay, and Maroochydore, with four regional Wellbeing Working Group members ensuring initiatives address unique rural, regional, and remote lawyer challenges.

721

Symposium
delegates

289

speakers/
presenters

232

Practice
Management
Course
attendees

15

Specialist
Accreditation
graduates

2024-25 Key highlights

- **Symposium 2025 – flagship 7 track conference of substantive and core legal professional learning:**
 - 721 delegates attended (28% increase from 2024)
 - 36 sessions including plenaries, with 65 presenters and chairs
- **New specialist conference:**
 - Inaugural Family, Criminal and DFV conference with 17 sessions attracting 175 delegates
- **Practice Management Course Enhancement Project:**
 - The project will focus on five areas of enhancement – (i) assessment, (ii) content relevance for 2025 and beyond, (iii) online materials, (iv) practitioner experience, and (v) administrative functions with the aim of enhancing the practitioner experience, ensuring the course maintains its consumer protection and risk management objectives, and reduce identified risks to the sustainable running of the course.
- **Specialist Accreditation:**
 - 2024 – 48% overall success rate for specialist accreditation candidates (100% Business; 53% Criminal; 27% Personal Injuries)
 - 2025 – 68 applications → healthy cohort of 56 candidates (31 Family; 13 Succession; 7 Commercial Litigation; 5 Workplace Relations)
- **Minds Count lecture series:**
 - Delivered expert presentations on burnout's physical impacts and resilient mindset strategies, with Dr Kellie Pritchard-Peschek (September 2024) and psychologist Margie Ireland (May 2025), livestreamed for maximum member accessibility.

CONNECT

We connect the profession with each other, stakeholders and the community to foster relationships, collegiality and co-operation.

The Society's purpose is to promote and support good law, good lawyers and public good. We are committed to serving our profession through connection to services and experiences that will contribute to more satisfying, balanced and rewarding legal careers.

2024-25 Key highlights:

Membership initiatives

A key initiative that was introduced in 2024-25 were our QLS Connect events. Run in conjunction with local Celebrate, Recognise and Socialise events, QLS Connect delivered membership value to regional areas by bringing low-cost CPD to regional destinations.

Student membership has continued to grow. Our student member program provides our law students with tailored offerings and events that provides a holistic view of the legal profession and the many avenues that can be pursued with a law degree. Events such as the Legal Careers Expo and Better Call Sarah provide access to learn about the different law career paths that can be taken while our newsletter 'The Docket' keeps our law students up to date with the latest learning and student relevant events the Society offers.

The expansion of our In-House lawyers breakfast series continues to be successful. This has strengthened our relationships with in-house counsel and provided valuable insights into the unique needs of this member segment. Establishing these connections with this member segment has assisted us to understand this niche cohort better so we can develop products and services to suit their needs.

The future of membership

At QLS, we recognise that Early Career Lawyers (ECLs) – those with 0-5 years post-admission experience – represent a growing and vital segment of the profession, with distinct needs and aspirations.

To support their development, QLS offers tailored services designed to help ECLs establish strong career foundations, expand their professional networks, and access targeted education and practical experience.

Our continued investment in this emerging cohort reflects a broader commitment to equip the next generation of lawyers and leaders, while also positioning QLS to adapt to the generational shifts shaping the future of the legal profession.

In consultation with our Future Leaders Committee, we have developed a range of dedicated products and services specific to the early career cohort, including:

- **Kickstart** – championed by the Future Leaders Committee, this new breakfast series event in 2025 provided an opportunity for ECLs to gain knowledge from peers and experts and expand their professional network

18

50-year
members
inducted

110

25-year
members
inducted

65

new partners

834,469

QLS Proctor
page views

- **The Callover** – developed by young lawyers, for young lawyers, *The Callover* podcast delivers monthly episodes that explore topics relevant to early-career legal professionals. Covering themes such as career development, continuing education, and personal journeys within the profession, the podcast aims to inspire, inform, and support the next generation of lawyers.
- **The FLC Hub** – a dedicated Hub aiming to strengthen connections among early-career legal professionals. The hub serves as a central point for access to tailored professional development opportunities, social networking events, and career-building resources -supporting young lawyers as they navigate the early stages of their legal careers.
- **Professional, personal and wellbeing development events** – young lawyers career, social and wellbeing are taken care of through face-to-face and online education sessions.

Stakeholder engagement

Stakeholder engagement is an important area of connection that goes a long way to fostering relationships between our external stakeholders and the legal profession. We have been delighted to secure over 65 new partners as well as continue our corporate partnerships with PEXA and Bond University.

We have also collaborated with key industry organisations that contribute to public good, delivering both financial and in-kind support. This collaboration not only helps Queensland practitioners to experience more fulfilling legal careers but also raises awareness of many issues such as access to justice and the importance of diversity within the legal profession. During 2024-25, we supported:

- The District Law Associations around Queensland – supporting professional development and networking opportunities, particularly in regional areas
- ILAQ for the second Mullenjaiwakka (Lloyd McDermott) Oration – supporting diversity within the legal profession
- Pride in Law membership and support for the Pride in Law Award – supporting diversity within the legal profession
- Lawright – supporting LawRight’s mission to improve the lives of vulnerable people by increasing access to justice
- WLAQ – supporting the success and leadership of women in the legal profession
- Community Legal Centres Queensland – supporting access to justice in Queensland
- The Legal Forecast – supporting lawyers at an early stage of their careers and encouraging lawyers’ creativity

Recognising our members

At QLS, we are committed to acknowledging the exemplary efforts of Queensland’s legal professionals and celebrating their contributions to the profession. Recognition is a cornerstone of our engagement with members and the broader legal community.

President’s Medal

The Queensland Law Society’s President’s Medal recognizes experienced legal practitioners who demonstrate exceptional leadership, dedication, and service to the legal profession and the community. It honours those who have shown integrity, courage, and responsibility in their commitment to improving both the profession and themselves.

QLS Excellence in Law Awards

The QLS Excellence in Law Awards represent the highest honour in our recognition program. Held annually, the Awards Gala Dinner celebrates outstanding solicitors and firms across 14 categories. These awards acknowledge those who consistently go above and beyond – demonstrating excellence in their practice, their service to clients and colleagues, and their contribution to the wider community.

The 2024 President's Medal winner and the full list of 2024 QLS Excellence in Law Award winners is available on our website⁸.

Celebrate Recognise Socialise

QLS's long-serving members form the foundation of the Society and the broader profession. In 2024, we celebrated 18 members who reached 50 years of membership and 110 who marked 25 years – remarkable milestones that reflect dedication, professionalism and loyalty.

To honour these achievements, 'Celebrate, Recognise and Socialise' events were hosted across six locations – Brisbane, Cairns, Gold Coast, Mackay, Sunshine Coast and Townsville. These events provided an opportunity to present commemorative pins and formally acknowledge our members' enduring contributions to the legal profession.

Details of the 25 and 50-year pin recipients, along with our 2025 Honorary Members, are available on our website⁹.

Mental health and wellbeing

Promoting mental health awareness and fostering wellbeing within the legal profession remained a key priority for the Society throughout 2024-25. We continued to offer support, education, and guidance through a range of initiatives and programs designed to address challenges, build resilience, and encourage a healthier professional culture. These initiatives included:

- The Mental Health Forum held during Mental Health Week in October, a workshop dedicated to support mental health and wellbeing in the law.
- Annual Minds Count lecture shining a light on mental health issues across the profession and especially targeted at Early Career lawyers. The 2024 lecture focused on the management and prevention of the physical impacts of burnout and stress.
- Intensive Mental Health First Aid Courses delivered by a nationally recognised instructor, equipping attendees with the skills to become a mental health first aid officer.
- Targeted and curated in-house training programs offered by QLS addressing high priority psychosocial in the profession including sexual harassment, mental health and wellbeing of lawyers, resilience and burnout.
- Leading wellbeing in the profession sessions included in the Practice Management courses.
- Bi-monthly Wellbeing section in QLS Update which provides tips and insights to continue highlighting the area of wellbeing.

⁸ <https://www.qls.com.au/qls-membership/recognition/past-recipients>

⁹ <https://www.qls.com.au/qls-membership/recognition/recognition-pins>

LawCare

LawCare remains a valuable QLS member benefit, providing confidential and personalised support to full and associate members, their staff, and immediate family. Delivered in partnership with Converge International, the program includes up to six hours of free counselling per year, as well as access to the EAP Connect online portal and mobile app, offering on-demand wellbeing resources and online counselling appointments.

In 2024-25, approximately 363 members, their staff, or immediate family accessed the LawCare service, highlighting its ongoing importance in supporting the legal profession's wellbeing.

Media

QLS's representation in the media educates the public through promoting balanced law, providing insight on key legislation and the importance of the rule of law.

Throughout 2024-25, QLS fostered strong and strategic relationships with a range of media agencies through thoughtful stakeholder engagement. This proactive approach has resulted in consistent, balanced, and positive media coverage on key legal issues. It has also reinforced QLS's position as a trusted and authoritative source for legal commentary within the media landscape.

There was a total of 31,761 mentions of Queensland Law Society across radio, newspaper, online and tv during 2024-25. This was an increase on the previous year due to youth justice, DNA lab issues and the Queensland State Election being discussed by the media and requiring expert commentary from the Society's spokespeople.

Publications

QLS Update and QLS Proctor continue to serve as vital communication channels, delivering timely and relevant information tailored to the legal profession. These digital publications keep Queensland's legal profession informed with targeted updates, legal news, ethical guidance, and practical resources.

QLS Update, distributed weekly to all QLS members, maintains consistently high engagement, with open rates exceeding 40% and click-through rates over 11%.

QLS Proctor, available to the broader legal community, recorded 834,469 page views and 387,780 visits during the 2024-25 financial year, affirming its status as a trusted and authoritative source of legal commentary and news.

The First Nations Cultural Outreach Strategy 2020-25 (COS)

As part of our commitment to diversity and inclusion in the Queensland legal profession, the inaugural five-year First Nations Cultural Outreach Strategy 2020-25 and First Nations Plan 2020-21 launched on 1 July 2020, focusing on advancing the five key objectives Advocate, Educate, Connect, Support, and Embed. Through our strategic objectives and goals, it was our aim to be listened by government and members of parliament, to increase engagement by the legal profession and community in cultural resources, to support growth of First Nations people in the legal profession, to achieve our financial targets and to increase awareness and participation in cultural initiatives by QLS staff and the Queensland legal profession. It has been an honour to work with First Nations experts and allies in rolling out the COS and we are proud to share the highlights of this important work.

This financial year (FY25) represents the final year under the five-year strategic plan and it is very pleasing to report that our key strategic KPI to quadruple the number of First Nations solicitors in Queensland has now been realised. In 2018 the National Profile of the Profession, it was reported that the number of First Nations solicitors in Queensland was 36. We are proud to report that on the fifth year of the plan there are now 197 First Nations solicitors in Queensland¹⁰, up 447.22% from 2018 (which was the national benchmark initially used for measuring this important KPI.) We are also pleased to report on hitting financial targets in raising approximately \$1,170 for the Indigenous Literacy Foundation and approximately \$674.45 for the First Nations Women's Legal Service (with QLS price matching donations for both charities.) During this financial year QLS also had the honour of presenting twice at the prestigious Anglicans Indigenous Careers Expo held for high school students. The impact of meeting with students to encourage them to consider a career in the law will hopefully inspire a new generation of First Nations Lawyers.

The next chapter 2025-30

We are pleased to announce that on 8 May 2025, Council approved the next chapter of the First Nations Cultural Outreach Strategy 2025-30. This strategy draws on the objectives and initiatives set out in the first chapter and mirrors the objectives of the new QLS Strategic Plan 2025-29, with one important new objective – Belonging. The focus is to position QLS as the hub to support inclusiveness and recognise First Nations Solicitors in the Queensland Legal Profession. This next chapter reflects our enduring commitment to reconciliation, education, and systemic change within the legal profession.

Acknowledgement and thanks

The roll out, continuing support and renewal of the COS is not possible without the passion, commitment and dedication of QLS's First Nations Consulting Committee Chair and Committee members, First Nations Legal Policy Chairs and Committee members and our (internal) Cultural Champions and Stakeholders Committee. QLS would also like to acknowledge current and past staff and committee members who contributed to the work and development of our new strategy. To that end it is important to recognise the work and support of the chairs of all committees, stakeholder committees and all other stakeholders for their commitment and generosity of time in joining with us on our cultural journey that positively contributes to closing the gap.

QLS looks forward to working with all members and stakeholders in achieving these laudable objectives. The annual reporting of our commitments over FY25 is set out below.

¹⁰ 2024 Profile of the Profession –https://www.lawsociety.com.au/sites/default/files/2025-06/2024%20Annual%20Profile%20of%20Solicitors%20in%20NSW_Final.pdf accessed 14 August 2025

First Nations Annual Plan 2024-25 (QLS FNP)

Strategic Goal	Initiative	Average Status	YTD Report 1 July 2024 - 30 June 2025
Advocate Goal	1. Be at the forefront of identifying issues that affect First Nations Solicitors and First Nations Community and consult with First Nations stakeholders	On the way to deadly	1.1.1 ON THE WAY TO DEADLY – there have been 6 submissions at the end of Q4.
Advocate Goal	2. Actively represent First Nations Solicitors and First Nations Community with lawmakers, policy makers and law enforcers that promote laws that are just and equitable for First Nations Peoples	On the way to deadly	2.1.1 ON THE WAY TO DEADLY – There has been 2 governmental/departmental stakeholder consultations at the end of Q4. 2.1.2 ON THE WAY TO DEADLY – The State Call to Parties have been published and a report on the Queensland budget and the State Call to Parties as a whole was published prior to the end of the financial year.
Educate Goal	3. Roll out a cultural education syllabus (Cultural Competency) for the Queensland Legal Profession	On the way to deadly	3.1.1 ON THE WAY TO DEADLY – There are 41 registrations and eight active participants as of the end of Q4
Educate Goal	4. Advance the First Nations Legal Student Strategy to identify and encourage more First Nations people to study, graduate and practice in law	Proper Deadly (Exceeded Target)	4.1.1 PROPER DEADLY – Attended St John's Anglican College for the Aboriginal and Torres Strait Islander Student Symposium where there were over 110 First Nations high school students in attendance. The event was attended by many surrounding schools with excellent engagement with students. The COS team set up a stall to hand out merchandise and speak to students about a career in the law. QLS spoke on a panel to discuss initiatives of the COS and Lawlink Program. The COS Team was invited and attended again in Q4. The event provided another valuable opportunity to engage directly with students about their interest of a career in the law. UniSQ was also in attendance and we had discussions of future collaborations. We have also received queries about Lawlink through Supreme Court Library and with members
Educate Goal	5. Supporting and advancing the District Law Associations in Cultural Competency	On the way to deadly	5.1.1 ON THE WAY TO DEADLY – DLA Presidents have been invited to participate in the Cultural Competency onboarding, with one President expressing interest so far. This will be further explored in the next financial year in individual engagement of DLAs.
Educate Goal	6. Working with the Bar and the Judiciary in growing and advancing Cultural Competency	On the way to deadly	6.1.1 ON THE WAY TO DEADLY – Engagement is being explored with legal stakeholders, which will be continued into the next financial year
Connect Goal	7. Promote, and connect with and raise the profile of First Nations solicitors and First Nations legal students	Deadly	7.1.1 ON THE WAY TO DEADLY – There has been one First Nations Solicitor who has presented at Symposium. 7.2.1 PROPER DEADLY – 17 articles have been published.
Connect Goal	8. Recognise First Nations Solicitors and First Nations Legal Students through annual Awards	Deadly	8.1.1 DEADLY – First Nations Legal Student and Solicitor Awards was held in August 2024. 8.1.2 DEADLY – The QLS Excellence in Awards Team received 6 nominations for the First Nations Legal Student of the Year Award 2025. Only the First Nations Legal Student of the Year Award was held in 2025, with a number inspiring candidates.
Support Goal	9. Connect, promote and highlight First Nations Businesses	Deadly	9.1.1 DEADLY – held 31 October 2025 Weaving Workshop and published article in support of First Nations procurement
Support Goal	10. Connect, support and promote a First Nations Charity on an annual basis	Proper Deadly (Exceeded Target)	10.1.1 PROPER DEADLY – The QLS Christmas raffle in support of the ILF raised \$1,170 (including QLS price matching). Also price matching, \$674.45 was raised through a chocolate drive to the First Nations Women's Legal Service.
Imbed Goal	11. Provide cultural competency training annually for internal staff and a Cultural Outreach on boarding induction for new staff	Deadly	11.1.1 DEADLY – cultural competency training rolled out with exceptional and thoughtful feedback from participants 11.1.2 DEADLY – Onboarding available on LMS

Strategic Goal	Initiative	Average Status	YTD Report 1 July 2024 - 30 June 2025
Imbed Goal	12. Connect with First Nations Elders and community members that promote the benefits of cultural inclusion and awareness	Deadly	12.1.1 DEADLY – Met with First Nations Elders 12.2.1 DEADLY – Celebrated NAIDOC 2024, IBM and NRW. 12.3.1 DEADLY – Published cultural awareness resources and articles internally and externally through Proctor
Imbed Goal	13. Imbed cultural key dates within the organisation annually	Deadly	13.1.1 DEADLY – Cultural Calendar 2025 submitted to Design and published on the QLS website. Cultural events included in the shared Events calendar 13.2.1 DEADLY – Cultural Calendar communicated internally and externally
Imbed Goal	14. Imbed long term operational structures for cultural safety and unconscious bias prejudices	Deadly	14.1.1 DEADLY – Consultation undertaken with FNCC for the new COS 2025-30 and integrated First Nations Plan, which has been approved by Council 14.2.1 PROPER DEADLY – The First Nations Consulting Committee have met 5 times this financial year 14.3.1 DEADLY – The Cultural Champions and Stakeholders Committee has met six times this financial year

Key
Proper Deadly (Exceeded Target)
Deadly (Target Achieved)
On the way to deadly (On track)
Which Way? (Target not achieved)

KPIs

1. We are listened to by government and members of parliament.
2. There is increased engagement by the legal profession and community in cultural resources.
3. Proportion of First Nations solicitors and First Nations legal students that are recognised and that grows each financial year and by the 5th year of the COS, the number of First Nations solicitors in Queensland has quadrupled to 144.
4. Annual financial targets are achieved.
5. Increased awareness and participation in cultural initiatives by QLS staff and the Queensland legal profession.

GROW

We grow the member centric capability of QLS and embed a positive work place culture, technological resilience and financial sustainability.

Our people

Our people through their skills and commitment, contribute to a leading professional society that is valued by our members.

QLS employs people across diverse areas, including law, accountancy, membership services, events management, human resources, ethics, policy and administration. Our commitment to the QLS values of *Respect*, *Service* and *Integrity* ensure we are a leading professional society valued by our members.

Key 2024-25 highlights

- **Building a new performance rhythm**

The 2024-25 financial year marked the beginning of a cultural shift toward more meaningful, ongoing performance conversations. With no formal check-in model previously in place, this was a new muscle for the organisation – one that many have now started to build. Throughout the year, 89% of employees participated in at least one check-in, demonstrating a high level of initial engagement with the process and an increasing dedication to reflection, feedback, and professional development. This lays a strong foundation for how we support performance at QLS into the future.

- **Supporting organisational transformation**

QLS undertook an organisational realignment project to better manage resources, clarify roles, and ensure our structure supports the delivery of the new Strategic and Corporate Plans. This transition was enabled through strategic workforce advice, role design support, and change guidance provided to leaders and employees. The work helped build the organisation's change capability – laying the groundwork for more agile, purpose-aligned ways of working in the years ahead.

- **Ongoing delivery of tailored internal learning programs, including:**

- Practical workshops on giving and receiving feedback.
- Sessions to support frontline managers in leading effective one-on-one conversations.
- Mental health and wellbeing awareness activities aligned with key calendar events.
- Growth Mindset workshop, equipping employees with tools to embrace change, challenge assumptions, and foster a culture of continuous learning and improvement.

84%

female
managers

90%

employees
report flexibility
in working
hours

Over

78%

agree QLS
has inclusive
culture

19,755

people hosted
in our serviced
rooms

- **Improved retention across the organisation**

With attrition decreasing from 21% to 16.83%, and an increase in permanent full-time roles, indicating greater workforce stability and engagement.

- **Continued embedding of our integrated HRIS (ELMO)**

Across performance, learning, and onboarding, enabling better data capture, streamlined employee experiences, and improved reporting capability.

- **Expansion of strengths-based development initiatives**

Including targeted team sessions and individual coaching based on CliftonStrengths insights. The focus shifted from individual awareness to collective impact – strengthening collaboration, deepening partnerships, and fostering psychological safety across participating teams.

Workforce diversity, equity and inclusion

- Current holder of Employer of Choice Gender Equality certification
- Maintained the Diversity Council of Australia Employer Index
- Maintained the Breastfeeding Friendly Workplace Best Practice Accreditation
- Over 78% of employees agreed or strongly agreed that QLS has an inclusive culture where diversity is valued and respected
- 90% employees reported that they have flexibility in their working hours
- Pay Equity reached 94% (excluding CEO and ELT)
- Like for like roles (TAI 98%, Regulation Admin 92%, Records 100%)
- Middle managers composition – 16% male / 84% Female.

Workforce profile as of 30 June 2025

Employment Type	Headcount	Full-time equivalent	Percentage
Permanent Full-time	92	92.00	75%
Permanent Part-time	31	21.73	18%
Fixed term Full-time	8	8.00	6%
Fixed-term Part-time	2	1.44	1%
TOTAL	133	123.17	100%
Casual employees	4		
Attrition	20	18.6	16.83%

Our working environment

Sustainability

QLS is committed to sustainable work practices designed to cut greenhouse gases, reduce waste and landfill, and save water and energy.

The culture of sustainability is embedded in our work practices in three key areas:

Decreasing landfill contributions

We continue to commit to protect the environment and reduce landfill through recycling office paper, toners and ink cartridges as well as computers, photocopiers and other office equipment.

Lowering our energy consumption

A strong focus remains on reducing energy consumption through the use of energy efficient lighting.

Decreasing our carbon footprint

QLS has always been committed to reducing food and beverage wastage through actively identifying areas of waste such as continuing to supply bottled beverages instead of poured beverages at the majority of our in-house events. We continue to source catering from local CBD suppliers who deliver on foot, to reduce carbon emissions.

Room hire

Room Bookings for 2024-2025

QLS hosted a total of 19,755 people across all our serviced rooms and event spaces, an increase of over 700 from 2023-24.

Whilst Level 2 numbers were equivalent to the previous year, there was significantly higher usage of the Ground floor event and mediation spaces.

By floor breakdown based on set-up count:

Ground	3,318
Level 2	13,041
Level 6	3,396
Grand Total	19,755

The total revenue from room bookings was \$280,566. This was an increase of \$51,733 on the previous year's result.

