



THE  
**LAW SOCIETY**  
OF HONG KONG  
香港律師會

# Annual Report 2015

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# The Council 2015



■ Ambrose S.K. LAM  
(until May)

■ Thomas S.T. SO

■ Stephen W.S. HUNG

■ Melissa K. PANG

■ Dieter YIH  
(until December)



■ Michael J. LINTERN-SMITH

■ Huen WONG

■ Junius K.Y. HO

■ Peter C.L. LO

■ Billy W.Y. MA

■ Sylvia W.Y. SIU





Amirali B. NASIR

Kenneth S.Y. NG

Cecilia K.W. WONG

Joseph C.W. LI

Angela W.Y. Lee  
(until January)

Brian W. GILCHRIST



Bonita B.Y. CHAN  
(from February)

Denis G. BROCK

Gavin P. NESBITT

Nick CHAN

Mark DALY  
(from May)

# Report of the Council

The Council has pleasure in submitting its annual report together with the audited financial statements for the year ended 31 December 2015.

## Principal place of business

The Law Society of Hong Kong ("The Law Society") is a company limited by guarantee, and is incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong.

## Principal activities

The principal activity of The Law Society is to act as the professional and regulatory body for solicitors in Hong Kong. The principal activities and other particulars of The Law Society's subsidiaries are set out in note 8 to the financial statements.

## Business review

A review of The Law Society's operation and management, financial position and risks, environmental policies and performances and future direction of The Law Society are set out on pages 6 to 13 and 16 to 39 of the Annual Report.

## Financial statements

The surplus of The Law Society for the year ended 31 December 2015 and the state of The Law Society's affairs as at that date are set out in the financial statements on pages 74 to 95.

## Transfers to reserves

Surplus for the year of HK\$2,319,762 (2014: HK\$4,587,091) has been transferred to reserves.

## Membership

As at 31 December 2015, there were 9,869 (2014: 9,422) members of The Law Society. The total number of Practising Certificates issued was 8,647 (2014: 8,279). There were 854 (2014: 836) firms of solicitors.

## Property, plant and equipment

Movements in property, plant and equipment during the year are set out in note 7 to the financial statements.

## Bankers

The bankers are The Bank of East Asia Limited, The Hongkong and Shanghai Banking Corporation Limited, Hang Seng Bank Limited, Standard Chartered Bank (Hong Kong) Limited, Wing Lung Bank Limited, Bank of China (Hong Kong) Limited and Bank of Communications Co., Limited.

## Council Members

The Council Members during the financial year and up to the date of this report and their attendance at the Council Meetings are shown in the table on page 5.

In accordance with article 15(a) of The Law Society's articles of association, at the forthcoming annual general meeting the five members longest in office since election or re-election shall retire but shall be eligible for re-election.

At no time during the year was The Law Society, any of its subsidiaries or any of its related companies a party to any arrangement to enable the Council Members of The Law Society to acquire benefits by means of the acquisition of an interest in The Law Society or any other body corporate.

Except for the related party transactions as disclosed in note 18(a) to the financial statements, no contract of significance to which The Law Society, any of its subsidiaries or any of its related companies was a party, and in which the Council Members had a material interest, subsisted at the end of the year or at any time during the year.

## Auditor

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of The Law Society is to be proposed at the forthcoming Annual General Meeting.