Our Corporate Structure

As of 30 June 2025, there were six divisions reporting directly to the Chief Executive Officer of QLS, each contributing to the organisation's strategic and operational success:

- **Membership:** Includes QLS teams that directly work with and provide services to our members including legal advocacy, legal ethics, education, marketing, media, communications, design, partnerships and growth and events.
- **Office of General Counsel:** Provides in-house legal advice to support QLS operations and governance.
- **Office of the Secretariat:** Oversees governance, risk management, insurance, and the implementation of QLS's First Nations Cultural Commitments.
- **Operations:** Oversees the Society's operations through business applications, technology, finance and in-house facilities.
- **People and Culture:** Leads recruitment, staff performance and evaluation, and the development of people and culture policies and education programs.
- **Regulation:** Oversees QLS's regulatory functions, including trust account investigations, external interventions, management of the Legal Practitioners' Fidelity Guarantee Fund, issuing practising certificates, maintaining records and member services, and supporting the Legal Practitioners Admissions Board.

Our Leadership team

Matt Dunn
Chief Executive Officer
BSc LLB (Hons) GAICD

Matt started at QLS in a policy and in-house legal role in 2005, establishing a successful policy team. He led that team until he took on the role of first Director of Policy at the Law Council of Australia in 2014. Matt returned to QLS in late 2015 to take on the role of Government Relations Principal Advisor, growing and maintaining QLS's vital relationships with government at both state and federal levels. Matt served as QLS's Acting CEO between February 2017 and March 2018 when he returned to a General Manager position with a focus on legal policy, public affairs, stakeholder relations, ethical and practice guidance for the profession and corporate governance for QLS. Matt became QLS CEO in March 2024.

Catherine Ellemor
Chief People Officer
BSc, ATCL

Catherine joined Queensland Law Society in 2021. Catherine has over 20 years' experience in human resources, having held management roles in national and international law firms, as well as senior roles in the education and government sectors.

Catherine's human resources expertise includes performance management and coaching, reward and recognition, recruitment and selection and organisational development. She is passionate about providing stakeholders with human resources best practice advice and solutions to support the growth and success of their business.

Catherine is a member of the Australian Human Resources Institute.

Lauren Fitzgerald
General Counsel
LLB

Lauren has a wide range of commercial legal experience, built through roles in-house, in government and in private practice across both Australia and the UK.

While in the UK, Lauren practised in-house, contributing to the successful construction and operation of the O2 Stadium, a landmark construction project. She also gained international experience at a leading global law firm headquartered in London, where she principally advised on regulatory compliance matters arising out of raising capital and listing companies on the London Stock Exchange.

In Australia, she has practised in top tier law practices and in government.

Lauren's roles at QLS have included overseeing the Licensing function to ensure that Queensland solicitors and law practices understand and fulfil their legal professional obligations. She currently serves as General Counsel.

Peter Gamin
Chief Financial Officer
BBus MCom FCA FGIA GAICD

Peter joined QLS in August 2021 and is responsible for all aspects of finance, facilities and administration functions. Peter is a Chartered Accountant with 20 years' experience in strategic financial leadership, risk management, taxation, business process improvement, governance and creation of commercial value. He has a finance background spanning superannuation (profit for member fund), government funds management, private sector group finance and chartered accounting. Peter has a professional approach to stakeholder engagement and is committed to personal integrity, ethical business practice and the achievement of results.

Peter Lucas
Acting Chief Financial Officer (from 1 September 2024)
BA(Hons) MInfTech MBus(ProfAcctg) CPA

Peter started at QLS in late 2021 as an accountant in the finance team before becoming the Finance Manager in early 2022 with the operational responsibility for leading the finance function through the adoption of Microsoft Dynamics. In mid-2024, after a period on secondment to the Dynamics project team, he became the Acting CFO and took on responsibility for both Finance and Facilities. In May 2025 he took on the additional responsibility of the Information Technology teams and was appointed Chief Operating Officer.

Sandra Pepper
General Manager, Education (until 21 March 2025)
BA LLB

Sandra is a senior lawyer with over 25 years' experience in the legal profession. Sandra practised in the areas of property and finance law before moving into the legal knowledge management and learning and development fields. Her experience spans all stages of adult learning and includes syllabus development, content creation and training delivery.

Sandra is passionate about enabling lawyers, through continued education, to develop their professional skills and build successful careers, while maintaining wellbeing in a positive and inclusive cultural environment.

Louise Pennisi**Corporate Secretary, Manager, Corporate Governance and Cultural Outreach Strategy**

BA/LLB LLM GIA (Cert) GAICD

Louise is tasked with overseeing corporate governance for Queensland Law Society as well as managing and monitoring QLS's cultural commitments, risk management and corporate statutory functions. Louise is also responsible for working with Council and the Executive Leadership Team to develop, implement and report on strategy. Louise joined QLS in 2010 and commenced in this role in March 2017.

Louise was admitted to practise as a solicitor in the Supreme Court of Queensland in 2006 and has extensive experience in succession and commercial law private practice as well as governance, risk management and policy law reform. Louise completed the AICD course in 2014, is a member of the Star of the Sea Parish Finance Council, Chair of the Star of the Sea Parish Workplace Health and Safety Committee and 2016-2018 Vice President of the Australian Breastfeeding Association.

Craig Smiley**General Manager, Regulation**

LLB (Hons)

Craig joined Queensland Law Society in June 2004 and heads our Regulation division. Craig's leadership spans Licensing, Trust Account Investigations, the Legal Practitioners' Fidelity Guarantee Fund, the QLS Professional Standards Scheme and External Interventions.

Akos Szakaly**Information Management and Technology**

MSc in Finance

Akos has been delivering business applications and Microsoft Dynamics solutions for nearly 20 years. Throughout his career, Akos has worked with large consulting firms in senior positions, helping customers achieve significant business transformations.

His expertise spans a wide range of areas including business application delivery, project management, and consultancy. Akos is known for his strategic vision and ability to implement comprehensive solutions that drive organizational success. His extensive experience and leadership have consistently enabled clients to optimize their operations and achieve their business goals.

In his role at QLS, Akos continues to leverage his experience and knowledge of Microsoft Dynamics to deliver exceptional results. He is passionate about empowering businesses through innovative technology solutions and is committed to maintaining the highest standards of service delivery. Akos is dedicated to fostering strong relationships with stakeholders and is a trusted advisor in the realm of business applications and digital transformation.

Rachel Young**General Manager, Membership and Engagement**

BBus, Grad. Cert. BA

Rachel joined Queensland Law Society in September 2021, bringing over 15 years' experience in delivering growth through strategic marketing, digital transformation and member experience design.

An experienced executive leader, Rachel has led large, multi-disciplined teams, across diverse industries including finance, not-for-profit, construction and hospitality, in both B2B and B2C markets. Rachel is currently working towards gaining her MBA and has a keen interest in emerging digital technologies.

Committees

Recognising member contributions – Chairs and Deputy Chairs

We warmly thank all QLS Policy Committee Chairs, Deputy Chairs, and members for generously sharing their time, knowledge, and passion throughout the year. We're especially grateful to our Chairs and Deputy Chairs, whose commitment and leadership have been vital in driving research, shaping submissions, and fostering meaningful engagement with key stakeholders.

Committees

Committee	Chair and Deputy Chair
Access to Justice / Pro bono Law Committee	Chair: Elizabeth Shearer Deputy Chair: Stephen Herd
Accident Compensation / Tort Law Committee	Chair: Michael Garbett Deputy Chair: Luke Murphy
Banking and Financial Services Law Committee	Chair: Catherine Uhr Deputy Chair: Karla Fraser
Children's Law Committee	Chair: Damian Bartholomew Deputy Chair: Danielle Iliffe
Committee of Management	Chair: Philip Ware Deputy Chair: Richard Barnes
Competition and Consumer Law Committee	Chair: Kathryn Finlayson Deputy Chair: Tanja Mitic
Construction and Infrastructure Law Committee	Chair: Samantha Cohen Deputy Chair: Nathan Chalmers
Corporations Law Committee	Chair: Derek Pocock
CPD Committee	Chair: Rachael Miller
Criminal Law Committee	Chair: Kristy Bell Deputy Chair: Patrick Quinn
Dispute Resolution Committee	Chair: Vacant Deputy Chair: Julie Ruffin
Domestic and Family Violence Committee	Chair: Tracey De Simone Deputy Chair: Rachael Field
Elder Law Committee	Chair: Rebecca Anderson Deputy Chair: Madeline Walsh
Energy and Resources Law Committee	Chair: Melanie Findlay Deputy Chair: James Plumb
Equity and Diversity Committee	Chair: Ann-Maree David

Committee	Chair and Deputy Chair
Ethics Advisory Committee	Chair: Joe Siracusa Deputy Chair: Petrina Macpherson
Family Law Committee	Chair: Kathy Atkins Deputy Chair: Margie Kruger
Executive Committee	Chair: President Genevieve Dee
First Nations Legal Policy Committee	Co-Chairs: Lyndell O'Connor and Kristen Hodge
Finance and Risk Committee	Chair: Tim Cronin
Future Leaders Committee	President: Helen Driscoll Vice President: Georgina Peereboom
Governance Committee	Chair: Peter Jolly
Government Lawyers Committee	Chair: Jill Petrie Deputy Chair: Carol Kahler
Health and Disability Law Committee	Chair: Karen Williams Deputy Chair: Claire Bassingthwaighte
Human Rights and Public Law Committee	Chair: Emma Phillips Co-Deputy Chair: Bridget Burton and Matilda Alexander
Industrial Law Committee	Chair: Marcelle Webster Deputy Chair: Sandra Barry
In-House Counsel Committee	Chair: Philip Ware Deputy Chair: Eve Fraser
Insolvency and Reconstruction Law Committee	Chair: Scott Butler
Litigation Rules Committee	Chair: Andrew Shute Deputy Chair: John Hayward
Not-For-Profit Law Committee	Chair: Sonya Beyers Deputy Chair: Richard Hundt
Occupational Discipline Law Committee	Chair: Calvin Gnech Deputy Chair: Melanie Morris
Planning and Environment Law Committee	Chair: Michael Connor
Practice Management Course Committee	Chair: Greg Spinda Deputy Chair: Natasha Hood
Privacy, Data, Technology and Intellectual Property Law Committee	Chair: Anna Sharpe Deputy Chair: Ben Thorn
Professional Conduct Committee	Chair: Michael Muir
Property and Development Law Committee	Chair: Matthew Raven

Committee	Chair and Deputy Chair
Revenue Law Committee	Chair: Duncan Bedford Deputy Chair: David Stitt
Specialist Accreditation Board	Chair: Peter Jolly Deputy Chair: Kathy Atkins
Specialist Accreditation Advisory Committee: Business Law	Chair: Vicki Comino
Specialist Accreditation Advisory Committee: Commercial Litigation	Chair: Paul Betros
Specialist Accreditation Advisory Committee: Criminal Law	Chair: Callan Lloyd
Specialist Accreditation Advisory Committee: Family Law	Chair: James Steel
Specialist Accreditation Advisory Committee: Immigration Law	Chair: Glenn Ferguson
Specialist Accreditation Advisory Committee: Personal Injuries	Chair: Brady Cockburn Deputy Chair: Kate Avery
Specialist Accreditation Advisory Committee: Property Law	Chair: Anthony Boge Deputy Chair: Peter Townley
Specialist Accreditation Advisory Committee: Succession Law	Chair: Renee Bennet
Specialist Accreditation Advisory Committee: Workplace Relations	Chair: Rob Stevenson
Succession Law Committee	Chair: Angela Cornford-Scott Deputy Chair: Bryan Mitchell
Water and Agribusiness Law Committee	Chair: Brian Healy Deputy Chair: Alex Ramsey

Consulting Committees and Advisory Groups

Committee	Chair and Deputy chair
First Nations Consulting Committee	Chair: Uncle Terry Stedman Deputy Chair: Magistrate Jacqui Payne
Franchising Law Consulting Committee	Chair: Simone Pentis Deputy Chair: Elizabeth Gore-Jones
Innovation Consulting Committee	Chair: Ben Gouldson
AI in Legal Practice Consulting Committee	Chair: Terri Mottershead Deputy Chair: Kim Trajer
GenAI and Legal Practice Advisory Group	Chair: Terri Mottershead
GenAI, the Courts and Dispute Resolution Advisory Group	Chair: Andrew Shute
GenAI and Regulation (Legislation, risk management and governance) Advisory Group	Chair: Angus Murray
GenAI and Legal Education Advisory Group	Chair: Nicola Blade
GenAI and A2J (Access to Justice) Advisory Group	Chair: Luke Geary
GenAI and Policy (Regulation of the Profession) Advisory Group	Chair: Matt Dunn
Migration Law Consulting Committee	Chair: Angus Francis Deputy Chair: Victoria Lenton

Many QLS members also volunteer their time and expertise to participate in Working Groups convened by QLS to address important topical issues. We thank all those members who do so.

Working groups

Working group	Chair and Deputy Chair
Diverse Abilities Network	
Judicial Commission Working Group	Chair: Dan Rogers
Wellbeing Working Group	Chair: Belinda Winter Deputy Chairs: Tania Murdock and Philip Ware
QLS Cybersecurity and Scam Prevention Working Group	

Outgoing Chairs and Deputy Chairs

The Society would like to acknowledge the significant contributions of the outgoing Chairs and Deputy Chairs:

- **Bridie Edwards** – deputy chair of the Committee of Management
- **Dominic Brunello** – chair of the Criminal Law Committee
- **Immediate Past President Rebecca Fogerty** – chair of the Executive Committee
- **Terri Mottershead** – chair of the Innovation Committee
- **Kim Trajer** – deputy chair of the Innovation Consulting Committee
- **Tim Cronin** – chair of the Finance and Risk Committee
- **Michael Anastas** – chair of the Banking and Financial Services Law Committee

Information Management strategic objectives

The Information Technology program at QLS has successfully aligned with our strategic objectives over the past year. Our achievements and future goals include:

A successful development cycle for Renewals 2025

Building upon last year's improvements, enhancements were made to the user experience and streamlined internal processing of renewal applications for both practitioners and organisations. This contributed to improved data accuracy, operational efficiencies and a lower of overpayments received from the profession.

Online application process for grants of practicing certificates

For the first time the QLS has been able to offer a fully online process for those applying for a grant of practicing certificate improving both the ease of applying and the efficiency of processing. Since the adoption of this process there has been a greater take-up of in-year full membership and stronger compliance with the professional standards scheme.

Retirement of legacy regulation and member system iMIS

With the ongoing enhancements to our Microsoft Dynamics 365 platform and the adoption of the online grant of practicing certificate we have been able to retire to a read-only state the legacy system, iMIS, that has been in use for Renewals since 2013. This has resulted in notable productivity gains across several business units and improved helped reduce our exposure to several cybersecurity risks.

Cybersecurity Enhancement

Cybersecurity initiatives commenced in 2023-24 have continued to make strong progress throughout 2024-25, with the majority of QLS staff now issued with cyber hardened devices and the few remaining users of the older devices scheduled to be upgraded in early 2025-26. Improvements to enhance the resilience and security of our core technology and server systems have also been undertaken, particularly in the areas of legacy non-cloud systems that have posed significant ongoing risks.

Future Objectives

Issues encountered over 2024-25 demonstrated a need for greater internal capability to lessen our reliance on external consultants to manage our Dynamics system and take on responsibility for more of the ongoing development. As a result, we are investing in additional development resources to facilitate this.

In the first half of 2025-26 it is planned to have rolled out the fully online application process for full membership as well as enhanced reporting around the professional standards scheme. Additionally, the next round of development of the renewals platform will be scoped and development begun.

We will also continue to invest in improving our cybersecurity posture through both hardening our systems and educating our users.

Information systems and record keeping

QLS has continued to make significant strides in advancing its electronic document and records management system (EDRMS). The OnBase solution was successfully deployed to additional QLS departments, incorporating complex workflows to enhance operational efficiency. This has markedly improved QLS's investigative capabilities, streamlining procedures, and supporting analysis and reporting.

Effective recordkeeping education remains mandatory for all QLS staff as part of their onboarding. Supplementary training sessions are provided as needed to ensure ongoing compliance and proficiency.

These accomplishments and future initiatives underscore our commitment to advancing digital transformation and enhancing member services in alignment with our strategic goals.

Risk management and external scrutiny

Risk oversight at QLS is governed by the Finance and Risk Committee (FRC) and Council, supported by a comprehensive risk management and compliance framework. This framework clearly defines accountability for risk areas, incorporates quarterly monitoring and updates to a centralised risk register and fraud risk register, and ensures robust oversight of key risks and controls.

Risk assessments are routinely conducted during policy development, business case preparation, and day-to-day operations. The FRC and Council receive quarterly reports on the organisation's risk and fraud registers, ensuring transparency and informed decision-making.

QLS maintains a well-established, centralised risk register that enables executive staff to identify, classify, assess, and monitor both current and archived risks. Throughout 2024-25, the register was actively used to mitigate existing risks, analyse residual risk trends, and identify emerging organisational and fraud risks. The risk was reviewed and a number of long standing, latent risks were archived. The register's flexibility allows for both short- and long-term risk analysis, with continuing latent risks reviewed annually to maintain a strong focus on current priorities.

This structured and proactive approach to risk management reflects QLS's commitment to good governance and organisational resilience.

Queensland Coroner reports

Coroners are tasked with an important role to undertake an inquest into certain deaths and may comment on or make recommendations.

Responding to coronial recommendations is important, as it informs coroners, families of the deceased, and the community of the measures the government and statutory bodies are taking to prevent similar deaths in the future.

For 2024-25 there was an inquest that directed:

- one recommendation to Queensland Law Society; and
- one joint recommendation to Queensland Law Society and Legal Aid Queensland.

In 2024-25, QLS considered and addressed both recommendations. QLS has a number of specialised support measures which target improvement the subject of the first recommendation, and QLS will work to implement the joint recommendation with another agency, within the parameters and objectives of Part 6 of the *Queensland Law Society Administration Rule 2005*.

Our ethics

As a public sector entity under the *Public Sector Ethics Act 1994*, QLS upholds a strong ethical framework through its established Code of Conduct. This Code applies to all staff, Councillors, and committee members, and is publicly accessible via the QLS website. Upon appointment and induction, committee members and Councillors receive a copy of the Code, reinforcing their responsibilities and ethical obligations.

QLS actively promotes the adoption and implementation of the Code across its Council, committees, and business partners. Ethics education is embedded in the onboarding process for all new staff, covering key topics such as the Code of Conduct, bullying and sexual harassment awareness, wellbeing, and cultural onboarding. During the reporting period, approximately 111 staff completed Code of Conduct training and assessment.

Supporting the Code are QLS's Gift Policy and Public Interest Disclosure (PID) Policy. Staff, Councillors, and stakeholders are encouraged to report disclosures, with updates on reported PIDs provided to the FRC and Council to ensure transparency and accountability.

The organisation's core values – respect, integrity, and service – are consistently reinforced through people and culture policies, staff performance agreements, and recognition programs.

Right to information

Under the *Right to Information Act 2009* (RTI), members of the public are entitled to access certain information held by government and government agencies. QLS supports the principles of RTI by operating in an open, transparent, and accountable manner, while safeguarding the privacy of members, staff, and the public.

QLS reports annually to the Department of Justice and Attorney-General on the number of RTI applications received. These figures are included in the department's *Right to Information and Information Privacy Annual Report*, available on the Queensland RTI website.

To further support transparency, QLS maintains a publication scheme that proactively releases information routinely made available to the public – without requiring formal RTI or Information Privacy Act applications. This scheme and its contents are regularly reviewed to ensure relevance and accessibility.

Information privacy

QLS is committed to protecting personal information in accordance with the *Information Privacy Act 2009* (Qld) and the *Privacy Act 1988* (Cth), including the Information Privacy Principles and Australian Privacy Principles. We continuously review and enhance our procedures to prevent unauthorised access to, or misuse of, personal data.

Individuals have the right to access personal information held about them and to request corrections where necessary. QLS's Privacy Policy and Privacy Code of Practice are available on our website at qls.com.au.

FINANCES

Comprising the results of Queensland Law Society Incorporated (parent entity), the Law Claims Levy Fund (LCLF) and QLS's wholly owned subsidiaries, Lexon Insurance Pte Ltd (Lexon) and QLS Solicitor Support Pty Ltd

Our financial performance

Group results

In 2024-25, the Group made an operating surplus of \$23.6m after tax and net assets at 30 June 2025 were \$220.2m, an increase of \$23.6m from the previous year.

Investment returns (distributions plus fair value movements through profit or loss) for the Group increased from \$23.1m in 2023-24 to \$24.1m in 2024-25. Despite significant volatility across Australian and global markets the Group saw continued strong performance in nominal, non-inflation adjusted returns. It is not likely however that such investment returns can be sustained at this level. The Group outsources its investment management function to Queensland Investment Corporation (QIC) and overseas investment performance through strict investment parameters.

Employee expense for the Group increased by \$1.3M whilst overall group expenses increased by \$9M, driven mainly by higher insurance service expenses.

Queensland Law Society Incorporated (parent)

Queensland Law Society Incorporated incurred an underlying operating surplus of \$1.748m which included a higher depreciation charge on the refurbished building. More members continually have joined the Society, and membership and Practising Certificate renewals were above 2023-24. There has also been a successful renewals with Practising Certificate growth at 5% and quite reasonable growth of full membership renewals at 2.8%. Whilst the conversion rate has come in at 79.7%, early indicators from the 2025-26 renewals hint at another year of strong growth in both Practising Certificates and full memberships.

Parent net assets as of 30 June 2025 were \$66.5m, an increase of \$4.1m, due to the year's increase in the valuation of the building as well as newly developed software assets and an increase in cash held of \$1.15m. Revenue from Membership fees, Practising Certificates and Education all increased. Additional contractors were engaged to enhance member experience with the most recent renewals, providing improved functionality and portal support.

QUEENSLAND LAW SOCIETY INCORPORATED

Consolidated Financial Report
For the year ended 30 June 2025

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Queensland Law Society Incorporated
Statement of Comprehensive Income
For the year ended 30 June 2025

		Consolidated		Parent Entity	
		2025	2024	2025	2024
		Actual	Actual	Actual	Actual
NOTE		\$'000	\$'000	\$'000	\$'000
Revenue					
Fees and membership services	B1-1	23,178	20,832	23,206	20,855
Rent and administration revenue	B1-2	495	459	1,146	1,065
Grants and funding	B1-3	783	749	1,782	1,743
Insurance service revenue	B1-4	27,922	27,814	-	-
Insurance finance revenue	B1-4	(1,840)	(1,477)	-	-
Investment income	B1-5	19,150	11,499	1,851	1,553
Realised gains/(losses) on investments	C4	2,331	979	-	-
Fair value gains/(losses) on investments	C4	2,620	10,603	-	-
Other income		358	337	296	286
Total revenue		74,997	71,795	28,281	25,502
Expenses					
Membership services and events	B2-1	1,876	1,842	1,870	1,839
Administration expenses	B2-2	9,393	9,430	7,235	7,167
Employee expenses	B2-3	16,561	15,258	14,630	13,536
Borrowing expenses	B2-4	334	367	334	367
Depreciation and amortisation	C6	2,728	2,533	2,464	2,263
Loss on disposal of fixed assets		-	-	-	-
Insurance service expenses	B1-4	14,693	6,971	-	-
Stamp duty		2,225	2,397	-	-
Total expenses		47,810	38,797	26,533	25,172
Operating (deficit)/surplus before income tax		27,186	32,998	1,748	330
Income tax (expense) / credit	F1-1	(5,902)	(8,131)	-	-
Operating (deficit)/surplus after income tax		21,284	24,868	1,748	330
Other comprehensive income					
Items that will not be reclassified subsequently to operating result					
Increase/(decrease) in asset revaluation surplus	C6	2,305	(3,007)	2,305	(3,007)
Total comprehensive income		23,589	21,860	4,053	(2,677)

The accompanying notes form part of these statements.

Queensland Law Society Incorporated
Statement of Financial Position
As at 30 June 2025

	NOTE	Consolidated		Parent Entity	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	C1	75,486	75,159	66,648	65,496
Receivables	C2	261	1,380	177	1,274
Reinsurance contract assets	C9-2(a)	1,604	1,158	-	-
Other assets	C5	1,343	977	1,028	719
Total current assets		78,694	78,674	67,853	67,489
Non-current assets					
Investment in controlled entities	C3	-	-	19,000	19,000
Investments	C4	236,971	215,292	-	-
Property, plant and equipment	C6	36,401	36,112	36,138	35,642
Intangible assets	C6	3,405	1,654	3,317	1,565
Deferred tax assets	F1-3	-	-	-	-
Reinsurance contract assets	C9-2(a)	11,386	9,134	-	-
Total non-current assets		288,163	262,192	58,455	56,207
TOTAL ASSETS		366,857	340,866	126,308	123,696
Current liabilities					
Payables	C7	6,399	5,516	29,237	31,895
Income in Advance	C7-1	20,555	18,767	20,555	18,767
Unearned Insurance Levies	C7-2	24,467	26,876	-	-
Lease Liability	C10-1	235	228	-	-
Accrued employee benefits	C8	2,664	2,195	1,626	1,376
Borrowings	C9-3	935	888	935	888
Deferred tax liabilities	F1-3	1,860	1,084	-	-
Income tax payable / (receivable)	F1-2	4,266	4,197	-	-
Insurance contract liability	C9-2(b)	20,552	21,050	-	-
Total current liabilities		81,934	80,801	52,353	52,926
Non-current liabilities					
Lease Liability	C10-1	36	248	-	-
Borrowings	C9-3	7,162	8,083	7,162	8,083
Accrued employee benefits	C8	320	314	265	211
Insurance contract liability	C9-2(b)	57,215	54,820	-	-
Total non-current liabilities		64,733	63,465	7,427	8,294
TOTAL LIABILITIES		146,667	144,266	59,780	61,220
NET ASSETS		220,189	196,600	66,528	62,476
EQUITY					
Accumulated surplus		193,130	171,846	39,470	37,722
Asset revaluation surplus		27,058	24,754	27,058	24,754
TOTAL EQUITY		220,189	196,600	66,528	62,476

Queensland Law Society Incorporated
Statement of Changes in Equity
For the year ended 30 June 2025

Consolidated	NOTE	Asset	Accumulated	TOTAL
		Revaluation	Surplus	
		Surplus	Surplus	
		\$'000	\$'000	\$'000
Balance as at 1 July 2023		27,761	146,979	174,740
Operating result				
Operating surplus/(deficit) after income tax		-	24,868	24,868
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	C6-1	(3,007)	-	(3,007)
Balance as at 30 June 2024		24,754	171,846	196,600
Operating result				
Operating surplus/(deficit) after income tax		-	21,284	21,284
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	C6-1	2,305	-	2,305
Balance as at 30 June 2025		27,058	193,130	220,189

Parent Entity	NOTE	Asset	Accumulated	TOTAL
		Revaluation	Surplus	
		Surplus	Surplus	
		\$'000	\$'000	\$'000
Balance as at 1 July 2023		27,761	37,392	65,153
Operating result				
Operating surplus/(deficit) after income tax		-	330	330
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	C6-2	(3,007)	-	(3,007)
Balance as at 30 June 2024		24,754	37,722	62,476
Operating result				
Operating surplus/(deficit) after income tax		-	1,748	1,748
Other comprehensive income				
Increase/(decrease) in asset revaluation surplus	C6-2	2,305	-	2,305
Balance as at 30 June 2025		27,058	39,470	66,528

The accompanying notes form part of these statements.

Queensland Law Society Incorporated
Statement of Cash Flows
For the year ended 30 June 2025

	NOTE	Consolidated		Parent Entity	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Receipts from the profession		50,887	55,833	26,677	23,955
Receipts from commissions and funding		(1,034)	(324)	2,320	2,243
Payments to suppliers and employees		(32,785)	(38,334)	(24,732)	(23,081)
Receipts collected for Society entities		-	-	28,092	29,939
Payments to Society entities		-	-	(31,234)	(31,190)
Receipts collected for Legal Practitioners' Fidelity Guarantee Fund		3,919	3,545	3,919	3,545
Payments to Legal Practitioners' Fidelity Guarantee Fund		(3,919)	(3,545)	(3,919)	(3,545)
Borrowing expenses		(334)	(367)	(334)	(367)
Reinsurance payments		(2,110)	(1,930)	-	-
Claims and claims related payments		(10,523)	(14,385)	-	-
Interest received		2,422	2,254	1,851	1,553
GST receipts		3,847	4,511	3,842	4,506
GST (paid to) / received from ATO		(1,424)	(2,920)	(2,050)	(4,687)
Income tax (paid) / received	F1-2	(5,058)	(773)	-	-
Net cash (used in)/generated from operating activities	C1	3,888	3,565	4,433	2,873
Cash flows from investing activities					
Proceeds from investment redemptions	C4	-	3,000	-	-
Payments for property, plant and equipment	C6	(2,437)	(3,098)	(2,407)	(2,993)
Net cash generated from/(used in) investing activities		(2,437)	(98)	(2,407)	(2,993)
Cash flows from financing activities					
Principal and interest repayment of lease liabilities		(248)	-	-	-
Repayment of borrowings		(875)	(840)	(875)	(840)
Net cash generated from/(used in) financing activities		(1,123)	(840)	(875)	(840)
Net increase/(decrease) in cash and cash equivalents held		327	2,627	1,151	(961)
Cash and cash equivalents at the beginning of the year		75,159	72,532	65,496	66,457
Cash and cash equivalents at the end of the year	C1	75,486	75,159	66,647	65,496

The accompanying notes form part of these statements

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

Queensland Law Society Incorporated ("QLS", or 'the Society') is the professional association for solicitors in Queensland constituted under the *Legal Profession Act 2007 (Qld)* (the Act). While the Society is defined as a statutory body under the *Financial Accountability Act 2009*, it remains an independent professional body, subject to the governance of its elected Council.

The principal place of business of the Society is 179 Ann Street, Brisbane QLD 4000.

A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The Society and its controlled entities (the Group) has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with the Queensland Treasury's Financial Reporting Requirements (FRR) for reporting periods beginning on or after 1 July 2024.

The Society is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and interpretations applicable to not-for-profit entities.

New accounting standards applied for the first time in these financial statements are outlined in Note E3.

A1-3 PRESENTATION

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Foreign currency transactions are translated to Australian currency at the rate of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at reporting date are translated at the rates of exchange ruling on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Comparatives

Comparative information reflects the audited 2023-24 financial statements.

Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within twelve (12) months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within twelve (12) months after the reporting date, or the Group does not have an unconditional right to defer settlement to beyond twelve (12) months after the reporting date.

All other assets and liabilities are classified as 'non-current'.

A1-4 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the President and Chief Executive Officer of the Society at the date of signing the management certificate.

A1 BASIS OF FINANCIAL STATEMENT PREPARATION **(continued)**

A1-5 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for the following:

- strata title building which is measured at fair value;
- investments which are measured at fair value; and
- accrued employee benefits expected to be settled 12 or more months after reporting date, which are measured at their present value.

Historical cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value

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 under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The *income approach* converts multiple future cash flows amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Where fair value is used, the fair value approach is disclosed.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Society include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Society include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Society's assets/liabilities and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A1 BASIS OF FINANCIAL STATEMENT PREPARATION **(continued)**

A1-5 BASIS OF MEASUREMENT (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

All assets and liabilities of the Society for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- level 1 – represents fair market value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

The portfolio of financial instruments held consists of collective investment schemes. The fair value of the financial instruments is determined using the closing unit price quoted by the investment manager adjusted for fees.

There were no transfers of assets between fair value hierarchy levels during the period.

More specific fair value information about the Society's investments and strata title building is outlined in Notes C4 and C5, respectively.

Present value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future cash outflows expected to settle (in respect of liabilities) in the normal course of business.

A1-6 THE REPORTING ENTITY

The consolidated financial statements include all income, expenses, assets, liabilities and equity of the Society ("Parent Entity") and the entities it controls (refer to Note A3). The controlled entities are QLS Solicitor Support Pty Ltd (QSS), the Law Claims Levy Fund (LCLF) and Lexon Insurance Pte Ltd (Lexon). The Parent Entity and the controlled entities are referred to as "the Group". All transactions and balances internal to the Group have been eliminated in full.

The Parent Entity financial statements include all income, expenses, assets, liabilities and equity of the Society only.

A2 THE SOCIETY'S OBJECTIVES

The Society is responsible for specific statutory obligations under the *Legal Profession Act 2007* (Qld) which includes the issuance of practising certificates, maintenance of solicitors' records, and regulating the operation of solicitors' trust account records. The Society also provides membership services and events, continuing professional education, advisory support to members and the general public, and administers funds under the control of the Group, which extends to providing general insurance and services as licensed under the *Singapore Insurance Act 1966*.

Major sources of income for the Group include annual fees for practising certificates and membership, fees for continuing professional education to the legal profession, investment income, and insurance levies.

Queensland Law Society Incorporated

Notes to the Financial Statements

For the year ended 30 June 2025

A3 CONTROLLED ENTITIES

The Society wholly controlled the following entities at the reporting date:

- QLS Solicitor Support Pty Ltd (QSS): QSS commenced in October 2019 and provides legal services for the delivery of guidance, support and counsel to members of the Society and other legal practitioners on ethical and legal practice management issues. QSS also provides education and publications on legal ethics to the legal profession and practice management members of the Society and other legal practitioners. QSS was wholly controlled for the whole year.
- Law Claims Levy Fund (LCLF): LCLF is responsible for the management of professional indemnity claims of practitioners for the years 1987 to 1995, and the administration of insurance matters (jointly with Lexon Insurance Pte Ltd) in accordance with the Queensland Law Society Indemnity Rule 2005. LCLF was wholly controlled for the whole year.
- Lexon Insurance Pte Ltd (Lexon): This Company was established on 23 June 2001 in Singapore and is 100% owned by the Society. The principal activity of Lexon is that of a captive insurer providing professional indemnity insurance to members of the Queensland legal profession via a Master Policy with the Society. Lexon was wholly controlled for the whole year.

Details of controlled entities are outlined below:

2024-25

Name of Entity	Controlling Interest %	Total Assets \$m	Total Liabilities \$m	Total Revenue \$m	Operating Results \$m
Law Claims Levy Fund	100	90.8	24.5	28.1	4.9
Lexon Insurance Pte Ltd	100	192.5	86.1	25.1	14.7
QLS Solicitor Support	100	0.0	0.0	0.7	0.0

2023-24

Name of Entity	Controlling Interest %	Total Assets \$m	Total Liabilities \$m	Total Revenue \$m	Operating Results \$m
Law Claims Levy Fund	100	88.5	27.0	29.9	4.7
Lexon Insurance Pte Ltd	100	174.7	83.0	26.7	19.8
QLS Solicitor Support	100	0.0	0.0	1.7	0.0

Principles of consolidation

The financial statements of controlled entities are included in the consolidated financial statements from the date control commences to the date control ceases. In the process of reporting the Group as a single economic entity, unrealised gains and losses, inter-entity balances resulting from transactions with or between controlled entities are eliminated on consolidation where material. The accounting policies have been consistently applied by each entity in the consolidated group.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B1 REVENUE

B1-1 FEES AND MEMBERSHIP SERVICES

Memberships and practitioner fees are recognised as revenue within the period. Prepayment of fees is recognised as income in advance and recognised as a current liability under AASB 15 Revenue from Contracts with Customers.

Membership services and events income is recognised as revenue when the service or event occurs. Prepayment of membership services and events is recognised as income in advance.

The following table provides information about the nature and timing of the satisfaction of performance obligations:

Type of good or service	Nature and timing of performance obligations	Revenue recognition
Practising certificate fees	Certificates are valid for 12 months from 1 July each year. There is no provision for a return of funds should members cease to practise during the year. Refunds are uncommon and are assessed on a case by case basis.	Revenue is recognised progressively throughout the period in line with completion of each service.
Membership fees	Memberships are valid for 12 months from 1 July each year. There is no provision for a return of funds should members cease to practise during the year. Refunds are uncommon and are assessed on a case by case basis.	Revenue is recognised at the completion of each service.
Limitation of liability scheme	Scheme participation is valid for 12 months from 1 July each year. There is no provision for a return of funds should members cease to practise during the year. Refunds are uncommon and are assessed on a case by case basis.	Revenue is recognised at the completion of each service.
Specialist accreditation fee	Accreditation fees are valid for 12 months from 1 July each year. There is no provision for a return of funds should members cease to practise during the year. Refunds are uncommon and are assessed on a case by case basis.	Revenue is recognised at the completion of each service.
Certificate of fitness	Certificates are issued within 5 working days from application.	Revenue is recognised at the completion of each service.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B1-1 FEES AND MEMBERSHIP SERVICES (continued)

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Membership and practitioner fees				
Practising certificate fees	11,518	10,207	11,539	10,228
Member fees	7,217	6,499	7,217	6,499
Limitation of liability scheme	1,309	1,186	1,309	1,186
Specialist accreditation fee	310	263	310	263
Certificate of fitness	121	85	121	85
	20,475	18,242	20,497	18,262
Membership services and events				
Courses, conferences and events	1,442	1,237	1,448	1,239
Membership services and products	586	698	586	698
Advertising and subscriptions	104	155	104	155
Marketing and sponsorship	571	500	571	500
	2,703	2,590	2,709	2,592
Total fees and membership services	23,178	20,832	23,206	20,855

B1-2 RENT AND ADMINISTRATION REVENUE

The Group has tenants occupying various space throughout the building. Rental revenue is recognised as income as it is earned.

Under the rules of the Act, certain operating expenses of the Society such as management fees are recoverable from the Legal Practitioners' Fidelity Guarantee Fund (LPFGF) and the Legal Practitioners Admissions Board (LPAB).

LPFGF is a fund managed by the Society that has been established for the purpose of providing a source of compensation for defaults by law practices arising from acts or omissions of associates of the law practices.

LPAB is a separate statutory body pursuant to the Legal Profession Act 2007 and its primary role is to assist the Supreme Court of Queensland by making a recommendation about each application for admission. The Society provides administrative support to the Board including secretariat support.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Rent	180	140	187	147
Body corporate administration fee	30	28	30	28
Management fees				
Lexon Insurance Pte Ltd	-	-	582	550
Law Claims Levy Fund	-	-	61	49
Legal Practitioners' Fidelity Guarantee Fund	198	204	198	204
Legal Practitioners Admissions Board	87	87	87	87
Total rent and administration revenue	495	459	1,146	1,065

Queensland Law Society Incorporated

Notes to the Financial Statements

For the year ended 30 June 2025

B1-3 GRANTS AND FUNDING

Grants, donations and gifts are non-reciprocal in nature and are recognised as revenue in the year in which the Society obtains control over them.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the Society to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 Revenue from Contracts with Customers. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. Otherwise, grants are accounted for under AASB 1058 Income of Not-for-Profit Entities, whereby revenue is recognised upon receipt of the grant funding.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Queensland Law Foundation	33	-	33	-
Law Claims Levy Fund	-	-	999	994
Legal Practitioner Fidelity Guarantee Fund	750	749	750	749
Total grants and funding	783	749	1,782	1,743

Queensland Law Foundation (QLF) provided grants for a number of projects and initiatives to benefit members.

The LCLF provides an annual grant to the Society for the reimbursement of costs associated with discrete projects relating to risk management within the profession. This includes the development of resources and educational units designed to reduce the exposure of solicitors with respect to compensation and/or damages claims. These resources include legal project management, the QLS Legal Ethics Course and Solicitor Advocates Course, and publications for practice support and risk management. Refer to C4 for further information on investments.

The LPFGF provides an annual grant to the Society for the reimbursement of costs incurred by the Society for the execution of programs or tools to assist law practitioners in identifying defaults and educational programs improving compliance.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B1-4 INSURANCE REVENUE

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Insurance Revenue				
Insurance revenue from contracts measured under the PAA	28,092	29,939	-	-
Net Income From Reinsurance Contracts Held				
Reinsurance expenses from contracts measured under the PAA	(2,347)	(2,249)	-	-
Claims recovered and benefits covered from reinsurers	1,967	1,230	-	-
Changes that relate to past service - adjustments to AFC	210	(1,106)	-	-
	27,922	27,814	-	-
Insurance Service Expenses				
Incurred claims that relate to current service	(23,437)	(22,048)	-	-
Changes that relate to past service - adjustments to LIC	13,406	19,627	-	-
Other directly attributable expenses	(4,293)	(4,199)	-	-
Losses and reversals on onerous contracts	-	-	-	-
Insurance acquisition cash flows expensed when incurred	(369)	(351)	-	-
	(14,693)	(6,971)	-	-
Total Insurance Service Result	13,229	20,842	-	-

Insurance revenue

As the Group provides services under the group of insurance contracts, it reduces the liability for remaining coverage and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Group expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under the premium allocation approach (PAA), the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

- (a) incurred claims and benefits excluding investment components;
- (b) other incurred directly attributable insurance service expenses;
- (c) amortisation of insurance acquisition cash flows;
- (d) changes that relate to past service (i.e. changes in the future cash flows relating to the liability for incurred claims); and
- (e) changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).

For contracts measured under the premium allocation approach, amortisation of insurance acquisition cash flows is based on the passage of time.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B1-4 INSURANCE REVENUE (continued)

Other expenses that relate directly to the fulfilment of insurance contracts will be recognised in profit or loss as insurance service expenses, generally when they are incurred. Expenses that do not relate directly to the fulfilment contracts are included in other expenses in the profit or loss statement.

Net income (expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income from reinsurance contracts held, comprising the following amounts:

- (a) reinsurance expenses;
- (b) incurred claims recovery;
- (c) other incurred directly attributable insurance service expenses;
- (d) effect of changes in risk of reinsurer non-performance;
- (e) changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

For groups of reinsurance contracts held measured under the premium allocation approach, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Finance income/(expenses) from insurance contracts issued				
Discount unwind and changes in financial assumptions	(1,598)	(1,861)		-
Effect of changes in interest rates	(746)	63		-
	(2,344)	(1,798)	-	-
Finance income/(expenses) from reinsurance contracts held				
Discount unwind and changes in financial assumptions	309	344	-	-
Effect of changes in interest rates	194	(23)	-	-
	503	321	-	-
Total Insurance Finance Result	(1,840)	(1,477)	-	-

Insurance finance income or expenses

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- (a) the effect of the time value of money and changes in the time value of money; and
- (b) the effect of financial risk and changes in financial risk.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B1-4 INSURANCE REVENUE (continued)

For contracts measured under the premium allocation approach, the main amounts within insurance finance income or expenses are:

- (a) interest accreted on the liability for incurred claims; and
- (b) the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For the contracts measured under the premium allocation approach, the Group includes all insurance finance income or expenses for the period in profit or loss.

B1-5 INVESTMENT INCOME

Distributions from investment income are recognised when declared by fund managers.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset and is also recognised net of bank charges.

Refer to C4 for further information on investments.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Distributions from investments	16,728	9,245	-	-
Interest income	2,422	2,254	1,851	1,553
Total investment income	19,150	11,499	1,851	1,553

B2 EXPENSES

B2-1 MEMBERSHIP SERVICES AND EVENTS EXPENDITURE

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Membership services and events expenditure				
Courses, conferences and events	203	292	198	289
Membership products and services	400	438	400	438
Printing and publications	118	97	118	97
Law Council capitation fees	1,155	1,015	1,155	1,015
Total membership services and events expenditure	1,876	1,842	1,870	1,839

Accounting policy – membership services and events

Membership services and events expenditure is recognised as an expense on an accruals basis in the period in which the expenditure relates.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

The Queensland Law Society (QLS) is a constituent member of the Law Council of Australia (LCA), which serves as the national peak body for the legal profession in Australia. To maintain this membership, QLS pays a per-member fee to the LCA.

B2-2 ADMINISTRATION EXPENSES

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Office administration and insurance	1,169	1,255	1,314	1,286
Actuarial fees	3	17	-	-
Audit fees * #	357	373	155	178
Bad debts	(30)	72	(30)	72
Body corporate, electricity, rates and taxes	713	529	713	528
Captive managers fee	116	113	-	-
Catering, functions and entertainment	635	633	599	581
Regulatory audits and investigations	46	67	46	67
Directors' fees	537	502	-	-
Bank fees and finance costs	294	283	277	208
Information technology and related costs	2,192	1,799	1,972	1,551
Investment management fees	901	825	-	-
Office rent	-	30	-	-
Presentations, donations and gifts	142	104	139	102
Professional and consulting fees	904	1,436	724	1,321
Repairs and maintenance	349	376	345	373
Travel and vehicle costs	248	232	167	118
Liability capping scheme	407	362	407	362
	8,981	9,006	6,827	6,746
Council and committee costs				
Honorarium	408	421	408	421
Travel and accommodation	4	3	-	-
Catering and functions	-	-	-	-
	412	424	408	421
Total administration expenses	9,393	9,430	7,235	7,167

*Total audit fees paid to Queensland Audit Office for the Society relating to the 2024-25 financial year are estimated to be \$151,300 (2023-24: \$137,920) and for the Group are estimated to be \$206,900 (2023-24 : \$188,520). There are no non-audit services included in this amount.

#PricewaterhouseCoopers (PwC) Singapore performs audit and taxation services for Lexon while PricewaterhouseCoopers Brisbane provides taxation services to the Group. Audit fees payable to PwC Singapore relating to the 2024-25 financial year are estimated to be \$163,055 (2023-24: \$159,708). Taxation fees paid to PwC Brisbane are disclosed in the professional and consulting fee line above and in the 2024-25 financial year amount to \$43,500 (2023-24: \$45,109).