By order of the Council

**Stephen W. S. Hung**  
President

Hong Kong, 29 March 2016

	Regular Meetings	Unscheduled Meetings	Total	Official Duties
Stephen W. S. Hung, President	27	5	32	3
Thomas S. T. So, Vice President	24	5	29	3
Melissa K. Pang, Vice President	28	4	32	0
Ambrose S. K. Lam (resigned on 14 May 2015)	3	0	3	0
Dieter Yih (resigned on 31 December 2015)	14	1	15	0
Junius K. Y. Ho	24	3	27	0
Huen Wong (re-elected on 14 May 2015)	25	5	30	0
Peter C. L. Lo	25	4	29	0
Michael J. Lintern-Smith (re-elected on 14 May 2015)	25	1	26	0
Billy W. Y. Ma	20	3	23	0
Sylvia W. Y. Siu	21	4	25	1
Cecilia K. W. Wong	27	5	32	1
Kenneth S. Y. Ng	10	2	12	0
Joseph C. W. Li	25	4	29	1
Amirali B. Nasir (re-elected on 14 May 2015)	24	5	29	1
Angela W.Y. Lee (resigned on 15 January 2015)	0	0	0	0
Brian W. Gilchrist (re-elected on 14 May 2015)	25	5	30	0
Gavin P. Nesbitt	23	3	26	0
Denis G. Brock	19	0	19	1
Nick Chan (elected on 14 May 2015)	28	5	33	1
Bonita B. Y. Chan (co-opted on 18 February 2015 and elected on 14 May 2015)	24	2	26	0
Mark Daly (elected on 14 May 2015)	9	2	11	0
Chan Chak Ming (co-opted on 3 February 2016)	3	0	3	0



# President's & Secretary General's Reports





# President's Report

It is my privilege to present to you The Law Society 2015 Annual Report.

As the professional association of solicitors, The Law Society strives to safeguard the Rule of Law, strengthen public confidence in the standard of legal services, provide relevant and effective support to its members, improve the legal practice environment and explore new opportunities for members.

In 2015, The Law Society continued to lead efforts in these areas. I will touch on the progress made in some of our key priorities and I invite you to read the other sections of this Annual Report for the full details of The Law Society's work in the past year.

## Tasks concluded in 2015

As I look back on 2015, I am very pleased to see that our steady, persistent work over the years is paying off in tangible ways.

After over a decade of dedicated lobbying, limited liability partnerships as an additional mode of practice for law firms in Hong Kong finally became a reality. The Commencement Notice was gazetted on 11 December bringing the relevant legislation into operation from 1 March 2016. This new form of practice, which gives innocent partners protection from personal liability for defaults other than their own or of those under their direct supervision, will hopefully facilitate an expansion of the scale of partnerships for law firms in Hong Kong.

Another Law Society initiative that had taken up years of effort of many of our members was the review of the Overseas Lawyers (Qualification for Admission) Rules. One of the major amendments proposed was to include Hong Kong Constitutional Law as an additional subject in the Overseas Lawyers Qualification Examination ("OLQE"). In 2015, 119 newly admitted solicitors gained admission through the OLQE route, representing 21% of the total number of admissions. Constitutional Law is a core area of law. Any solicitor candidate, be he of local or foreign origin, should demonstrate his knowledge in this core area before he can be admitted to practise Hong Kong law. The legislative amendments came into effect in January and Hong Kong Constitutional Law was first tested in the 2015 OLQE.

The legislative process for the update of the Solicitors' Accounts Rules, the review of which started in 2001, was also completed during the year. To prepare members for its commencement in July 2016, five seminars on the new provisions were organised in the latter half of the year.

Further, as a result of The Law Society's lobbying effort since 2013, the anomaly that Hong Kong solicitors were considered neither "foreign" nor "local" under Taiwanese law and hence had no capacity to practise in Taiwan was finally resolved. We were very delighted that in our visit to Taipei in April, the Ministry of Justice had confirmed to us that Hong

Kong solicitors are now permitted to apply for registration as a foreign lawyer and practise as such in Taiwan. Gaining official recognition of our eligibility to apply to practise as foreign lawyers in Taiwan is a very good start to the opening up of more collaborative options for lawyers in Hong Kong and Taiwan.

The Law Society will continue our work to facilitate a mutually beneficial relationship between legal professionals in both jurisdictions, with a view to achieving a better synergy to capitalise on available opportunities in the Asian market.

Talking about collaboration, as an externally-oriented economy, Hong Kong is supported by a substantial amount of cross-border investment and trade activities, creating a heavy demand for legal services that require collaboration with lawyers in multiple jurisdictions.

To this end, The Law Society has made every effort to grasp all suitable opportunities to create an effective networking platform for practitioners. We also promote Hong Kong as an attractive host jurisdiction to convene international conferences. As the legal service hub in Asia, Hong Kong is an ideal venue; and with Hong Kong as the hosting jurisdiction, far more Hong Kong lawyers will be able to benefit from these conferences, as there will be no need to expend additional resources to travel overseas.