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B2-3 EMPLOYEE EXPENSES

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Employee benefits				
Wages and salaries	12,074	11,375	10,831	10,164
Annual Leave Taken	865	887	779	856
Personal Leave Taken	330	287	298	270
Long service leave Taken	67	52	65	48
QLS Parental Leave Taken	78	44	63	44
Employer superannuation contributions	1,510	1,345	1,367	1,218
Termination Benefits	105	41	105	41
Ex-Gratia Payments	18	-	18	-
Movement in annual leave provision	271	163	198	133
Movement in long service leave provision	180	60	115	18
Employee related expenses				
Workers' compensation premiums	43	35	35	28
Payroll taxes	943	889	685	643
Other employee benefits	46	40	41	34
Staff training and development	31	39	30	40
Total employee expenses	16,561	15,258	14,630	13,536

Employee numbers

	Consolidated		Parent	
	2025	2024	2025	2024
Number of employees at year end	151	141	133	122
Number of full time equivalent employees at year end	141	130	123	111

Accounting policy – wages and salaries

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at current salary rates. As the Group expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Accounting policy – superannuation

Superannuation contributions are made to eligible complying superannuation funds based on the rates specified in the relevant conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period. Any contributions due but unpaid at reporting date are recognised in the Statement of Financial Position at current rates. As the Group expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Accounting policy – workers' compensation premiums

The Group pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing staff, but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in Note E1.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

B2-3 EMPLOYEE EXPENSES (continued)

Accounting policy – ex-gratia payments

As a result of organizational restructuring within QLS during the financial year ended 30 June 2025, several positions were made genuinely redundant. In addition to the statutory redundancy entitlements, QLS approved voluntary ex-gratia payments to these affected employees.

B2-4 BORROWING EXPENSES

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Loan Interest	334	367	334	367
Total borrowing expenses	334	367	334	367

Accounting policy – borrowing expenses

Finance costs are recognised as an expense in the period in which they are incurred. Finance costs include amortisation of discounts or premiums relating to borrowings and provisions. No borrowing cost are capitalised into qualifying assets.

C1 CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash assets include all cash and cheques receipted and banked at 30 June as well as deposits on call with financial institutions. The cash deposit accounts are interest bearing accounts which are readily convertible to cash at the Group's option. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash at bank	6,549	5,213	690	484
Cash deposit accounts	68,938	69,646	65,958	65,012
Term deposits	-	300	-	-
Total cash and cash equivalents	75,486	75,159	66,648	65,496

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C1 CASH AND CASH EQUIVALENTS (continued)

Reconciliation of operating result to net cash (used in)/generated from operating activities

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Operating (deficit) surplus after income tax	21,284	24,868	1,748	330
Adjustments for:				
Investment income	(21,678)	(20,827)	-	-
Interest expenses on lease liabilities	18	-	-	-
Add/(less) non-cash items:				
Depreciation and amortisation	2,728	2,533	2,464	2,263
Loss on disposal of fixed assets	-	-	-	-
Change in assets and liabilities:				
(Increase)/decrease in assets:				
Receivables	1,148	(158)	1,162	(146)
Movement in provision for bad debts	(29)	25	(65)	22
Other assets	(366)	256	(309)	233
Increase/(decrease) in liabilities:				
Payables	883	(797)	(2,659)	33
Income in advance	1,788	-	1,788	-
Unearned insurance levies	(2,409)	-	-	-
Accrued employee benefits	476	242	304	138
Changes in insurance and reinsurance contract	(799)	(8,850)	-	-
Tax related balances	844	6,273	-	-
Net cash (used in)/generated from operating activities	3,888	3,565	4,433	2,873

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C2 RECEIVABLES

Receivables are measured at amortised cost which approximates their fair value at reporting date. Settlement of these amounts is generally required within 30 days from invoice date. The collectability of receivables is assessed periodically with allowance being made for impairment. All known bad debts were written-off as at 30 June.

A further allowance for impairment is calculated by applying the simplified approach to the calculation of lifetime expected credit losses. The percentage applied is calculated based on historical default rates with a forward-looking estimate adjustment which incorporates various risk factors appropriate for the class of receivable being assessed.

Other receivables generally arise from transactions outside the usual operating activities of the Group and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security is obtained.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Accounts receivable	280	1,406	182	1,343
Less: provision for doubtful debts	(103)	(132)	(5)	(70)
	177	1,274	177	1,274
Other receivables	84	106	-	-
Total receivables	261	1,380	177	1,274
Movement in provision for doubtful debts				
Loss allowance as at 1 July	(132)	(107)	(70)	(47)
Increase(decrease) in allowance recognised	(9)	(74)	27	(72)
Amounts written-off during the year	38	49	38	49
Loss allowance as at 30 June	(103)	(132)	(5)	(70)

C3 INVESTMENT IN CONTROLLED ENTITIES

In June 2001, Lexon was incorporated in Singapore as the captive insurer of the Society. The company was capitalised with \$9,000,000 via surplus funds from the Society controlled Law Claims Levy Fund. A further \$10,000,000 was issued in May 2009. The \$19,000,000 share capital of the company is fully owned by the Society and the company is a controlled entity of the Society. Share capital is eliminated on consolidation.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Investment in Controlled Entities	-	-	19,000	19,000

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C4 INVESTMENTS

Investments held at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with documented investment strategies. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the reporting date. At 30 June, investments are classified as non-current assets as they are kept long term and the full value will not be realised within the accounting year.

Realised gains/(losses) represent the net gains/(losses) on the sale of investments and are recognised when investments are sold during the course of the year. Fair value unrealised gains/(losses) are recognised monthly based on fluctuations in market prices of investments.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Investment in listed funds				
Opening balance	215,292	197,465	-	-
Additions via reinvestment	16,728	9,245	-	-
Disposal proceeds	-	(3,000)	-	-
Gain / (loss) on disposal	2,331	979	-	-
Fair value movements	2,620	10,603	-	-
Closing balance	236,971	215,292	-	-

Fair value measurements

		Consolidated		Parent Entity	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Fair Value Input	Type				
Level 1	None	-	-	-	-
Level 2	Investments	236,971	215,292	-	-
Level 3	None	-	-	-	-
		236,971	215,292	-	-

All investments are classified as Level 2 and are placed with Queensland Investment Corporation (QIC). All assets and liabilities of the Society for which fair value is measured or disclosed in the financial statements are categorised within the above fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals as per note A1-5.

The portfolio of investments held consists of collective investment schemes. The fair value of the investments is determined by the market approach using the closing unit price quoted by the investment manager adjusted for fees.

C5 OTHER CURRENT ASSETS

Prepaid expenses to be wholly settled within 12 months of reporting date.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Prepayments	1,343	977	1,028	719

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C6 PROPERTY, PLANT AND EQUIPMENT

C6-1 CONSOLIDATED

	Buildings	Plant and Equipment	Work In Progress	Intangibles-Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2025					
Cost or valuation					
At the beginning of the year	39,508	6,451	146	4,212	50,317
Additions	-	32	2,407	25	2,463
Transfers between classes	11	237	(2,421)	2,173	-
Disposals	-	-	-	(1,244)	(1,244)
Revaluation increment / (decrement)	2,305	-	-	-	2,305
At the end of the year	41,824	6,720	132	5,165	53,841
Depreciation					
Accumulated depreciation / amortisation	(4,508)	(5,485)	-	(2,557)	(12,550)
Charge for the year	(1,816)	(465)	-	(447)	(2,728)
Transfers between classes	-	-	-	-	-
Disposals	-	-	-	1,244	1,244
At the end of the year	(6,324)	(5,951)	-	(1,761)	(14,035)
Net book value at 30 June 2025	35,500	769	132	3,405	39,806
2024					
Cost or valuation					
At the beginning of the year	38,190	6,155	2,052	3,828	50,226
Additions	-	105	2,993	-	3,098
Transfers between classes	4,325	191	(4,899)	384	-
Revaluation increment / (decrement)	(3,007)	-	-	-	(3,007)
At the end of the year	39,508	6,451	146	4,212	50,317
Depreciation					
Accumulated depreciation / amortisation	(2,690)	(5,102)	-	(2,225)	(10,018)
Charge for the year	(1,817)	(383)	-	(332)	(2,533)
Transfers between classes	-	-	-	-	-
At the end of the year	(4,508)	(5,485)	-	(2,557)	(12,550)
Net book value at 30 June 2024	35,000	966	146	1,654	37,766
Property, plant and equipment is stated as follows:					
30 June 2025					
At valuation	41,824	-	-	-	41,824
At cost	-	6,720	132	6,409	13,261
At the end of the year	41,824	6,720	132	6,409	55,085
Depreciation / amortisation	(6,324)	(5,951)	-	(3,004)	(15,279)
	35,500	769	132	3,405	39,806
30 June 2024					
At valuation	39,508	-	-	-	39,508
At cost	-	6,451	146	4,212	10,809
At the end of the year	39,508	6,451	146	4,212	50,317
Depreciation / amortisation	(4,508)	(5,485)	-	(2,557)	(12,550)
	35,000	966	146	1,654	37,766

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C6 PROPERTY, PLANT AND EQUIPMENT (continued)

C6-2 PARENT ENTITY

	Buildings	Plant and Equipment	Work In Progress	Intangibles-Software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2025					
Cost or valuation					
At the beginning of the year	39,508	4,960	146	3,572	48,186
Additions	-	-	2,407	-	2,407
Transfers between classes	11	237	(2,421)	2,173	-
Disposals	-	-	-	(1,244)	(1,244)
Revaluation increment / (decrement)	2,305	-	-	-	2,305
At the end of the year	41,824	5,197	132	4,501	51,654
Depreciation					
Accumulated depreciation / amortisation	(4,508)	(4,464)	-	(2,007)	(10,979)
Charge for the year	(1,816)	(227)	-	(421)	(2,464)
Transfers between classes	-	-	-	-	-
Disposals	-	-	-	1,244	1,244
At the end of the year	(6,324)	(4,691)	-	(1,184)	(12,200)
Net book value at 30 June 2025	35,500	506	132	3,317	39,455
2024					
Cost or valuation					
At the beginning of the year	38,190	4,769	2,052	3,188	48,201
Additions	-	-	2,993	-	2,993
Transfers between classes	4,325	191	(4,899)	384	-
Revaluation increment / (decrement)	(3,007)	-	-	-	(3,007)
At the end of the year	39,508	4,960	146	3,572	48,186
Depreciation					
Accumulated depreciation / amortisation	(2,690)	(4,322)	-	(1,704)	(8,716)
Charge for the year	(1,817)	(143)	-	(303)	(2,263)
Transfers between classes	-	-	-	-	-
At the end of the year	(4,508)	(4,464)	-	(2,007)	(10,979)
Net book value at 30 June 2024	35,000	496	146	1,565	37,207
Property, plant and equipment is stated as follows:					
30 June 2025					
At valuation	41,824	-	-	-	41,824
At cost	-	5,197	132	5,745	11,074
At the end of the year	41,824	5,197	132	5,745	52,898
Depreciation / amortisation	(6,324)	(4,691)	-	(2,428)	(13,443)
	35,500	506	132	3,317	39,455
30 June 2024					
At valuation	39,508	-	-	-	39,508
At cost	-	4,960	146	3,572	8,679
At the end of the year	39,508	4,960	146	3,572	48,186
Depreciation / amortisation	(4,508)	(4,464)	-	(2,007)	(10,979)
	35,000	496	146	1,565	37,207

C6 PROPERTY, PLANT AND EQUIPMENT (continued)

C6-3 ACQUISITION OF ASSETS

All assets acquired are recorded at their cost of acquisition at the date of acquisition, being the historical cost of the consideration provided plus incidental costs directly attributable to the acquisition. Plant and equipment acquired are expensed unless the initial cost exceeds \$5,000 excluding GST. Plant and Equipment also includes Right of Use Assets under AASB16. Buildings and leasehold improvements are recognised at historical cost upon acquisition if the initial cost exceeds \$10,000 excluding GST.

C6-4 DEPRECIATION AND AMORTISATION

All assets including strata title building have limited useful lives and are depreciated or amortised using the straight line method over their estimated useful lives.

Assets are depreciated or amortised from the date of acquisition. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount depreciated over the remaining or adjusted useful life of the asset. Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

The depreciation and amortisation rates used for each class of asset are as follows:

	2025	2024
<i>Asset Class</i>		
Buildings	2.5% - 20%	2.5% - 20%
Plant and Equipment	10% - 33%	10% - 33%
Intangibles	12.5% -20%	12.5% -20%

C6 PROPERTY, PLANT AND EQUIPMENT (continued)

C6-5 IMPAIRMENT OF PLANT AND EQUIPMENT

All plant and equipment assets are assessed for indicators of impairment on an annual basis, or when the asset is measured at fair value, for indicators of a change in fair value or service potential since the last valuation was completed.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the Statement of Comprehensive Income.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the Statement of Comprehensive Income.

C6-6 MEASUREMENT USING FAIR VALUE

The strata title building is measured at fair value as required by Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. The building is reported at its revalued amount, being the fair value at the date of valuation using the market approach, less any subsequent accumulated depreciation.

The building is independently revalued at least every three years to ensure the carrying amount does not materially differ from the fair value at reporting date.

An independent valuation of the strata title building was carried out as at 30 June 2025 by Peter Zischke from Knight Frank, a member of the Institute of Valuers of Australia, and was on the basis of the open market value of Law Society House in vacant possession with all units combined. The resulting change in the open market value has been recognised as Other Comprehensive Income in the Statement of Comprehensive Income. The last independent valuation was performed in 30 June 2024.

Between independent valuations, the Society uses the Implicit Price Deflator for non-residential buildings indices to index the carrying amount of the building. Where there has been a material change in the index, revaluation increments are recognised in the asset revaluation surplus except where amounts reversing a decrement previously recognised as an expense are recognised as revenues. Revaluation decrements are only offset against revaluation increments for the same class of assets and any excess is recognised as an expense.

The fair values as at 30 June 2025 are all Level 2 – Strata Title Building. Basis of measurement is detailed at Note A1-5.

Accounting for Changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that assets class.

For assets revalued using indices, accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the "gross method".

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C6 PROPERTY, PLANT AND EQUIPMENT (continued)

C6-6 MEASUREMENT USING FAIR VALUE (continued)

Accounting for Intangible Assets

The Group's accounting policy considers where the software code resides, whether it is identifiable and whether the group has the power to both obtain economic benefits from the software and restrict the access of others to those benefits. Configuration or customisation costs that do not qualify for recognition as an intangible asset are further assessed as to the appropriate timing of expense recognition, using the following criteria:

- a) Where the configuration or customisation is considered a distinct (i.e. separately identifiable) service from the subsequent access to the cloud software, the costs are expensed when the configuration or customisation services are received. This is typically the case when the vendor providing the services is different from the vendor providing access to the software.
- b) Where the configuration or customisation is not a distinct service from the group's right to access the software, the costs are expensed over the period of access on a straight-line basis. A prepayment asset is recognised when the payment is made up front. This is usually the case when the same vendor is providing both the configuration or customisation services and the access to the cloud software.

The Group's CRM system Microsoft Dynamics qualifies as an intangible asset in accordance with the IFRIC agenda decision and accordingly relevant amounts have been capitalised since 2021-22.

C7 PAYABLES

Trade creditors are recognised on receipt of the goods or services and are carried at actual amounts, gross of applicable trade and other discounts. Amounts are unsecured and are generally settled on 30 day terms. The amount payable to the Law Claims Levy Fund is derived from professional indemnity insurance premiums related to the renewal period.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Trade creditors	207	407	179	301
Legal Practitioners' Fidelity Guarantee Fund	3,913	3,572	3,913	3,572
Law Claims Levy Fund	-	-	23,828	26,972
Other payables and accruals	2,280	1,537	1,316	1,051
Total current payables	6,399	5,516	29,237	31,895

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C7 PAYABLES (continued)

C7-1 INCOME IN ADVANCE

Income in advance relates primarily to receipts for insurance, membership fees and practising certificates for the upcoming year received during the renewal period prior to 30 June.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Income in advance	20,555	18,767	20,555	18,767
Total current income in advance	20,555	18,767	20,555	18,767

C7-2 UNEARNED LEVIES

Unearned insurance levies relate to insurance levies collected from the profession during the renewals cycle in May in relation to the upcoming insurance year.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Unearned insurance levies	24,467	26,876	-	-
Total current unearned insurance levies	24,467	26,876	-	-

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C8 ACCRUED EMPLOYEE BENEFITS

Annual leave and long service leave

The liabilities for annual leave are expected to be settled wholly within 12 months and are recognised as current liabilities.

The liabilities for long service leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in accrued employee benefits and measured as the present value of expected future cash outflows to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels and experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments are recognised in the Statement of Comprehensive Income.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Annual leave	1,373	1,088	969	772
Long service leave	1,292	1,107	658	604
Total current accrued employee benefits	2,664	2,195	1,626	1,376
Non-current				
Long service leave	320	314	265	211
Total non-current accrued employee benefits	320	314	265	211
Current long service leave	1,292	1,107	658	604
Non-current long service leave	320	314	265	211
Total accrued long service leave	1,612	1,421	923	815

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C9 PROVISIONS

A provision is recognised when there is a legal, equitable or constructive obligation as a result of a past event and it is probable that a future sacrifice of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain.

C9-1 INSURANCE CONTRACTS

Insurance and reinsurance contracts

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance contracts may be issued and reinsurance contracts may be initiated by the Group, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued, initiated or acquired by the Group, unless otherwise stated.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts, and they follow financial instruments accounting under AASB 9. The Group does not have any contracts that fall under this category.

The Group's insurance contracts issued and reinsurance contracts held are all measured under the Premium Allocation Approach (PAA) model. The PAA is an optional simplified measurement model in AASB 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria. This approach is used for the Group's insurance contracts, because each of these contracts have a coverage period of one year or less, or the PAA provides a measurement which is not materially different from that under the general measurement models.

Separating components from insurance and reinsurance contracts

The Group assesses its insurance and reinsurance contracts to determine whether they contain components which must be accounted for under AASB 9 (embedded derivatives, investment component) or AASB 15 (non-insurance service component) rather than AASB 17. After separating any distinct components, the Group applies AASB 17 to all remaining components of the (host) insurance contract. Currently, the Group's contracts do not include distinct components that require separation.

AASB 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance service expenses.

For premium refund or experience refund components which are not subject to any conditions in the contracts, these have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these non-distinct investment components are recognised outside of profit or loss.

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C9-1 INSURANCE CONTRACTS (continued)

Level of Aggregation

Insurance contracts

The Group only issues one annual insurance contract which extends to eligible Queensland Law Society solicitors' and members for professional indemnity insurance. Each contract is its own group and are:

- (i) a contract that are onerous at initial recognition;
- (ii) a contract that at initial recognition have no significant possibility of becoming onerous subsequently; or
- (iii) remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured.

For each contract, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous.

As contracts are measured using the premium allocation approach, the Group assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that a contract is onerous, an additional assessment is performed. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

Reinsurance contracts

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a financial year (annual cohorts) into groups of:

- (i) contracts for which there is a net gain at initial recognition, if any;
- (ii) contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and
- (iii) remaining contracts in the portfolio, if any.

Recognition

A group of insurance contracts issued by the Group is recognised from the earliest of:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a contract becomes onerous.

The Group recognises a group of reinsurance contracts held from the earliest of the following:

- the beginning of the coverage period of the group; or the beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date when any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held; and
- the date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract in the group of reinsurance contracts held at or before that date.

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C9-1 INSURANCE CONTRACTS (continued)

Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

- (a) the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- (b) both of the following criteria are satisfied:
 - (i) the Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 - (ii) the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The excess of loss reinsurance contracts held provides coverage for claims incurred during a claim year. Thus, all cash flows arising from claims incurred and expected to be incurred in the claim year are included in the measurement of the reinsurance contracts held.

Cash flows that are not directly attributable to insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Measurements – contracts measured under PAA

The Group offers insurance contracts and holds reinsurance contracts relating to professional indemnity with policy coverage of one year or less. The measurement model adopted is the premium allocation approach.

The excess of loss reinsurance contracts held provide coverage on the professional indemnity insurance contracts originated for claims incurred during a claim year and are accounted for under the premium allocation approach.

For insurance contracts issued, on initial recognition, the Group measures the liability for remaining coverage at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- (a) the liability for remaining coverage (LRC); and
- (b) the liability for incurred claims (LIC), comprising the future cash flows related to past service allocated to the group at the reporting date.

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C9-1 INSURANCE CONTRACTS (continued)

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- (a) the remaining coverage (ARC); and
- (b) the incurred claims (AFC), comprising the future cash flows related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the liability for remaining coverage is:

- (a) increased for premiums received in the period;
- (b) decreased for insurance acquisition cash flows paid in the period;
- (c) decreased for the amounts of expected premiums received recognised as insurance revenue for the services provided in the period; and
- (d) increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- (a) increased for ceding premiums paid in the period; and
- (b) decreased for the amounts of ceding premiums recognised as reinsurance expenses for the services received in the period.

The Group does not adjust the liability for remaining coverage for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

For contracts measured under the premium allocation approach, the liability for incurred claims considers future cash flows which are adjusted for the time value of money, since professional indemnity insurance contracts issued by the Group and measured under the premium allocation approach typically have a settlement period of over one year.

If a group of contracts becomes onerous, the Group increases the carrying amount of the liability for remaining coverage to the amounts of the future cash flows with the amount of such an increase recognised in insurance service expenses. Subsequently, the Group amortises the amount of the loss component within the liability for remaining coverage by decreasing insurance service expenses. The loss component amortisation is based on the passage of time over the remaining coverage period of contracts within an onerous group. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then the Group remeasures the future cash flows by and reflects changes by adjusting the loss component as required until the loss component is reduced to zero.

Derecognition and contract modification

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria discussed below are met

Queensland Law Society Incorporated

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C9-1 INSURANCE CONTRACTS (continued)

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- (a) if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
 - (i) is not within the scope of AASB 17;
 - (ii) results in different separable components;
 - (iii) results in a different contract boundary; or
 - (iv) belongs to a different group of contracts;
- (b) the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
- (c) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When a new contract is required to be recognised as a result of modification and it is within the scope of AASB 17, the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification and contract aggregation requirements.

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

- (a) if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
- (b) if the contract is transferred to a third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
- (c) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

Fulfilment cash flows

The fulfilment cash flows (FCF) are the current estimates of the future cash flows within the contract boundary of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- (a) are based on a probability weighted mean of the full range of possible outcomes;
- (b) are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and
- (c) reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the premium allocation approach, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims.

C9-1 INSURANCE CONTRACTS (continued)

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Group's non-performance is not included in the measurement of insurance contracts issued. In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Queensland Law Society Incorporated
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C9-2 INSURANCE LIABILITIES

C9-2 (a) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS OF INSURANCE CONTRACTS MEASURED UNDER THE PAA

	Year ended 30 June 2025				
	Assets for remaining coverage		Assets for incurred claims		Total
	Excluding loss component	Loss component	Estimate of Present value of future cash flows	Risk Adjustment for non-financial risk	
Reinsurance contract assets/(liabilities) at 30 June 2024	(16)	-	10,309	-	10,293
Changes in the statement of profit and loss					
Reinsurance expense	(2,347)				(2,347)
Reinsurance income					
- Recoveries of incurred claims			1,368	600	1,967
- Changes that relate to past service – adjustments to LIC			(1,422)	1,632	210
Net result from reinsurance contracts	(2,347)	-	(54)	2,232	(170)
Reinsurance finance income	-	-	503	-	503
Total changes in statement of profit or loss	(2,347)	-	449	2,232	333
Cash flows					
Premiums paid net of ceding commission and other directly attributable expenses paid	2,364				2,364
Reinsurance recoveries received	-		-		-
Total cash flows	2,364	-	-	-	2,364
Reinsurance contract asset at 30 June 2025	-	-	10,758	2,232	12,990
Reinsurance contract assets current					1,604
Reinsurance contract assets non-current					11,386
Reinsurance contract assets at 30 June 2025	-	-	-	-	12,990

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

C9-2 (a) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS OF INSURANCE CONTRACTS MEASURED UNDER THE PAA (continued)

	Year ended 30 June 2024				
	Assets for remaining coverage		Assets for incurred claims		Total
	Excluding loss component	Loss component	Estimate of Present value of future cash flows	Risk Adjustment for non-financial risk	
Reinsurance contract assets/(liabilities) at 30 June 2023	-	-	9,864	-	9,864
Changes in the statement of profit and loss					
Reinsurance expense	(2,249)				(2,249)
Reinsurance income					
- Recoveries of incurred claims			1,230	-	1,230
- Changes that relate to past service – adjustments to LIC			(1,106)	-	(1,106)
Net result from reinsurance contracts	(2,249)	-	124	-	(2,126)
Reinsurance finance income	-	-	321	-	321
Total changes in statement of profit or loss	(2,249)	-	445	-	(1,804)
Cash flows					
Premiums paid net of ceding commission and other directly attributable expenses paid	2,233				2,233
Reinsurance recoveries received	-		-		-
Total cash flows	2,233	-	-	-	2,233
Reinsurance contract asset at 30 June 2024	(16)	-	10,309	-	10,293
Reinsurance contract assets current					1,159
Reinsurance contract assets non-current					9,135
Reinsurance contract assets at 30 June 2024	-	-	-	-	10,293

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

C9-2 (b) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS OF REINSURANCE CONTRACTS MEASURED UNDER THE PAA

	Year ended 30 June 2025				
	Liabilities for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimate of Present value of future cash flows	Risk Adjustment for non-financial risk	
Net insurance contract (assets)/liabilities at 30 June 2024	(11)	-	56,905	18,975	75,870
Changes in the statement of profit and loss					
Insurance revenue	(25,110)				(25,110)
Insurance service expenses					
- Incurred claims expenses		-	16,913	6,525	23,437
- Losses and reversals on onerous contracts		-			-
- Changes that relate to past service – adjustments to LIC			(6,465)	(6,941)	(13,406)
- Other insurance service expenses			4,714	-	4,714
Total insurance service expenses	-	-	15,162	(417)	14,746
Insurance service result	(25,110)	-	15,162	(417)	(10,365)
Insurance finance expenses	-	-	2,344	-	2,344
Total changes in statement of profit or loss	(25,110)	-	17,506	(417)	(8,021)
Cash flows					
Premiums received	25,121				25,121
Claims and other expenses paid	-		(15,202)		(15,202)
Total cash flows	25,121	-	(15,202)	-	9,919
Insurance contract liabilities at 30 June 2025	-	-	59,209	18,559	77,767
Insurance contract liabilities current					20,552
Insurance contract liabilities non-current					57,215
Insurance contract liabilities at 30 June 2025	-	-	-	-	77,767

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For the year ended 30 June 2025

C9-2 (b) ANALYSIS BY REMAINING COVERAGE AND INCURRED CLAIMS OF REINSURANCE CONTRACTS MEASURED UNDER THE PAA (continued)

	Year ended 30 June 2024				
	Liabilities for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimate of Present value of future cash flows	Risk Adjustment for non-financial risk	
Net insurance contract (assets)/liabilities at 30 June 2023	(8)	-	64,850	21,193	86,036
Changes in the statement of profit and loss					
Insurance revenue	(26,741)				(26,741)
Insurance service expenses					
- Incurred claims expenses		-	15,748	6,300	22,048
- Losses and reversals on onerous contracts		-			-
- Changes that relate to past service – adjustments to LIC			(11,109)	(8,518)	(19,627)
- Other insurance service expenses			4,598	-	4,598
Total insurance service expenses	-	-	9,237	(2,218)	7,019
Insurance service result	(26,741)	-	9,237	(2,218)	(19,722)
Insurance finance expenses	-	-	1,798	-	1,798
Total changes in statement of profit or loss	(26,741)	-	11,035	(2,218)	(17,924)
Cash flows					
Premiums received	26,738				26,738
Claims and other expenses paid	-		(18,980)		(18,980)
Total cash flows	26,738	-	(18,980)	-	7,758
Insurance contract liabilities at 30 June 2024	(11)	-	56,905	18,975	75,870
Insurance contract liabilities current					21,050
Insurance contract liabilities non-current					54,820
Insurance contract /liabilities at 30 June 2024	-	-	-	-	75,870

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The following table shows the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows:

	Less than 1 years \$'000	Between 1 and 2 years \$'000	Between 2 and 3 years \$'000	Between 3 and 4 years \$'000	Between 4 and 5 years \$'000	More than 5 years \$'000	Total \$'000
Year ended 30 June 2025							
LIC - Insurance	20,552	14,867	17,099	10,685	7,222	7,342	77,767
AFC - Reinsurance	(1,604)	(2,247)	(4,837)	(1,405)	(806)	(2,092)	(12,990)
	18,949	12,620	12,263	9,280	6,416	5,250	64,777
Year ended 30 June 2024							
LIC - Insurance	21,050	17,471	16,594	10,291	4,214	6,251	75,870
AFC - Reinsurance	(1,159)	(1,643)	(3,888)	(1,842)	(350)	(1,411)	(10,293)
Net central estimate	19,892	15,827	12,706	8,449	3,863	4,840	65,577

C9-3 BORROWINGS

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Loans Payable - Current	935	888	935	888
Loans Payable - Non-current	7,162	8,083	7,162	8,083
Total non-current payables	8,096	8,971	8,096	8,971

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Opening balance	8,971	9,811	8,971	9,811
Proceeds from borrowings	-	-	-	-
Interest charged	334	367	334	367
Admin charged	10	11	10	11
Loan repayment	(1,218)	(1,218)	(1,218)	(1,218)
Closing balance	8,096	8,971	8,096	8,971

Accounting policy – Borrowings

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of a financial liability to the amortised cost of the liability.

The fair value of borrowings is subsequently measured at amortised cost is set out above.

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C9-3 BORROWINGS (continued)

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are split between current and non-current liabilities using the principles set out in note 1A.

The Society does not enter into transactions for speculative purposes, nor for hedging. No financial liabilities are measured at fair value through profit or loss.

Terms and conditions

The Society has a \$10m fully drawn loan with QTC. The loan is measured at amortised cost and is for a 10 year loan term expiring March 2033. The loan is to partly fund the refurbishment of Law Society House. The interest rate is fixed at 3.993% including an administration charge. The loan is secured by a state guarantee.

Whilst the Society had sufficient funds to complete the refurbishment project without borrowing, Council took the view it did not want to deplete cash reserves to the full amount of the refurbishment upfront. The loan repayments will be partly funded by revenue generated from leasing surplus space achieved by combining staff to two floors and additional room and venue hire fees.

C10 LEASES

C10-1 LEASES AS LESSEE

Lexon leases office premises and motor vehicles under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

(a) Carrying amounts - Right-of-use assets classified within Property, plant and equipment

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Leasehold premises	162	325	-	-
Leasehold motor vehicles	73	99	-	-
Total	235	424	-	-

(b) Depreciation charge during the year

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Leasehold premises	162	162	-	-
Leasehold motor vehicles	52	48	-	-
Total	215	210	-	-

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C10-1 LEASES AS LESSEE (continued)

(c) Interest expense

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interest expense on lease liabilities	18	26	-	-

(d) Lease Liability

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current				
Lease Liability	235	228	-	-
Total current lease Liability	235	228	-	-
Non-current				
Lease Liability	36	248	-	-
Total non-current lease Liability	36	248	-	-

C10-2 LEASES AS LESSOR

Accounting policies – Leases as lessor

The Society recognises lease payments from operating leases as income on a straight-line basis over the lease term.

Disclosures – Leases as lessor

(i) Details of leasing arrangements as lessor

The Society leases office space under 1 to 5 year operating lease arrangements.

Lease income from operating leases is reported as 'Rent' in Note B1-2. No amounts were recognised in respect of variable lease payments other than CPI-based or market rent reviews.

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C10-2 LEASES AS LESSOR (continued)

The Society does not have any finance leases.

(ii) Maturity analysis

The following table sets out a maturity analysis of future undiscounted lease payments receivable under the Society's operating leases.

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Less than 1 year	70	67	70	67
1 to 5 years	170	239	170	239
Total	239	306	239	306

D1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

D1-1 ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of accounting estimates, which, by definition, will seldom equal the actual results.

This note provides an overview of items that are more likely to be materially adjusted due to changes in estimates and assumptions in subsequent periods. Detailed information about each of these estimates is included in the notes below together with information about the basis of calculation for each affected line item in the consolidated financial statements.

In applying AASB 17 measurement requirements, the following inputs and methods were used that include significant estimates. The present value of future cash flows is estimated using deterministic scenarios. The assumptions used in the deterministic scenarios are derived to approximate the probability weighted mean of a full range of scenarios.

For the sensitivities with regard to the assumptions made that have the most significant impact on measurement under AASB 17, refer to note D1-8.

D1-2 DISCOUNT RATES

AASB 17 requires the estimates of future cash flows to be discounted to reflect the time value of money and financial risks related to those cash flows. A bottom-up approach is applied to determine the discount rates used to discount insurance and reinsurance contract cash flows, which uses risk-free rates adjusted to reflect the liquidity characteristics of the insurance contracts. The table below shows the yield curves used to discount estimates of future cash flows within the net insurance contract liabilities.

Term (Years)	1	2	3	4	5	6	7	8	9	10
2025	3.32%	3.23%	3.29%	3.39%	3.52%	3.71%	3.91%	4.05%	4.17%	4.30%
2024	4.42%	4.18%	4.11%	4.09%	4.12%	4.17%	4.24%	4.31%	4.36%	4.38%

The uniform discount rate applied is shown in the key assumptions in note D1-7.

Once an event giving rise to a claim has occurred, there is nothing in the policy terms that would delay the policyholder’s entitlement to settle the claim. There are no contractual or statutory terms, for example, that would allow the Group (as the insurer) to delay payment. This is in contrast to some types of general insurance, such as, where an injured worker is paid benefits every fortnight or month, and cannot demand the entire amount to settle the claim up front. As a result, indemnity insurance can be considered to be liquid, and a risk free discount rate has be used (no illiquidity premium).

D1-3 ESTIMATES OF FUTURE CASH FLOWS TO FULFIL INSURANCE CONTRACTS

Included in the measurement of each group of contracts in the scope of AASB 17 are all the future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions and forecasts of future conditions. The Group's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability weighted average of the future cash flows is calculated using a deterministic scenario representing the probability weighted mean of a range of scenarios.

Uncertainty in the estimation of future claims and benefit payments arises primarily from the severity and frequency of claims and uncertainties regarding future inflation rates leading to claims and claims-handling expenses growth.

Assumptions used to develop estimates about future cash flows are reassessed at each reporting date and adjusted where required.

Significant methods and assumptions used are discussed below.

D1-4 METHODS USED TO MEASURE INSURANCE CONTRACTS

Estimates are performed on a claim year basis with further allocation to annual cohorts in proportion to the gross or reinsurance premiums earned by the respective cohort of contracts in a given claim year.

Judgement is involved in assessing the most appropriate technique to estimate insurance liabilities for the claims incurred. In certain instances, different techniques or a combination of techniques have been selected for individual claim years.

The most common methods used to estimate claims incurred are the chain-ladder (incurred claims development) and the Bornhuetter-Ferguson methods, which are the industry standards for this type of claims.

The chain-ladder technique involves an analysis of historical claims development factors and the selection of estimated development factors based on this historical pattern. The selected development factors are then applied to cumulative claims data for each claim year that is not yet fully developed to produce an estimated ultimate claims cost for each claim year. The chain-ladder technique is the most appropriate for those claim years that have reached a relatively stable development pattern. The chain-ladder technique is less suitable in cases in which the Group does not have a developed claims history.

The Bornhuetter-Ferguson method uses a combination of a benchmark or market-based estimate and an estimate based on claims experience. The former is based on a measure of exposure such as gross or reinsurance premiums; the latter is based on the paid or incurred claims to date. The two estimates are combined using a formula that gives more weight to the experience-based estimate as time passes. This technique has been used in situations in which developed claims experience was not available for the projection (i.e. the recent claim years).

The Group has not changed the methods used to estimate incurred claims in 2024/25 with the exception of a one claim year where the Group now has sufficient claims statistics to apply the chain-ladder method instead of the Bornhuetter-Ferguson method, which was previously used. The change in method applied had no significant impact. The most recent two claim years use the Bornhuetter-Ferguson method, the third year uses an average of the Bornhuetter-Ferguson and chain ladder methods while all prior years use the chain ladder method.

In its claims incurred assessments, the Group uses internal and market data. Internal data is derived mostly from the Group's claims reports and solicitor numbers, while market data largely consists of inflation projections.

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D1-5 RISK ADJUSTMENT

The risk adjustment reflects the compensation required for bearing uncertainty about the amount and timing of cash flows that arises from non-financial risk. The risk adjustment is estimated based on balanced scorecard methodology, incorporating independent risk, internal systematic risk and external systematic risk faced by Lexon. For contracts measured under the premium allocation approach, unless the contracts are onerous, an explicit risk adjustment for non-financial risk is only estimated for the measurement of the liability for incurred claims.

In determining the appropriate risk adjustment, Lexon have considered the single contract providing coverage (including reinsurance) and the expectations in relation to future renewals. Future renewals have the ability to be repriced which enables Lexon to set a lower confidence level as the uncertainty can be mitigated over time when compared to current claims which cannot. As such, Lexon have adopted a 90% level of sufficiency for the liability for incurred claims, and where applicable, a 75% level of sufficiency for the liability for remaining coverage. These confidence levels broadly correspond to the target return determined as part of Lexon's annual financial budgeting process.

The risk adjustment included in the liability for incurred claims is 33.6% (2024: 40.6%) of the net central estimate, with a probability of sufficiency of approximately 90%.

D1-6 ONEROUS CONTRACTS

Insurance contracts are onerous when the liability for remaining coverage is insufficient to pay future claims and other insurance service expenses attributable to the contracts.

Contracts that are measured using the premium allocation approach are assumed not to be onerous unless facts and circumstances indicate otherwise. In identifying facts and circumstances that may be indicators of onerous contracts, the Group considers indicators where relevant. If there are facts and circumstances that may indicate the existence of possible onerous contracts, the onerous contract losses are measured based on the extent to which the fulfilment cash flows attributable to the group of contracts exceed the liability for remaining coverage for that group.

Onerous contract losses are measured on a gross basis (excluding the effect of reinsurance contracts held) and are immediately recognised in profit or loss. A loss component of the liability for remaining coverage is established (or increased) to depict the onerous contract losses recognised. Where the onerous contracts are covered by reinsurance contracts held, reinsurance income is recognised in profit or loss and a corresponding loss-recovery component of the reinsurance asset for remaining coverage is established to depict expected recoveries attributable to the onerous contract losses.

The consideration of facts and circumstances as well as the measurement of any onerous contract losses are determined separately for each claim year.

The probability of adequacy of the liability for remaining coverage differs from the probability of adequacy on the liability for incurred claims. The reason for the difference is that the former is a benchmark used only to test the sufficiency of the net unearned premium reserves whereas the latter is a measure of the adequacy of the outstanding claims reserves actually carried.

The application of the onerous contracts tests has not resulted in any onerous contracts.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

D1-7
KEY ASSUMPTIONS

The following key valuation assumptions have been used to estimate future projected payments and outstanding claims liabilities:

- The ICD basis allows for the following development:

Development Factor	Development year						
	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8
Current year	18.3%	9.9%	7.2%	4.4%	2.4%	3.4%	2.0%
Prior year	18.8%	11.8%	9.9%	4.6%	2.7%	3.2%	2.0%

- The average cost per solicitor (used in the BF method) adopted is A\$2,000 (2024: A\$2,200).
- We have assumed reinsurance recoveries will be fully recoverable on a prompt basis.
- We have applied the zero-coupon yield for Government issued bonds to the expected future cashflows. This has resulted in a uniform discount rate of 3.45% (2024: 4.19%) per annum.
- We have assumed future inflation will be the same as average rates of past inflation, to the extent that it has been captured by the claims development data.
- We have included an allowance for claims handling expenses (“CHE”) based on historical experience and projected expenses.
- While we have calculated a central estimate, we have applied a risk adjustment at a 90th percent probability of sufficiency and adopted reserves at this level to maintain a higher level of adequacy.
- While claim numbers are not directly used in determining our estimates, they are a good lead indicator. Given the policy is based on claims made, we have assumed minimal development post the end of the year.

The following key valuation assumptions have been used to estimate the central estimates of the liability for remaining coverage:

- The average cost per solicitor adopted is A\$2,050 (2024: A\$2,000).
- The estimated growth in solicitor numbers is 2.75% (2024: 3.0%).

There have been no significant changes in the business underwritten by the Group or the way the insurance liabilities are estimated. Hence, no significant amendments have been made to the valuation methodology.

The assumptions have been determined by management and the actuarial team by taking into account: claim development experience, statistical analysis and market trends.

Queensland Law Society Incorporated

Notes to the Financial Statements

For the year ended 30 June 2025

D1-8 SENSITIVITY ANALYSIS OF KEY ESTIMATES

The impact of changes in key variables used in the calculation of the net insurance contract liabilities is summarised in the table below and is shown gross and net of reinsurance held. Each change has been calculated in isolation from the other changes and shows the after-tax impact on profit or loss assuming that there is no change to any of the other variables.

<u>Sensitivity</u>		Profit/(loss) ¹		Equity	
		2025	2024	2025	2024
Reserve estimation	+10.0%	(4,392,500)	(5,296,900)	(4,392,500)	(5,296,900)
	-10.0%	4,402,300	5,308,800	4,402,300	5,308,800
Cost per solicitor estimation	+\$100	(135,100)	(252,700)	(135,100)	(252,700)
	-\$100	135,100	252,700	135,100	252,700
Discount rate	+0.5%	520,800	483,000	520,800	483,000
	-0.5%	(532,700)	(494,900)	(532,700)	(494,900)
Claims handling rate	+1.0%	(438,900)	(422,100)	(438,900)	(422,100)
	-1.0%	438,900	422,100	438,900	422,100
Risk adjustment	+5.0%	(1,700,300)	(1,997,100)	(1,700,300)	(1,997,100)
	-5.0%	1,700,300	1,997,100	1,700,300	1,997,100

¹ Net of tax at the Group's prima facie income tax rate of 30%.

D2 MANAGEMENT OF INSURANCE AND FINANCIAL RISK

D2-1 INSURANCE RISK

Lexon is a captive insurer and issues a single insurance contract to the parent (the Society) that transfers insurance risks of its parent to itself. This section summarises these risks and the way the Group manages them.

The risk in any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

The primary insurance activity carried out by the Group assumes the risk of loss from persons that are directly subject to the risk – professional indemnity liability. Such risk may relate to a liability that may arise from an insurable event. As such, the Group is exposed to the uncertainty surrounding the timing and severity of claims under the contract.

The Group manages its insurance risk through underwriting strategy, reinsurance strategy and amendment to the terms and conditions of insurance contracts.

(a) Underwriting strategy

The Group is unable to provide a diversified portfolio of similar risks due to its licensing arrangement. The Group currently only underwrites the risk of the Society. Such a focus on one “insured” group does create a wider variability of outcomes than a balanced portfolio.

Queensland Law Society Incorporated

Notes to the Financial Statements

For the year ended 30 June 2025

D2-1 INSURANCE RISK (continued)

(b) Reinsurance strategy

In considering the purchase of reinsurance protection, the Group's philosophy is twofold, namely to:

- reduce risk; and
- stabilise solvency.

To achieve such objectives, the Group will consider the placing of reinsurance protection at appropriate levels with reinsurance carriers of a proven financial record. Specific reinsurance placements should reflect the appropriate balance between retention and reinsurance commensurate with the nature and complexity of the risk, all within acceptable exposure limits to the Group.

Ceded reinsurance contains credit risk, and such reinsurance recoverables are reported after known deductions for insolvencies and uncollectable items. The Group monitors the financial condition of reinsurers on an ongoing basis and reviews its reinsurance arrangements periodically. The Board of Directors of Lexon is responsible for setting the minimum security criteria for acceptable reinsurance.

(c) Terms and conditions of insurance contracts

The terms and conditions of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts are set out below.

The following gives an assessment of the Group's main product – professional indemnity liability and the ways in which it manages the associated risks.

Product features

The Group writes professional indemnity liability and under these contracts, monetary compensation awards are paid for any description of civil liability whatsoever incurred in connection with the provision of legal services by the insured Law Practice.

Professional indemnity liability is generally considered a long tail line, as it takes a relatively long period of time to finalise and settle claims for a given claim year. The speed of claim reporting and claim settlement is a function of the specific coverage provided, the jurisdiction and specific policy provisions.

This line is typically the largest source of uncertainty regarding claims reserves. Major contributors to this provision estimate uncertainty include the reporting lag, the number of parties involved in the underlying action, the potential amounts involved and whether such claims were reasonably foreseeable and intended to be covered at the time the contracts were written. Claims with longer reporting lag will result in greater inherent risk.

Management of risks

The key risks associated with this product are underwriting risk and claims experience risk.

Underwriting risk includes the risk of higher claims cost than expected owing to the random nature of claims and their frequency and severity and the risk of change in legal or economic conditions or behavioural patterns affecting reinsurance pricing and conditions of reinsurance cover. This may result in the Group having either too little premium for the risks it has agreed to underwrite and hence, has not enough funds to invest and pay claims, or that claims are in excess of those expected.

Claims development

The Group provides information on the gross and net claims development for the current reporting period and five years prior to it.

Queensland Law Society Incorporated
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D2-1 INSURANCE RISK (continued)

Gross claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the below claims development disclosure on a gross of reinsurance basis as at 30 June.

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>Total</u>
<u>In A\$</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross							
Estimate of ultimate claims							
Costs:							
- at end of reporting year	16,411	17,744	17,067	18,397	15,963	17,002	
- one year later	16,769	18,303	16,967	14,217	16,723		
- two years later	15,288	24,682	14,195	13,313			
- three years later	14,170	23,143	11,013				
- four years later	13,616	21,973					
- five years later	13,100						
Cumulative payments to date	(11,751)	(8,696)	(5,733)	(6,661)	(4,639)	(1,133)	
Estimate of claims reserve	1,349	13,277	5,280	6,652	12,084	15,869	
Effect of discounting	(77)	(1,015)	(308)	(481)	(1,170)	(1,654)	
Claims liability – claim year 2018/19 and after	1,272	12,262	4,972	6,171	10,914	14,215	49,806
Claims liability – claim years before 2018/19							4,007
Effects of the risk adjustment margin for non-financial risk							18,559
Provision for claims handling							5,395
Gross Estimate of liability for incurred claims							77,767

Net claims development

Actual claims payments are compared with previous estimates of the undiscounted amounts of the claims in the below claims development disclosure on a net of reinsurance basis as at 30 June.

	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>Total</u>
<u>In A\$</u>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net							
Estimate of ultimate claims							
Costs:							
- at end of reporting year	16,316	17,649	16,933	17,074	14,522	15,419	
- one year later	16,707	17,788	15,928	12,894	15,267		
- two years later	15,239	15,940	13,999	13,071			
- three years later	14,044	14,579	10,910				
- four years later	13,531	13,454					
- five years later	13,063						
Cumulative payments to date	(11,751)	(8,696)	(5,733)	(6,661)	(4,639)	(1,133)	
Estimate of claims reserve	1,312	4,758	5,177	6,410	10,628	14,286	
Effect of discounting	(73)	(211)	(298)	(460)	(1,003)	(1,439)	
Claims liability – claim year 2018/19 and after	1,239	4,547	4,879	5,950	9,625	12,847	39,087
Claims liability – claim years before 2018/19							3,968
Effects of the risk adjustment margin for non-financial risk							16,327
Provision for claims handling							5,395
Net Estimate of liability for incurred claims							64,777

Queensland Law Society Incorporated
Notes to the Financial Statements
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D2-1 INSURANCE RISK (continued)

Insurance risk is managed primarily through sensible pricing, product design, appropriate investment strategy and reinsurance. The Group therefore monitors and reacts to changes in the general economic and commercial environment in which it operates. The Group also assesses the need to minimise its underwriting risks by retaining part of the risks underwritten for its own account and reinsuring the remainder

D2 MANAGEMENT OF INSURANCE AND FINANCIAL RISK

D2-2 REINSURANCE RISK

The Group cedes insurance risk to limit exposure to underwriting losses under agreements that cover risks or group risks on yearly renewable terms. These reinsurance agreements spread the risk and minimise the effect of losses. The amount of risk retained depends on the Group's evaluation of the risk. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in the event the claim is agreed and paid. However, the Group remains liable to its policyholders with respect to ceded insurance if any reinsurer fails to meet the obligations it assumes.

When selecting a reinsurer, the Group considers their relative security. The security of the insurer is assessed from public rating information.

D2-3 CONCENTRATION OF RISK

The concentration of insurance risk before and after reinsurance is solely in Australia and from a single line of business, Professional Indemnity Insurance (for the provision of legal services).

D2-4 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Recognition of financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Group becomes party to the contractual provisions of the financial instrument.

Classification of financial instruments

Financial instruments are classified and measured as follows:

- Cash and cash equivalents
- Investments – held at fair value through profit or loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

The Group does not enter into transactions for speculative purposes, nor for hedging.

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (currency risk, price risk and interest rate risk), credit risk and liquidity risk.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

D2-4 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT
(continued)

Management and the Council regularly review the Group's performance and ensure all investments held are within the approved mandate.

(a) Currency risk

The Group is not exposed to significant foreign currency risk in relation to its functional currency as the majority of the Group's transactions, assets and liabilities are denominated in Australian Dollars.

The Group holds minor cash balances in Singapore Dollars.

The Group outsources its investment activities to respected fund managers who use defined risk management techniques as part of the funds' mandates.

Investments in income securities are predominantly hedged where a currency exposure exists.

As part of the Group's investment mandate, it holds units in funds which hold unhedged international securities. Any unhedged position is in accordance with the strategic asset allocation, and is monitored regularly by management.

(b) Price and interest rate risk

The Group is exposed to equity securities price risk arising from the investments classified as fair value through profit or loss. These securities are held with an Australian fund manager.

The Group manages its exposure to interest rate risk through the setting of investment durations by the fund managers.

The Group seeks to reduce risk by diversifying across a range of securities, maturities and counter-parties. Investment of the funds is subject to risk control limits and constraints as follows:

Duration and Tracking Error Limits (interest rate management)

The Modified Duration of the funds is constrained within a specified period either side of the Modified Duration of the Benchmark as contained in the relevant funds product disclosure statements.

Rolling year ex-post tracking error will be limited to a specified number of basis points. The ex-ante tracking error of the funds is not expected to exceed a specified number of basis points.

Sector Exposure Bands

The weighting of each sector (e.g. domestic, international – government, non-government) within the funds will be maintained in specified limits.

Credit Limits

The funds will be invested in a broad and diversified range of securities across the credit spectrum.

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

D2-4 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT
(continued)

Credit Risk Limits for Individual Security Investments

Individual security limits apply for direct physical holdings based on their credit rating and inclusion in the benchmark.

(c) Credit risk

There is no significant credit risk with respect to the collectability of premiums as the Group only underwrites risks from members. All premiums are paid up front at the commencement of the period covered under the insurance policy.

Credit risk arising on funds placed with external fund managers and on reinsurance activities is managed by established policies to ensure that the counter-parties have adequate financial ratings and appropriate credit history.

(c) Credit risk

(i) Financial assets that are neither past due nor impaired

At balance date no financial assets are past due nor impaired other than trade receivables noted below.

Cash and cash equivalents that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

Investments at fair value through profit or loss are redeemable on demand. These are placed with reputable fund managers.

No insurance recoveries are past due. All reinsurance contracts are placed in accordance with the Group's reinsurance policy which ensures appropriate credit rating of individual reinsurers and that concentration risk is reduced to acceptable levels.

(ii) Financial assets that are past due and/or impaired

Trade debtors includes excesses which are due in relation to claims.

Trade and other receivables include excess balances of \$4,722 (2023-24: \$69,622) which are more than one month past due. There is a provision of \$4,722 (2023-24: \$69,622) on these outstanding balances.

There were no reinsurance recoveries (2023-24: \$Nil) outstanding more than one month.

While provisions have been raised against outstanding excesses, the *Queensland Law Society Indemnity Rule 2005* gives power to the Society to take action against insured parties where any balances are outstanding.

Queensland Law Society Incorporated
Notes to the Financial Statements
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D2-4 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT
(continued)

(iii) Credit ratings

The following table shows the investment grades of balances due:

	Investment Grade (AAA to BBB) \$'000	Not rated \$'000	Total \$'000
<u>At 30 June 2025</u>			
Cash and cash equivalents	75,486	-	75,486
Reinsurance contract assets	12,990	-	12,990
Trade and other receivables	-	261	261
Financial assets at fair value through profit or loss	-	236,971	236,971
Total	88,476	237,232	325,708
<u>At 30 June 2024</u>			
Cash and cash equivalents	75,159	-	75,159
Reinsurers' share of outstanding claims reserves	10,293	-	10,293
Trade and other receivables	-	1,380	1,380
Financial assets at fair value through profit or loss	-	215,292	215,292
Total	85,452	216,672	302,124

(d) Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group also constantly reviews its investments to ensure that there are sufficient cash and liquid deposits to meet its estimated outflows from its insurance contract.

The Group manages its expected cash flow requirements using the latest actuarial valuations detailing projected cash flows. These are monitored in conjunction with available cash and investments readily convertible to cash. A maturity analysis of unearned risk and premium reserves and outstanding claims reserves is provided in Note C9-2.

(e) Capital risk

The Group's objectives when managing capital are to ensure that the Group is adequately capitalised and assessing shortfalls between reported and required capital levels on a regular basis. Capital is calculated in accordance with Australian Prudential Regulatory Authority's guidelines.

Lexon is required under the *Singapore Insurance Act*, Cap. 142 and the relevant Regulations made thereunder to meet and maintain at all times during the course of each financial year that it carries on insurance business, minimum fund solvency and capital solvency requirements. As at balance date, Lexon has met the fund solvency requirement for its Offshore Insurance Fund and the minimum capital adequacy requirement.

Management monitors the capital position using a risk based capital model.

Queensland Law Society Incorporated
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D2-4 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT
(continued)

(f) Sensitivity Analysis

Financial assets at fair value through profit or loss are limited to units in managed unit trusts. These units are only subject to price risk (similar to listed equities). These assets have a predicted return volatility at one standard deviation of 7%.

The impact of changes in key sensitivities of the Financial Assets at fair value through profit or loss is summarised in the table below.

	Changes in variable	2025 A\$'000	2024 A\$'000
Profit/(loss) ¹			
Price risk	7.0%	12,960	11,777
	-7.0%	(12,960)	(11,777)
Equity			
Price risk	7.0%	12,960	11,777
	-7.0%	(12,960)	(11,777)

¹ Net of tax at the Company's prima facie income tax rate of 30%.

D3 COMMITMENTS

D3-1 CAPITAL EXPENDITURE COMMITMENTS

There are no capital commitments at 30 June 2025 (2023-24: \$Nil).

**D4 CONTINGENT LIABILITIES AND EVENTS AFTER
BALANCE DATE**

Lexon has a bank guarantee for \$108,031 to (2023-24: \$108,031) in favour of the lessor of 307 Queen Street, Brisbane QLD 4000 which can be drawn upon in the event of a default in accordance with the rental agreement.

Queensland Law Society Incorporated

Notes to the Financial Statements

For the year ended 30 June 2025

E1 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel (KMP) and remuneration disclosures are made in accordance with the FRR, consistent with additional guidance included in AASB 124 *Related Party Disclosures*.

The following details for KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of the Society during 2024-25. This is supported through the Council Charter which is available on the Society's website. Further information on these positions can be found in the body of the Annual Report.

The positions of President, Deputy President, and Vice President are supported by the elected Council members.

Position	Position Responsibility
President	Lead the Council in settling the corporate direction and goals and monitoring the performance of the Society. Each President is elected for a term of one calendar year. Supported by elected Council Members.
Deputy President	To provide direct support to President. The Deputy President succeeds to the office of President at the beginning of the second term.
Vice President	Supporting the President and Deputy President in the discharge of their duties. The Vice President holds office for a two year term.
Chief Executive Officer	To lead day to day operations of the Society and is charged with implementing and managing best practice standards and processes in risk management, compliance and governance of the Society. The Chief Executive Officer is accountable to the governing body of elected Council members.

Position	Person	Start of Term	End of Term
President	Rebecca Fogerty	1/07/2024	31/12/2024
President	Genevieve Dee	1/01/2025	30/06/2025
Vice President	Peter Jolly	1/01/2025	30/06/2025
Deputy President	Genevieve Dee	1/07/2024	31/12/2024
Chief Executive Officer	Matt Dunn	1/07/2024	30/06/2025

Queensland Law Society Incorporated
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E1 KEY MANAGEMENT PERSONNEL DISCLOSURES **(continued)**

KMP Remuneration Policy

Remuneration entitlements are set by the Council. The Society does not bear any cost of remuneration for its Councillors. Remuneration packages for key management personnel comprise the following components:

Short term employee expenses which include:

- base salary or honorarium, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specific position;
- performance payments recognised as an expense during the year; and
- non-monetary benefits – consisting of provision of car parking, travel reimbursement (kilometres travelled) and accommodation (including fringe benefits tax where applicable).

KMP Remuneration Policy (continued)

Long term employee benefits include long service leave entitlements accrued during the period. There were no long term employee benefits paid in the reporting period.

Post-employment benefits include amounts in respect of employer superannuation contributions.

Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

KMP remuneration

1 July 2024 – 30 June 2025

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Benefits	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
President 1 July 2024 - 31 December 2024	131	4	-	15	-	150
President 1 January 2025 - 30 June 2025	135	4	-	12	-	150
Vice President 1 January 2025 - 30 June 2025	43	4	-	5	-	52
Deputy President 1 July 2024 - 31 December 2024	43	4	-	5	-	52
CEO 1 July 2024 - 30 June 2025	316	7	11	29	-	364

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E1 KEY MANAGEMENT PERSONNEL DISCLOSURES **(continued)**

KMP Remuneration Policy (continued)

1 July 2023 – 30 June 2024

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Benefits	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
President						
1 July 2023 - 31 December 2023	132	3	-	14	-	149
President						
1 January 2024 - 30 June 2024	132	3	-	14	-	149
Vice President						
1 July 2023- 31 December 2023	43	3	-	5	-	51
Deputy President						
1 January 2024 - 30 June 2024	43	3	-	5	-	51
CEO						
1 July 2023 - 5 March 2024	303	10	-	22	-	334
CEO						
6 March 2023 - 30 June 2024	109	2	15	9	-	136

Performance payments

The remuneration package for the Chief Executive Officer provides for performance payments to be made conditional on the achievement of key performance indicators (KPIs) specified in the CEO's employment contract and subject to discretionary approval by the Council.

Achievement of each KPI is measured on an annual basis. The Council retains discretion as to whether performance payments are made.

There was \$Nil expensed in 2024-25 (2023-24: \$30,000) for bonus paid or accrued to the Chief Executive Officer.

Queensland Law Society Incorporated
Notes to the Financial Statements
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E2 RELATED PARTY TRANSACTIONS

The following significant transactions took place between the Consolidated Group and related parties during the financial period on commercial terms agreed between the parties concerned.

	2025	2024
	\$	\$
Management fees and recovery expenditure paid to the parent entity by:		
Lexon Insurance Pte Ltd	582,300	549,666
Law Claims Levy Fund	61,417	49,385
Legal Practitioners' Fidelity Guarantee Fund	197,682	204,220
Legal Practitioners Admissions Board	87,266	86,729
QLS Solicitors Support	-	1,045,030
Grant funding paid by parent entity to QLS Solicitors Support *	741,459	1,727,311
Grant funding paid to the parent entity by:		
Law Claims Levy Fund	999,358	994,397
Legal Practitioners' Fidelity Guarantee Fund	750,000	748,976
Levies collected by the parent entity and paid to:		
Legal Practitioners' Fidelity Guarantee Fund	3,966,574	3,629,480
Law Claims Levy Fund	28,092,354	29,939,395
Gross premium paid by Law Claims Levy Fund to Lexon	27,269,532	26,738,419
Professional fees paid to a firm which a director of Lexon is a member:		
FC Lawyers	29,617	-
Management fees paid to a firm which a director of Lexon is a member:		
AON Insurance Managers (Singapore) Pte Ltd	115,927	112,550
Key management personnel compensation for Lexon:		
Directors' fees	536,911	502,083
Other officers:		
Salaried and other short term employee benefits	1,651,514	1,508,928
Employer's contribution to defined contribution plans	112,869	110,082
Borrowings from Queensland Treasury Corporation		
Loan repayment	(1,217,935)	(1,217,935)

* QSS previously paid management fees to the Queensland Law Society Incorporated for services and resources used in the management and operation of the QSS business. These fees were fully funded through the QLS grant, resulting in no net impact on the operating result. At the QSS Directors' meeting held on 14 October 2024, the Board discussed the complexity of the current cost allocation methodology. The Board resolved that, effective from 1 July 2024, overhead allocations to QSS will be discontinued. Going forward, only direct costs will be reported in the financial statements.

E3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Changes in accounting policy

The Group did not voluntarily change any of its accounting policies during 2024-25.

Accounting standards early adopted

The Australian Accounting Standard, AASB 17 Insurance Contracts, has been early adopted from 1 July 2023. In Australia, public sector entities have an exemption to adopting AASB 17 until 1 July 2025. QLS has early adopted AASB 17 from 1 July 2023, on the basis its wholly owned subsidiary is required to adopt IFRS 17 from 1 July 2023. Queensland Treasury has approved that the Society can early adopt AASB 17 starting from 1 July 2023, per section 2C.1 of the Financial Reporting Requirements for Queensland Government Agencies.

Accounting standards applied for the first time

No Australian Standards have been applied for the first time during 2024-25.

E4 CLIMATE RISK DISCLOSURE

Whole-of Government Climate Reporting

The State of Queensland, as the ultimate parent of the agency, has published a wide range of information and resources on climate related risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate> and <https://www.energyandclimate.qld.gov.au/climate>.

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>

Queensland Law Society - Accounting Estimates and Judgement - Climate Related Risks

Queensland Law Society considers climate-related risks when assessing material accounting judgements and estimates used in preparing its financial report. Key estimates and judgments identified include the potential for changes in asset useful lives, fair value of assets, provisions or contingent liabilities and changes to future expenses and revenue.

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgments. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting the agency.

The agency continues to monitor the emergence of material climate-related risks that may impact the financial statements of the agency, directives from Government or Queensland Treasury.

Queensland Law Society Incorporated

Notes to the Financial Statements

For the year ended 30 June 2025

F1 TAXATION

Income tax is recognised on consolidation.

Queensland Law Society Incorporated (parent entity) is exempt from income tax by virtue of section 50-25 of the *Income Tax Assessment Act 1997* with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing activities and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Lexon is registered in Australia for income tax and has dual tax residency in Australia and Singapore. In relation to offshore insurance business, Lexon was extended for a period of 10 years from 17 February 2016 under the tax exemption scheme for captive insurers for Singapore taxation (exempt from tax). Lexon has met the requirements for continued qualification for the tax incentive scheme. Lexon is still liable to be taxed in Australia at a rate of 30% on its profits.

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities.

Deferred income tax is recognised for all temporary differences except when the deferred income tax arises from the initial recognition of an asset or liability which affects neither accounting nor taxable profit nor loss at the time of the transaction.

Current and deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by balance date, and are recognised as income or expenses in the Statement of Comprehensive Income, except to the extent that the tax arises from a transaction which is recognised directly in equity.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

F1-1 INCOME TAX EXPENSE

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Tax expense attributable to profit is made up of:				
Current income tax	5,126	5,419	-	-
Deferred income tax (Note F1-3)	776	2,712	-	-
	5,902	8,131	-	-
(Over)/under provision in preceding financial years	-	-	-	-
Current income tax	-	-	-	-
Total income tax (credit)/expense	5,902	8,131	-	-

Queensland Law Society Incorporated
Notes to the Financial Statements
For the year ended 30 June 2025

The tax expense on the Statement of Comprehensive Income differs from the amount that would arise using the standard tax rate due to the following:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Operating surplus before income tax	27,186	32,998	-	-
Tax calculated at a tax rate of 30% (2022: 30%)	8,156	9,899	-	-
Effects of:				
Income not subject to tax	(1,977)	(1,517)	-	-
Franking and other credits available	(277)	(252)	-	-
	5,902	8,131	-	-

F1-2 INCOME TAX RECEIVABLE

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Income tax at the beginning of the financial year	4,197	(448)	-	-
Income tax refunded/(paid)	(5,058)	(773)	-	-
Current year income tax	5,126	5,419	-	-
Income tax receivable at the end of the financial year	4,266	4,197	-	-

F1-3 DEFERRED INCOME TAX BALANCES

The movements in the deferred income tax accounts are as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets				
Balance at the beginning of the financial year	(1,084)	1,628	-	-
Charge to profit or loss:				
- Actuarial provisions	83	(250)	-	-
- Investment income	(927)	(2,515)	-	-
- Income losses	-	-	-	-
- Other	68	53	-	-
Net deferred tax asset at end of the financial year	(1,860)	(1,084)	-	-

Queensland Law Society Incorporated

Management Certificate

For the year ended 30 June 2025

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1) (b) of the Act we certify that in our opinion:

- a. the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- b. the financial statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Law Society Incorporated and its controlled entities for the financial year ended 30 June 2025 and of the financial position of the Group as at the end of that year.

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



President
Queensland Law Society
Genevieve Dee

28 August 2025



Chief Executive Officer
Queensland Law Society
Matt Dunn

28 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Council of Queensland Law Society Incorporated

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Law Society Incorporated (the parent) and its controlled entities (the group).

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2025, and their financial performance and cashflows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the parent and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Council is also responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the group or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of my auditor's report.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Lisa Fraser
as delegate of the Auditor-General

29 August 2025
Queensland Audit Office
Brisbane

LAW CLAIMS LEVY FUND

Financial Report

For the year ended 30 June 2025

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Law Claims Levy Fund
Statement of Comprehensive Income
for the year ended 30 June 2025

		2025	2024
	Notes	\$'000	\$'000
Revenue			
Insurance levies	B1-1	28,092	29,939
Total levies		28,092	29,939
Other income			
Interest income		125	51
Investment income	C3	3,319	1,720
Realised gains/(losses) on investments	C3	2,331	979
Fair value gains/(losses) on investments	C3	119	3,020
Total other income	B1-2	5,894	5,770
Total revenue		33,986	35,709
Expenses			
Administration expenses	B2-1	1,450	1,385
Audit fees	B2-2	31	28
Insurance premiums	B2-3	25,439	27,171
Stamp duty		2,225	2,397
Total expenses		29,145	30,981
Operating result for the year		4,841	4,728
Other comprehensive income		-	-
Total comprehensive income for the year		4,841	4,728

The accompanying notes form part of these statements.

Law Claims Levy Fund
Statement of Financial Position
as at 30 June 2025

		2025	2024
	Notes	\$'000	\$'000
Current assets			
Cash and cash equivalents	C1	2,710	2,983
Receivables	C2	23,894	27,010
Total current assets		26,604	29,993
Non-current assets			
Investments	C3	64,233	58,464
Total non-current assets		64,233	58,464
Total assets		90,837	88,457
Current liabilities			
Income in advance	C4	24,467	26,877
Payables	C5	101	152
Total current liabilities		24,568	27,029
Total liabilities		24,568	27,029
Net assets		66,269	61,428
Equity			
Accumulated surplus		66,269	61,428
Total equity		66,269	61,428

The accompanying notes form part of these statements.

Law Claims Levy Fund
Statement of Changes in Equity
for the year ended 30 June 2025

	2025	2024
	\$'000	\$'000
Accumulated surplus		
Balance at 1 July	61,428	56,700
Total comprehensive income for the year	4,841	4,728
Balance at 30 June	66,269	61,428

The accompanying notes form part of these statements.

Law Claims Levy Fund
Statement of Cash Flows
for the year ended 30 June 2025

		2025	2024
		\$'000	\$'000
	Notes	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from the profession and reinsurers		28,826	29,857
Payments to suppliers		(29,260)	(30,896)
Interest received		125	51
GST receipts		-	-
GST (paid to) / received from ATO		36	26
Net cash (used in)/generated from operating activities	C1	(273)	(962)
Cash flows from investing activities			
Investments redeemed		-	3,000
Net cash generated from investing activities		-	3,000
Net increase/(decrease) in cash and cash equivalents held		(273)	2,038
Cash and cash equivalents at the beginning of the financial year		2,983	945
Cash and cash equivalents at the end of the financial year	C1	2,710	2,983

The accompanying notes form part of these statements.

Law Claims Levy Fund
Notes to the financial statements
for the year ended 30 June 2025

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

Queensland Law Society Incorporated ('the Society' or 'QLS'), pursuant to s232 of the *Legal Profession Act 2007* (the Act) is authorised to establish and maintain a fund for the purposes of providing insurance to the legal profession of Queensland.

The Law Claims Levy Fund (the Fund) was created in 1987 to provide professional indemnity insurance to Queensland solicitors. The Fund is responsible for the management of professional indemnity claims of practitioners for the years 1987 to 1995, and the administration of insurance matters (jointly with Lexon Insurance Pte Ltd) in accordance with the *Queensland Law Society Indemnity Rule 2005*.

The Fund was wholly controlled by the Society for the whole reporting period.

The principal place of business of the Fund is 179 Ann Street, Brisbane, QLD 4000.

A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The Fund has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with the Queensland Treasury's minimum Financial Reporting Requirements for reporting periods beginning on or after 1 July 2024.

The Fund is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

A1-3 PRESENTATION

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2023-2024 financial statements.

Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within twelve (12) months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within twelve (12) months after the reporting date, or the Fund does not have an unconditional right to defer settlement to beyond twelve (12) months after the reporting date.

Investments are classified as 'non-current' as they are kept as long term and the full value will not be realised within the accounting year.

All other assets and liabilities are classified as 'non-current'.

Law Claims Levy Fund

Notes to the financial statements

for the year ended 30 June 2025

A1-4 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for investments which are measured at fair value.

Historical cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value measurement

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 under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement costs methodology.
- The *income approach* converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Where fair value is used, the fair value approach is disclosed.

A1-5 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Queensland Law Society Incorporated's President and Chief Executive Officer at the date of signing the Management Certificate.

A2 THE FUND'S OBJECTIVES

The Fund administers insurance matters (jointly with Lexon Insurance Pte Ltd) in accordance with the *Queensland Law Society Indemnity Rule 2005*. The main source of income is the collection of Professional Indemnity insurance levies for payment of insurance premiums to Lexon under the Master Policy in accordance with the Indemnity Rule.

The Fund continues to accumulate reserves in accordance with actuarial assessments for the benefit of all practitioners who have contributed to the Fund.

The fund is responsible for individual claims costs up to a predefined amount which varied per insurance year for the periods 1987 to 1995. In 2001, the fund entered into an aggregate policy with Lexon Insurance Pte Ltd to cap the sum of the individual claims that remained outstanding. This aggregate amount has not been exceeded and given the fund currently has no outstanding claims it is unlikely further claims expenses will be incurred.

Law Claims Levy Fund

Notes to the financial statements

for the year ended 30 June 2025

B1 REVENUE

B1-1 INSURANCE LEVIES

Insurance levies are recognised as revenue at the commencement of the risk period covered by the policy and accrued proportionally over the period of coverage.

Additional levies may be imposed in accordance with the indemnity rules and are accounted for separately and disclosed as income of the Fund.

All insurance levies collected via the Queensland Law Society Incorporated renewal process were transferred to the Fund. The levies collected and any surpluses of the Fund can only be used in accordance with the Indemnity Rules for insurance purposes.

B1-2 OTHER INCOME

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset and is also recognised net of bank charges.

Distributions from investments are recognised in profit and loss when declared by fund managers.

Realised gains/losses represent the net gains/losses on the sale of investments and are recognised when investments are sold during the course of the year. Fair value gains/losses are recognised monthly based on fluctuations in market prices of investments.

B2 EXPENSES

B2-1 ADMINISTRATION EXPENSES

The Fund reimburses costs incurred by the Society for execution of discrete projects relating to risk management in the profession. This includes the development of resources and educational units designed to reduce the exposure of solicitors with respect to compensation and/or damages claims. These resources include legal project management, the QLS Legal Ethics Course and Solicitor Advocates Course and publications for practice support and risk management.

	2025	2024
	\$'000	\$'000
Management fees paid to Queensland Law Society	62	47
Grant paid to Queensland Law Society	999	994
	1,061	1,041
Investment managers' fees	245	230
Sundry expenses	144	114
Total administration expenses	1,450	1,385

B2-2 AUDIT FEES

Total audit fees paid and payable to the Queensland Audit Office to perform the audit of the Fund's financial statement for 2024-25 are \$31,200 (2024: \$28,400). There are no non-audit services included in this amount.

Law Claims Levy Fund
Notes to the financial statements
for the year ended 30 June 2025

B2-3 INSURANCE PREMIUMS

Insurance premiums are paid to Lexon Insurance Pte Ltd, a wholly owned entity of the Society, under the Master Policy in accordance with the Indemnity Rules.

C1 CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits on call with financial institutions. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2025 \$'000	2024 \$'000
Current assets:		
Cash at bank	21	64
Short term deposits	2,689	2,919
Total cash and cash equivalents	2,710	2,983

Reconciliation of the operating result for the year to net cash (used in) from operating activities

	2025 \$'000	2024 \$'000
Operating result for the year	4,841	4,728
<i>Adjustments for:</i>		
Net investment income	(3,438)	(4,740)
(Gain)/loss on disposal of investments	(2,331)	(979)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	3,116	1,222
Increase/(decrease) in payables	(72)	106
Increase/(decrease) in income in advance	(2,410)	(1,299)
Net cash (used in)/generated from operating activities	(273)	(962)

Law Claims Levy Fund
Notes to the financial statements
for the year ended 30 June 2025

C2 RECEIVABLES

Receivables represent investment redemption, levies, GST, interest and distributions earned on funds held up to balance date which have not yet been received.

These financial assets are initially recognised at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets.

The Fund assesses at each reporting date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. A further allowance for impairment is calculated by applying the simplified approach to the calculation of lifetime expected credit losses.

The percentage applied is calculated based on historical default rates with a forward-looking estimate adjustment which incorporates various risk factors appropriate for the class of receivable being assessed.

	2025	2024
	\$'000	\$'000
Other receivables	64	36
Levies receivable from the Society	23,828	26,972
GST receivable	2	2
Total receivables	23,894	27,010

Law Claims Levy Fund
Notes to the financial statements
for the year ended 30 June 2025

C3 INVESTMENTS

Investments are held at fair value through profit or loss. The investments are managed, and their performances are evaluated on a fair value basis, in accordance with a documented investment strategy.

The portfolio of investments held consists of collective investment schemes. The fair value of the investments is determined using net asset value of the collective investment schemes.

Fair value measurements

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Fund include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Fund's assets/liabilities. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

All assets and liabilities of the Fund for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- level 1 – represents fair market value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

The fair value of investments is determined using the market approach and categorised into level 2 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

All financial assets at fair value are classified as Level 2.

	2025	2024
	\$'000	\$'000
Investment in collective investment schemes		
Opening balance	58,464	55,745
Additions	-	-
Additions via reinvestment	3,319	1,720
Disposal proceeds	-	(3,000)
Gain / (loss) on disposal	2,331	979
Fair value movements	119	3,020
Closing balance	64,233	58,464

Law Claims Levy Fund
Notes to the financial statements
for the year ended 30 June 2025

C4 INCOME IN ADVANCE

Income in advance relates to insurance levies collected from the profession during the renewals cycle in May in relation to the upcoming insurance year. Current year levies in advance relate to collections for the insurance year 1 July 2025 to 30 June 2026.

	2025	2024
	\$'000	\$'000
Levies received in advance for next financial year	24,467	26,877

C5 PAYABLES

Trade creditors are recognised on receipt of the goods or services and are carried at actual amounts, gross of applicable trade and other discounts. Amounts are unsecured and are generally settled on 30-days terms.

	2025	2024
	\$'000	\$'000
Amounts payable to the Society	28	106
Other payables and accruals	73	46
Total payables	101	152

D1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Fund has made no judgements or assumptions which may cause a material adjustment to the carrying amounts of assets and liabilities in the current reporting period.

D2 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Recognition of Financial Instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Fund becomes party to the contractual provisions of the financial instrument.

Classification of Financial Instruments

Financial instruments are classified as follows:

- Cash and cash equivalents (see note C1)
- Receivables – held at amortised cost (see note C2)
- Investments – fair value through profit or loss (see note C3)
- Payables – held at amortised cost (see notes C5)

The Fund does not enter into transactions for speculative purposes, nor for hedging.

Financial risk

The Fund's activities expose it to a variety of financial risks: market risk (currency risk, price and interest rate risk) and liquidity risk.

D2 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Currency risk

The Fund is not exposed to significant foreign currency risk as the majority of the Fund's transactions, assets and liabilities are denominated in Australian dollars.

The Fund outsources its investment activities to respected fund managers who use defined risk management techniques as part of the fund's investment mandate.

Management regularly reviews the performance and ensures all investments held are within the approved mandate.

All investments in income securities are predominantly hedged where a currency exposure exists.

As part of the Fund's investment mandate, it may hold units in funds which hold unhedged international securities. Any unhedged position will be in accordance with the strategic asset allocation and is monitored regularly by management.

Price and interest rate risk

The Fund is exposed to equity securities price risk arising from the investments. These securities are held with Australian fund managers.

The Fund seeks to reduce risk by diversifying across a range of securities, maturities and counterparties. Investment of funds are subject to risk control limits and constraints as follows:

Duration and tracking error limits (interest rate management)

- The Modified Duration of the funds is constrained within a specified period either side of the Modified Duration of the Benchmark.
- Rolling year ex post tracking error will be limited to a specified number of basis points. The ex-ante tracking error of the funds is not expected to exceed a specified number of basis points.

Sector Exposure Bands

- The weighting of each sector (e.g. domestic, international – government, non-government) within the funds will be maintained in specified limits as per the investment policy.

Credit limits

- The funds will be invested in a broad and diversified range of securities across the credit spectrum.

Credit risk limits for individual security investments

- Individual security limits apply for direct physical holdings based on their credit rating and inclusion in the benchmark.

Management regularly reviews the performance and ensure all investments held are within the approved mandate.

Sensitivity analysis

Financial assets at fair value through profit or loss have had the following sensitivity analysis applied, which are based on the Australian Prudential Regulatory Authority's (APRA) General Insurance Prudential Standard GPS 114.

Interest rate sensitivity

Interest rate sensitivity measures the changes on the capital base from changes in real interest rates. The sensitivity has been determined by multiplying the nominal risk-free interest rate by -0.20% (downward stress) and 0.25% (upward stress), with a maximum stress adjustment of 2.00% in either direction.

D2 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Sensitivity analysis – continued

Inflation risk sensitivity

Expected inflation sensitivity measures the changes on the capital base from changes to expensed consumer price index inflation rates. The sensitivity has been determined by adjusting the expected inflation rates by adding 1.25% (upward movement) and subtracting 1.00% (downward movement).

Currency sensitivity

Currency sensitivity measures the changes in the capital base due to changes in foreign currency exchange rates with Singapore Dollar. The sensitivity has been determined by applying a 25% increase and 25% decrease in exchange rates. An increase in the Australian Dollar is divided by 1.25 (or multiplied by 0.8) while a decrease is divided by 0.75 (or multiplied by 1.333).

Equity sensitivity

Equity sensitivity measures the change on the capital base of a fall in equity and other asset values. For listed equities, the fall is determined by increasing the dividend yield on the ASX 200 index by 2.5 percent. For unlisted equities, the fall is determined by increasing the dividend yield on the ASX 200 index by 3.0 percent.

Property stress

Property sensitivity measures the change on the capital base of a fall in property and infrastructure asset values. The fall is determined by increasing the rental yield (for property assets) or earnings yield (for infrastructure assets) by 2.75 percent.

Credit spread stress

Credit spread sensitivity measures the change on the capital base of an increase in credit spreads and the risk of default. The sensitivity has been determined by adding a spread (based on APRA credit spread and default factors) to the current yield on the asset and multiplying the reduced value of the asset by (1 – default factor).

The below details the impact to investments at fair value through profit or loss before tax and before any aggregation benefits.

	2025	2024
	\$'000	\$'000
Stress Test	Upward impact	
Interest rate	(1,101)	(859)
Inflation	(988)	(945)
Currency	(1,375)	(1,223)
	Downward impact	
Interest rate	880	689
Inflation	796	756
Currency	(1)	(1)
Stress Test	Impact	
Equity	(10,871)	(10,085)
Property	(1,064)	(922)
Credit spread	(1,545)	(1,259)

D2 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

In the management of liquidity risks, the Fund monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Fund's operations and mitigate the effects of fluctuations in cash flows. The Fund also constantly reviews its investment to ensure that there are sufficient cash and liquid deposits to meet its estimated outflows.

The Fund manages its expected cash flow requirements using the latest actuarial valuations detailing projected cash flows. These are monitored in conjunction with available cash and investments readily convertible to cash.

As at reporting date, the Fund's financial liabilities are all current.

D3 CONTINGENT LIABILITIES

Under the present insurance agreements, the total liability of the Fund for the respective years of insurance is limited to \$100,000 (1987-1994) and \$500,000 (1995) per individual claim and this amount is reduced by the amount of the solicitors' deductible. Also, an aggregate limit per respective year of insurance applies and this limits the total liability of the Fund. As at 30 June 2025, there are no claims against the Fund.

From 1 July 2001, the Fund has a policy with Lexon Insurance Pte Ltd (Lexon) which capped its liability at \$5,000,000 for future claim payments up to and including the 1995-1996 insurance year. The Fund ceased to provide cover following the end of the 1995-1996 insurance year. Given the length of time it is unlikely that any further claims against the Fund will arise.

Based on actuarial advice in respect of the position of the Fund as at 30 June 2025 (Finity – August 2025), the insurance in place with regard to the limits per file, and the overall Fund's aggregate limit as at 30 June 2025, the Society is of the opinion that the funds on hand together with future investment income and deductibles, and in conjunction with Stop Loss cover with Lexon will ensure that all future claims will be met as and when they fall due.

There are no events subsequent to reporting date requiring disclosure in the financial report.

Law Claims Levy Fund
Notes to the financial statements
for the year ended 30 June 2025

E1 RELATED PARTY TRANSACTIONS

The following significant transactions took place between the Fund and its related parties during the financial period on commercial terms agreed by the parties concerned.

	2025	2024
	\$'000	\$'000
Collected levies received from Queensland Law Society	28,092	29,939
Gross premium paid to Lexon	27,270	26,738
Management fees paid to Queensland Law Society	62	47
Grants paid to Queensland Law Society	999	994
Total related party transactions	56,423	57,718

E2 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Changes in accounting policy

The Fund did not voluntarily change any of its accounting policies during 2024-25.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2024-25.

Accounting standards applied for the first time

No Australian accounting standards or interpretations that apply for the first time during 2024-25 had any impact on the Fund.

E3 TAXATION

The Fund is exempt from income tax by virtue of section 50-25 of the *Income Tax Assessment Act 1997* with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

Law Claims Levy Fund Management Certificate for the year ended 30 June 2025

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

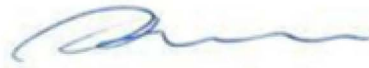
- a. the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- b. the financial statements have been drawn up to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Law Claims Levy Fund for the financial year ended 30 June 2025 and of the financial position of the Fund as at the end of that year.

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



President
Queensland Law Society
Genevieve Dee

28 August 2025



Chief Executive Officer
Queensland Law Society
Matt Dunn

28 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Council of Law Claims Levy Fund

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Law Claims Levy Fund.

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2025, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Council is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Lisa Fraser
as delegate of the Auditor-General

29 August 2025
Queensland Audit Office
Brisbane

QLS SOLICITOR SUPPORT PTY LTD

Financial Report
For the year ended 30 June 2025

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QLS Solicitor Support Pty Ltd

Directors' Report for the year ended 30 June 2025

The directors present their report, together with the financial statements, on QLS Solicitor Support Pty Ltd (QSS) for the year ended 30 June 2025.

Directors

Position	Person	Start of Term	End of Term
Chairperson & Director	Ms Grace van Baarle	17/02/2025	Current
Chairperson & Director	Mr Stafford Shepherd	01/07/2024	28/02/2025
Director	Ms Grace van Baarle	17/06/2021	16/02/2025
Director	Mr Peter Gamin	26/08/2021	02/09/2024
Director	Mr Mark Illidge	01/07/2023	Current
Director and Public Officer	Mr Peter Lucas	02/09/2024	Current
Director	Ms Judy Hayward	01/07/2023	Current

Principal activities

QSS provides full members of the Queensland Law Society (QLS) with practice and ethical guidance, support and counsel. QSS does not give guidance or counsel on issues relating to entitlement to practice, practising certificates or the conditions which may be imposed on practising certificates.

QSS provides guidance on:

- *Australian Solicitors Conduct Rules 2012* (Qld)
- practice management
- practice and ethics issues
- client identification and verification
- client relationships and solicitor relationships
- cybersecurity issues.

Dividends

No dividends were paid during the financial year.

Review of Operations

The profit for QSS after providing for income tax amounted to \$0 (30 June 2024: \$0).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of QSS during the financial year.

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 30 June 2025 that has significantly affected, or may significantly affect QSS' operations, results or the state of affairs in future financial years.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

QLS Solicitor Support Pty Ltd

Directors' Report for the year ended 30 June 2025

Shares under option

There were no unissued ordinary shares of QSS under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of QSS issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of QSS for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Ms Grace van Baarle, Chairperson
& Director
29 August 2025

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of QLS Solicitor Support Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of QLS Solicitor Support Pty Ltd for the financial year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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



Lisa Fraser
as delegate of the Auditor-General

29 August 2025

Queensland Audit Office
Brisbane

QLS Solicitor Support Pty Ltd
Statement of Comprehensive Income
for the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Revenue			
Grant Funding	B1	741,459	1,727,311
Total revenue		741,459	1,727,311
Expenses			
Administration expenses	B2-1	41,762	57,676
Employee expenses	B2-2	699,697	624,605
Management Fees	B2-3	-	1,045,030
Total expenses		741,459	1,727,311
Profit before tax		-	-
Income tax		-	-
Profit after tax		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The accompanying notes form part of these statements.

QLS Solicitor Support Pty Ltd
Statement of Financial Position
as of 30 June 2025

	Notes	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	C1	5,270	5,390
Prepayments	C3	14,065	14,798
Total current assets		19,335	20,188
Total assets		19,335	20,188
Current liabilities			
Payables	C4	19,215	20,068
Total current liabilities		19,215	20,068
Total liabilities		19,215	20,068
Net assets		120	120
Equity			
Share capital		120	120
Accumulated surplus		-	-
Total equity		120	120

The accompanying notes form part of these statements.

QLS Solicitor Support Pty Ltd
Statement of Changes in Equity
for the year ended 30 June 2025

	2025	2024
	\$	\$
Share Capital		
Balance on 1 July	120	120
Share capital issued	-	-
Balance on 30 June	120	120
Accumulated Surplus		
Balance on 1 July	-	-
Total comprehensive income for the year	-	-
Balance on 30 June	-	-

The accompanying notes form part of these statements.

QLS Solicitor Support Pty Ltd
Statement of Cash Flows
for the year ended 30 June 2025

	NOTES	2025 \$ Inflows/ (Outflows)	2024 \$ Inflows/ (Outflows)
Cash flows from operating activities			
Grant funding		740,639	1,726,891
Administration, employee expenses and other payments		(740,759)	(1,727,011)
Net cash generated from/ (used by) operating activities		(120)	(120)
Cash flows from financing activities			
Share capital issued		-	-
Net cash from financing activities		-	-
Net increase in cash and cash equivalents held		(120)	(120)
Cash and cash equivalents at the beginning of the financial year		5,390	5,510
Cash and cash equivalents at the end of the financial year	C1	5,270	5,390

The accompanying notes form part of these statements.

QLS Solicitor Support Pty Ltd

Notes to the Financial Statements

for the year ended 30 June 2025

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

QLS Solicitor Support Pty Ltd (QSS) was incorporated on 10 September 2019 and commenced operating on 1 October 2019. QSS provides full members of QLS with practice and ethical guidance, support and counsel.

The principal place of business of QSS is 179 Ann Street, Brisbane QLD 4000.

QSS is an incorporated legal practice under the *Legal Profession Act 2007* and is a wholly owned subsidiary of Queensland Law Society Incorporated (the Society).

A1-2 BASIS OF PREPARATION

This financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards – Simplified Disclosures. The financial statements comply with the recognition and measurement requirements of all Australian Accounting Standards and Interpretations and the presentation requirements in those standards as modified by AASB 1060.

A1-3 PRESENTATION

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest dollar.

Comparatives

Comparative information reflects the audited 2023-24 financial statements.

Current/non-current classification

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the company does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

A1-4 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except where stated otherwise.

QSS is a for profit private company and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to for profit private entities.

A2 QSS'S OBJECTIVES

QSS's objectives are to provide legal services for the delivery of guidance, support and counsel to members of the Society and other legal practitioners on ethical and legal practice management issues. They also provide education and publications on legal ethics to the legal profession and practice management members of the Society and other legal practitioners.

A3 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by QSS's Chairperson at the date of signing the Directors' Declaration.

QLS Solicitor Support Pty Ltd
Notes to the Financial Statements
for the year ended 30 June 2025

B1 REVENUE

QSS receives grant funding from the Society to contribute toward the cost of operating. In accordance with AASB 1058, grants are recognised as revenue within the period they are received as they do not contain sufficiently specific performance obligations.

	2025	2024
	\$	\$
Grant funding		
Grant funding	741,459	1,727,311
Total revenue	741,459	1,727,311

B2 EXPENSES

B2-1 ADMINISTRATION EXPENSES

	2025	2024
	\$	\$
Insurance	14,798	26,792
Audit fees paid to Queensland Audit Office	7,900	7,200
Travel and accommodation	13,169	14,396
Other administration expenses	5,895	9,288
Professional and consulting fees	-	-
Total administration expenses	41,762	57,676

Total audit fees paid and payable to the Queensland Audit Office to perform the audit of the Company's financial statements for 2024-25 are \$7,900 (2024: \$7,200). There are no non-audit services included in this amount.

B2-2 EMPLOYEE EXPENSES

	2025	2024
	\$	\$
Wages and salaries	560,053	510,723
Annual leave taken	39,182	31,192
Personal leave taken	19,197	16,810
Long service leave taken	-	3,231
QLS parental leave taken	7,031	-
Employer superannuation contributions	70,945	61,206
Payroll tax	34,473	31,160
Workers' compensation premiums	1,735	1,864
Movement in annual and long service leave provision	(33,045)	(31,581)
Staff training and development	126	-
Total employee expenses	699,697	624,605

QLS Solicitor Support Pty Ltd
Notes to the Financial Statements
for the year ended 30 June 2025

Accounting policy – wages and salaries

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at current salary rates. As QSS expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Accounting policy – superannuation

Superannuation contributions are made to eligible complying superannuation funds based on the rates specified in the relevant conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period. Any contributions due but unpaid at reporting date are recognised in the Statement of Financial Position at current rates. As QSS expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Key management personnel and remuneration disclosures are detailed in Note E1.

B2-3 MANAGEMENT FEES PAID TO THE QUEENSLAND LAW SOCIETY INCORPORATED

	2025	2024
	\$	\$
Management fees	-	1,045,030
Total management fees paid to the Queensland Law Society	-	1,045,030

QSS previously paid management fees to the Queensland Law Society Incorporated for services and resources used in the management and operation of the QSS business. These fees were fully funded through the QLS grant, resulting in no net impact on the operating result.

At the QSS Directors' meeting held on 14 October 2024, the Board discussed the complexity of the current cost allocation methodology. The Board resolved that, effective from 1 July 2024, overhead allocations to QSS will be discontinued. Going forward, only direct costs will be reported in the financial statements.

QLS Solicitor Support Pty Ltd
Notes to the Financial Statements
for the year ended 30 June 2025

C1 CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash assets include all cash and cheques receipted and banked on 30 June as well as deposits on call with financial institutions.

	2025	2024
	\$	\$
Cash on hand	5,270	5,390
Total cash and cash equivalents	5,270	5,390

C2 FINANCIAL INSTRUMENTS

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when QSS becomes party to a contractual provision of a financial instrument.

Classification

Financial instruments are classified as follows:

- Receivables – held at amortised cost
- Payables – held at amortised cost
- Cash and cash equivalents

QSS does not hold any other financial instruments.

Liquidity risk

In the management of liquidity risks, QSS monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance QSS’s operations and mitigate effects of fluctuations in cash flows.

QSS manages its expected cash flow requirements against the budget.

QLS Solicitor Support Pty Ltd
Notes to the Financial Statements
for the year ended 30 June 2025

C3 RECEIVABLES

All receivables are recognised on an accrual basis and are carried at actual amounts. Receivables are measured at amortised cost which approximates their fair value at reporting date.

	2025	2024
	\$	\$
Prepayments	14,065	14,798
Total receivables	14,065	14,798

C4 PAYABLES

Trade creditors are recognised on receipt of goods or services and are carried at actual amounts, gross of applicable trade and other discounts. Amounts are unsecured and are generally settled on 30-day terms.

	2025	2024
	\$	\$
Payables	19,215	20,068
Total payables	19,215	20,068

D1 CONTINGENT LIABILITIES AND EVENTS AFTER BALANCE DATE

There were no known contingent liabilities on 30 June 2025 (2024: Nil). There are no events subsequent to reporting date requiring disclosure in the financial report.

QLS Solicitor Support Pty Ltd

Notes to the Financial Statements

for the year ended 30 June 2025

E1 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel and remuneration disclosures are made in accordance with the *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Board during 2024-25. The role of Chair is supported by the appointed board members.

Position	Position Responsibility
Chairperson	Responsible for chairing QSS Board meetings, chairing QSS Shareholder meetings, overseeing functions performed by board members, leading the board, authorising operational matters and complying with its obligations under the <i>Corporations Act 2001</i> (Cth) and as an Incorporated Legal Practice (ILP) director under the <i>Legal Professional Act 2007</i> (Qld).
Director	Responsible for governing QSS to ensure it is appropriately run – including overseeing proper financial accounts, insurance and risk, providing strategic guidance, decision making with due care and consideration and complying with its obligations under the <i>Corporations Act 2001</i> (Cth).

Position	Person	Start of Term	End of Term
Chairperson	Ms Grace van Baarle	17/02/2025	Current
Chairperson & Director	Mr Stafford Shepherd	01/07/2024	28/02/2025
Director	Ms Grace van Baarle	17/06/2021	16/02/2025
Director	Mr Peter Gamin	26/08/2021	02/09/2024
Director	Mr Mark Illidge	01/07/2023	Current
Director and Public Officer	Mr Peter Lucas	02/09/2024	Current
Director	Ms Judy Hayward	01/07/2023	Current

KMP Remuneration Policy

The board of directors of QSS is constituted by four (voluntary) directors under clause 50 of its Constitution. The directors are not remunerated for their services to QSS.

The Chairperson Mr Stafford Shepherd was remunerated with Gross Amount of 28,747 and Superannuation 3,305 during 2024-25. The Chairperson Ms Grace van Baarle was remunerated with Gross Amount of 30,461 and Superannuation 3,503 during 2024-25 (from 17.02.25 till 30.06.25).

QLS Solicitor Support Pty Ltd
Notes to the Financial Statements
for the year ended 30 June 2025

E2 RELATED PARTY TRANSACTIONS

The following significant transactions took place between QSS and related parties during the financial period on commercial terms agreed between the parties concerned.

	2025	2024
	\$	\$
Grant funding received from Queensland Law Society	741,459	1,727,311
Management fees paid to Queensland Law Society	-	1,045,030

E3 TAXATION

QSS is a taxable entity and therefore subject to tax on any taxable income.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

E4 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Changes in accounting policy

QSS did not voluntarily change any of its accounting policies during 2024-25.

Accounting standards applied for the first time

No Australian accounting standards or interpretations that apply for the first time during 2024-25 had any impact on QSS.

QLS Solicitor Support Pty Ltd

Directors' Declaration

for the year ended 30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards – Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements.
- the attached financial statements and notes give a true and fair view of the company's financial position as of 30 June 2025 and of its performance for the financial year ended on that date, and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors:



Chairperson & Director
Grace van Baarle

29 August 2025



Director
Peter Lucas

29 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of QLS Solicitor Support Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of QLS Solicitor Support Pty Ltd.

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the directors' declaration.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2025, and its financial performance and cash flows for the year then ended; and
- b) complies with Australian Accounting Standards – Simplified Disclosures.

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I am also independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The directors are responsible for the other information.

The other information comprises the information included in the directors' report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.



Lisa Fraser
as delegate of the Auditor-General

29 August 2025

Queensland Audit Office
Brisbane

LEGAL PRACTITIONERS' FIDELITY GUARANTEE FUND

Financial Report
For the year ended 30 June 2025

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Legal Practitioners' Fidelity Guarantee Fund
Statement of Comprehensive Income
for the year ended 30 June 2025

	Notes	2025 \$'000	2024 \$'000
Revenue			
Practitioner levies	B1-1	3,966	3,630
Investment income	B1-2	1,375	728
Realised gains/(losses) on investments	C3	898	374
Fair value gains/(losses) on investments	C3	37	1,056
Total revenue		6,275	5,788
Expenses			
Administration expenses	B2-1	220	282
Notified claims (net of reversals)	C6	1,550	2,348
Investment fees		94	83
Management fees paid to the Queensland Law Society	B2-2	947	954
Total expenses		2,811	3,667
Operating result for the year		3,464	2,121
Other comprehensive income		-	-
Total comprehensive income for the year		3,464	2,121

The accompanying notes form part of these statements.

Legal Practitioners' Fidelity Guarantee Fund
Statement of Financial Position
as at 30 June 2025

		2025	2024
	Notes	\$'000	\$'000
Current assets			
Cash and cash equivalents	C1	2,012	1,466
Receivables	C2	3,924	3,574
Total current assets		5,936	5,040
Non-current assets			
Investments	C3	24,090	21,903
Total non-current assets		24,090	21,903
Total assets		30,026	26,943
Current liabilities			
Payables	C4	82	75
Income in advance	C5	3,864	3,570
Provision for notified claims	C6	1,561	2,243
Total current liabilities		5,507	5,888
Total liabilities		5,507	5,888
Net assets		24,519	21,055
Equity			
Accumulated surplus		24,519	21,055
Total equity		24,519	21,055

The accompanying notes form part of these statements.

Legal Practitioners’ Fidelity Guarantee Fund
Statement of Changes in Equity
for the year ended 30 June 2025

	2025 \$'000	2024 \$'000
Accumulated surplus		
Balance at 1 July	21,055	18,934
Total comprehensive income for the year	3,464	2,121
Balance at 30 June	24,519	21,055

The accompanying notes form part of these statements.

Legal Practitioners' Fidelity Guarantee Fund
Statement of Cash Flows
for the year ended 30 June 2025

		2025	2024
		\$'000	\$'000
	Notes	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities			
Contributions by practitioners and cost recoveries		3,919	3,545
Notified claim payments		(2,277)	(2,008)
Administration expenses		(1,221)	(1,323)
Interest received		112	109
GST (paid to) / received from ATO		13	10
Net cash used in operating activities	C1	546	333
Cash flows from investing activities			
Proceeds from investments		-	-
Net cash generated from investing activities		-	-
Net increase/(decrease) in cash and cash equivalents held		546	333
Cash and cash equivalents at the beginning of the financial year		1,466	1,133
Cash and cash equivalents at the end of the financial year	C1	2,012	1,466

The accompanying notes form part of these statements.

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

Queensland Law Society Incorporated ('the Society'), pursuant to s359 of the *Legal Profession Act 2007* (the Act) is required to maintain the Legal Practitioners' Fidelity Guarantee Fund (the Fund).

The principal place of the Fund is 179 Ann Street, Brisbane, QLD 4000.

A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The Fund has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2024.

The Fund is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

A1-3 PRESENTATION

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2023-24 financial statements.

Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within twelve (12) months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within twelve (12) months after the reporting date, or the Fund does not have an unconditional right to defer settlement to beyond twelve (12) months after the reporting date.

All other assets and liabilities are classified as 'non-current'.

A1-4 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except where stated otherwise.

Historical cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value

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 under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Legal Practitioners' Fidelity Guarantee Fund
Notes to the Financial Statements
for the year ended 30 June 2025

A1 BASIS OF FINANCIAL STATEMENT PREPARATION
(continued)

A1-4 BASIS OF MEASUREMENT (continued)

Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement costs methodology.
- The *income approach* converts multiple future cash flows amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Where fair value is used, the fair value approach is disclosed.

A2 THE FUND'S OBJECTIVES

The Fund has been established for the purpose of providing a source of compensation for defaults by law practices arising from acts or omissions of associates of the law practices. A major source of income for the Fund is levies from legal practitioners.

A3 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Queensland Law Society Incorporated's President and Chief Executive Officer at the date of signing the Management Certificate.

Legal Practitioners' Fidelity Guarantee Fund
Notes to the Financial Statements
for the year ended 30 June 2025

B1 REVENUE

B1-1 PRACTITIONER LEVIES

Revenues are recognised at the consideration received net of any amount of GST payable to the ATO. Practitioner levies are recognised as revenue in the applicable membership year. For the Financial Year 2024-25 the Society determined a prudential increase to practitioner contribution levies as required to maintain the Fund and meet anticipated expenses.

	2025	2024
	\$'000	\$'000
Practitioner levies	3,941	3,546
Claim payment recoveries	25	84
Total practitioner levies	3,966	3,630

B1-2 INVESTMENT INCOME

Distribution from investments income is recognised when declared by fund managers.

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset and is also recognised net of bank charges.

	2025	2024
	\$'000	\$'000
Distributions from investments	1,253	619
Interest income	122	109
Total investment income	1,375	728

B2 EXPENSES

B2-1 ADMINISTRATION EXPENSES

	2025	2024
	\$'000	\$'000
Wages and salaries	158	121
Annual leave taken	6	8
Personal leave taken	1	4
Audit fees	17	15
Legal fees	34	132
Sundry expenses	4	2
Total administration expenses	220	282

Total audit fees paid and payable to the Queensland Audit Office to perform the audit of the Fund's financial statements for 2024-25 are \$17,000 (2024: \$15,000). There are no non-audit services included in this amount.

B2-2 FEES PAID TO QUEENSLAND LAW SOCIETY INCORPORATED

	2025	2024
	\$'000	\$'000
Management fees paid to the Society	197	205
Grant funding paid to Queensland Law Society	750	749
Total management fees paid to the Queensland Law Society	947	954

Legal Practitioners' Fidelity Guarantee Fund

Notes to the Financial Statements

for the year ended 30 June 2025

The Fund pays management fees to the Queensland Law Society Incorporated for services and resources used in the management and operating of the Fund's business.

C1 CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits on call with financial institutions. The cash deposit account is an interest-bearing account which is readily convertible to cash on hand at the Fund's option.

	2025	2024
	\$'000	\$'000
Cash assets	42	20
Cash deposit account	1,970	1,446
Total cash and cash equivalents	2,012	1,466

Reconciliation of operating result for the year to net cash (used in) operating activities

	2025	2024
	\$'000	\$'000
Operating result for the year	3,464	2,121
<i>Adjustments for:</i>		
Net investment income	(1,289)	(1,675)
(Gain)/loss on disposal of investments	(898)	(374)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(350)	(453)
Increase/(decrease) in payables	7	6
Increase/(decrease) in income in advance	294	368
increase/(decrease) in provision for notified claims	(682)	340
Net cash (used in) operating activities	546	333

C2 RECEIVABLES

Interest receivable represents interest accruals for amounts received in the month after balance date.

The Fund has brought to account fines and cost recoveries receivable from practitioners. These receivables have been recognised on an accruals basis and are carried at actual amounts.

The Fund assesses at each reporting date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. A further allowance for impairment is calculated by applying the simplified approach to the calculation of lifetime expected credit losses. The percentage applied is calculated based on historical default rates with a forward-looking estimate adjustment which incorporates various risk factors appropriate for the class of receivable being assessed.

	2025	2024
	\$'000	\$'000
Interest receivable	10	-
Practitioner levies receivable from the Society	3,913	3,572
GST receivable	1	2
Total receivables	3,924	3,574

Legal Practitioners' Fidelity Guarantee Fund

Notes to the Financial Statements

for the year ended 30 June 2025

C3 INVESTMENTS

Investments are held at fair value through profit or loss. The investments are managed and their performances are evaluated on a fair value basis, in accordance with a documented investment strategy.

The portfolio of investments held consists of collective investment schemes. The fair value of the investments is determined using net asset value of the collective investment schemes.

Fair value measurements

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Fund include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Fund's assets/liabilities. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

All assets and liabilities of the Fund for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- level 1 – represents fair market value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

The fair value of investments is determined using the market approach and categorised into level 2 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

All financial assets at fair value are classified as Level 2.

	2025 \$'000	2024 \$'000
Investment in managed funds		
Opening balance	21,903	19,854
Additions via reinvestment	1,253	619
Disposal proceeds	-	-
Realised Gain / (loss) on disposal	898	374
Fair value movements	37	1,056
Total investment in managed funds	24,090	21,903

Legal Practitioners' Fidelity Guarantee Fund
Notes to the Financial Statements
for the year ended 30 June 2025

C4 PAYABLES

Trade creditors are recognised on receipt of the goods or services and are carried at actual amounts, gross of applicable trade and other discounts. Amounts are unsecured and are generally settled on 30 day terms.

	2025	2024
	\$'000	\$'000
Payable to the Society for annual leave entitlements	21	16
Payable to the Society for long service leave entitlements	12	10
Other payables and accruals	49	49
Total payables	82	75

C5 INCOME IN ADVANCE

Income in advance relates to Fidelity Fund levies collected from the profession in relation to the upcoming insurance year. Levies are collected by the Society on behalf of the Fund. Current year levies in advance relate to collections in May and June 2025 paid to the Fund by the Society for the financial year 1 July 2025 to 30 June 2026.

	2025	2024
	\$'000	\$'000
Practitioner levies for upcoming year	3,864	3,570
Total income in advance	3,864	3,570

C6 PROVISION FOR NOTIFIED CLAIMS

A provision is recognised when there is a present legal, equitable or constructive obligation as a result of a past event. It is recognised at the amount expected at reporting date for which the obligation will be settled in a future period.

Key estimates

Notified claims represent the estimated liability in relation to claims which have been notified but not yet admitted as a claim. Claims are brought to account in the year they are notified. Refer to note D1.

	2025	2024
	\$'000	\$'000
Opening notified claims	2,243	1,903
Add notified claims (net of reversals)	1,550	2,348
Less payment of notified claims	(2,232)	(2,008)
Total provision for notified claims	1,561	2,243

Legal Practitioners' Fidelity Guarantee Fund
Notes to the Financial Statements
for the year ended 30 June 2025

D1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of claims liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, including likely assessments of each claim based on facts present. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Other than provision for notified claims disclosed in Note C6, the entity has made no judgements or assumptions which may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

D2 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Recognition of Financial Instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Fund becomes party to the contractual provisions of the financial instrument.

Classification of Financial Instruments

Financial instruments are classified as follows:

- Cash and cash equivalents (see note C1)
- Receivables – held at amortised cost (see note C2)
- Investments – fair value through profit or loss (see note C3)
- Payables – held at amortised cost (see note C4)

The Fund does not enter into transactions for speculative purposes, nor for hedging. The Fund's financial instruments consist mainly of deposits with banks and investment in managed funds.

Financial risk

The Fund's activities expose it to a variety of financial risks: market risk, price and interest rate risk, and liquidity risk.

Price and interest rate risk

The Fund is exposed to equity securities price risk arising from the investments. These securities are held with Australian fund managers.

The Fund seeks to reduce risk by diversifying across a range of securities, maturities and counterparties.

Management regularly reviews the performance and ensures all investments held are within the approved mandate.

The Fund manages interest rate and price risks through sensitivity analysis. The sensitivity analysis is performed relating to the Fund's exposure to interest rate risk and price risk at the end of the reporting period. The sensitivity analysis demonstrates the effect on the current year profit which could result from a change in interest rate and price as follows:

Legal Practitioners' Fidelity Guarantee Fund
Notes to the Financial Statements
for the year ended 30 June 2025

D2 FINANCIAL INSTRUMENTS AND FINANCIAL RISK
MANAGEMENT (continued)

	2025 \$'000	2024 \$'000
Interest rate sensitivity analysis		
At 30 June, the effect on profit as a result of changes in the interest rate, with all other variables remaining constant would be as follows:		
Change in profit		
Increase in interest rate by 1%	24	18
Decrease in interest rate by 1%	(24)	(18)

	2025 \$'000	2024 \$'000
Price sensitivity analysis		
At 30 June, the effect on profit as a result of changes in the unit price of managed funds, with all other variables remaining constant would be as follows:		
Change in profit		
Increase in managed funds unit price by 5%	1,205	1,095
Decrease in managed funds unit price by 5%	(1,205)	(1,095)

Liquidity risk

In the management of liquidity risks, the Fund monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Fund's operations and mitigate the effects of fluctuations in cash flows. The Fund also constantly reviews its investment to ensure that there are sufficient cash and liquid deposits to meet its estimated outflows.

The Fund manages its expected cash flow requirements using the latest actuarial valuations detailing projected cash flows. These are monitored in conjunction with available cash and investments readily convertible to cash.

As at reporting date, the Fund's financial liabilities are all current.

D3 CONTINGENT LIABILITIES

As at 30 June 2025, the Fund has identified two contingent liabilities arising from potential claims. These matters involve possible alleged misappropriation of trust money and are currently under investigation. At the reporting date, no claims have been received and the financial effect of these matters could not be reliably measured. Accordingly, no provision has been recognised in the financial statements.

D5 EVENTS AFTER THE BALANCE DATE

On 8 August 2025 a matter was heard in the Supreme Court regarding the misappropriation of monies by a Queensland solicitor. There is the potential for a future claim to be made against the Legal Practitioners' Fidelity Guarantee Fund. However, no such claim has been made up to the date of signing of the financial statements. The potential liability of the Fund in respect of this matter is not presently known, and investigations are underway. No adjustments have been made to the Fund's financial statements for the year ended 30 June 2025 in respect of this matter.

Legal Practitioners' Fidelity Guarantee Fund

Notes to the Financial Statements

for the year ended 30 June 2025

E1 RELATED PARTY TRANSACTIONS

The following significant transactions took place between the Fund and its related parties during the financial period on commercial terms agreed by the parties concerned.

	2025	2024
	\$'000	\$'000
Collected practitioner levies received from Queensland Law Society	3,966	3,630
Management fees and recovery expenditure paid to Queensland Law Society	197	205
Grant funding paid to Queensland Law Society	750	749
Total related party transactions	4,913	4,584

E2 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Changes in accounting policy

The Fund did not voluntarily change any of its accounting policies during 2024-25.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2024-25.

Accounting standards applied for the first time

No Australian accounting standards or interpretations that apply for the first time during 2024-25 had any impact on the Fund.

E3 TAXATION

The Fund is exempt from income tax by virtue of section 50-25 of the *Income Tax Assessment Act 1997* with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

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

Legal Practitioners' Fidelity Guarantee Fund Management Certificate for the year ended 30 June 2025

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- a. the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- b. the financial statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Legal Practitioners' Fidelity Guarantee Fund for the financial year ended 30 June 2025 and of the financial position of the Fund as at the end of that year.

We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



President
Queensland Law Society
Genevieve Dee

28 August 2025



Chief Executive Officer
Queensland Law Society
Matt Dunn

28 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Council of Legal Practitioners' Fidelity Guarantee Fund

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Legal Practitioners' Fidelity Guarantee Fund.

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2025, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Council is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Lisa Fraser
as delegate of the Auditor-General

29 August 2025
Queensland Audit Office
Brisbane

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	5
Accessibility	Table of contents	ARRs – section 9.1	6-7
	Glossary		187
	Public availability	ARRs – section 9.2	3
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	3
	Copyright notice	Copyright Act 1968 ARRs – section 9.4	4
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	Introductory Information	ARRs – section 10	3, 8-60
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	8, 21
	Agency objectives and performance indicators	ARRs – section 11.2	8-60
	Agency service areas and service standards	ARRs – section 11.3	8-60
Financial performance	Summary of financial performance	ARRs – section 12.1	60
Governance – management and structure	Organisational structure	ARRs – section 13.1	13-21, 49-51
	Executive management	ARRs – section 13.2	13-21, 49-51
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	3
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	58
	Human Rights	Human Rights Act 2019 ARRs – section 13.5	3, 17
	Queensland public service values	ARRs – section 13.6	3,8-9,48

Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	Risk management	ARRs – section 14.1	10,17-18, 49, 58
	Audit committee	ARRs – section 14.2	17-20, 58
	Internal audit	ARRs – section 14.3	18
	External scrutiny	ARRs – section 14.4	126-127, 146-147, 152, 165,166, 183-184
	Information systems and recordkeeping	ARRs – section 14.5	57, 59
	Information Security attestation	ARRs – section 14.6	N/A
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	46-47
	Early retirement, redundancy and retrenchment	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	N/A
Open Data	Statement advising publication of information	ARRs – section 16	3
	Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	Overseas travel	ARRs – section 31.2	https://data.qld.gov.au
	Queensland Language Services Policy	ARRs – section 31.3	https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62	125, 145, 151, 164, 182
		FPMS – sections 38, 39 and 46	
		ARRs – section 17.1	
	Independent Auditor's Report	FAA – section 62	126-127, 146-147, 152, 165-166, 183-184
		FPMS – section 46	
		ARRs – section 17.2	

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

Glossary

AI	Artificial intelligence
AML	Anti-money laundering
ARRs	Annual report requirements for Queensland Government agencies
ASX	Australian Stock Exchange
AUSTRAC	Australia's anti-money and counter-terrorism financing regulator
CCS	Cultural Champions and Stakeholders
CEO	Chief executive officer
Click through rate	The percentage of people who opened and clicked on a link or ad in an email
CPD	Continuing professional development
Cth	Commonwealth
QLS Cyber Essentials Insurance Policy	This policy provides cover for Member Practices subject to data theft, accidental data release and hacking
DLA	District Law Association
EAP	Employee Assistance Program
ECL	Early career lawyer
FLC	Future Leaders Committee
FNCC	First Nations Consulting Committee
FRC	Finance and Risk Committee
FTE	Full-time equivalent
GFI	Gross fee income
Guidance statements	Documents that outline Queensland Law Society's guidance on a particular subject
IP Act	<i>Information Privacy Act 2009</i>
KPI	Key performance indicator
LawCare	Counselling and wellbeing assistance program for Queensland Law Society staff and members
LCA	Law Council of Australia
Lexon	Lexon Insurance Pte Ltd, a wholly-owned subsidiary company of Queensland Law Society
LPA	<i>Legal Profession Act 2007 (Qld)</i>
Minds Count	Organisation promoting mental health and wellbeing in the legal profession – formerly known as the Tristan Jepson Memorial Foundation
Open rate	The number of times an email has been opened
PC	Practising certificate
PMC	Practice Management Course
QCAT	Queensland Civil and Administrative Tribunal
QIC	Queensland Investment Corporation
QLS Proctor	Queensland Law Society's online news publication
QLS Update	Queensland Law Society's weekly e-newsletter
QLS Symposium	Queensland Law Society's annual education conference for the Queensland legal profession
RAP	Reconciliation Action Plan

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