**Stephen Hung**  
*President*

In 2015, The Law Society acted as the Chief Sponsor of the 2015 Inter-Pacific Bar Association Annual Conference in Hong Kong and took the opportunity to organise a parallel session to promote Hong Kong's quality legal services and robust legal system to the overseas participants.

During the year, The Law Society also entered into a Memorandum of Understanding ("MOU") respectively with the Federal Chamber of Lawyers of the Russian Federation, the Okinawa Bar Association, the Taichung Bar Association, the Guangdong Provincial Lawyers Association and the Macau Bar Association. The MOUs lay a very good foundation for us to develop closer working relationships with different professional bodies around the world for the benefit of our members.

## **Major tasks ahead**

### **Common Entrance Examination**

Significant progress has also been made in relation to the Common Entrance Examination ("CEE") proposal since the concept was first introduced in 2012. The Council has agreed to implement CEE by no earlier than 2021.

The Law Society, as the regulator of the solicitors' branch of the profession, has an obligation to ensure that those who enter our profession meet the highest standards that we expect from each

other and that the public expects of us. Solicitors are officers of the Court and play a vital role in defending the fundamental values that ensure the fair administration of justice. There is absolutely no room for any compromise with respect to professional standards as any gap, however narrow, may already put the interests of the public at risk.

The CEE is aimed at ensuring that solicitors have all been assessed to the same rigorous standard. This will improve consistency and enhance the quality and competence of the entrants to the solicitors' profession thereby ensuring that the public interest is served and the confidence of the community in the profession is sustained

We will continue to work with all relevant stakeholders on the details of the implementation of the CEE.

## Belt and Road

Since China raised the Belt and Road Initiative in September 2013, the topic has attracted close attention from around the world. The Initiative is expected to create huge potential of cross-border collaboration.

The Law Society has set up a Belt and Road Committee to examine how to assist members to capitalise on the opportunities arising from the Initiative. In the year ahead, the Committee aims to work on a public information platform on the jurisdictions covered by the Belt

and Road Initiative and to explore ways to facilitate the harmonisation of trade and business laws in the Belt and Road countries.

## Litigation costs

Another key area closely monitored by The Law Society during the year was the review of the obsolete solicitors' hourly rates for party and party taxation in civil proceedings ("SHRs") which was last reviewed 18 years ago in 1997. This situation, which required immediate remedial action, was however not progressing at a satisfactory pace.

In March 2013, The Law Society produced an independent consultancy report ("2013 Report") on the appropriateness of the SHRs by reference to the prevailing market rates and the level of adjustments that should be made to reflect changes in the market conditions since 1997. In response, the Judiciary set up a Working Party on Review of SHRs in 2014, adopting a two-stage approach in its review – first to consider the methodology to be used for the review and then to calculate the SHRs based on the approved methodology. During the year, The Law Society responded to various issues raised by the Judiciary's consultant in its review. We highlighted that in considering access to justice as a factor for adjusting SHRs, the issue of recoverability should be the main focus, since SHRs are after all a method to give effect to the recovery of costs by the successful litigant.

With the obsolete SHRs still in place, the recoverability gap of legal costs, ie, the difference between what a successful litigant has actually paid to his lawyer, and what he can recover from the other party under a costs order becomes wider and wider. If the problem is not solved urgently, the gap resulting from the growing divergence between the SHRs and the market rates will effectively penalise those who have faith in our legal system and choose to initiate proceedings here, by awarding them with an "empty costs order". We will continue to work hard to push for an update of the SHRs in the coming year.

I look forward to meeting the challenges that lie ahead.

Since my election in August 2014, I have had the full support of fellow members including my Council members and the Secretariat for which I am most grateful. I urge you to support the Council in taking us to the next level of professionalism in the years to come.



**Stephen Hung**  
President

# Secretary General's Report

2015 has been a year of action. With the support and guidance of the Council and Committee Members, our team performed a wide range of tasks for our members. For instance, we:

- (a) issued over 21 submissions on public consultations and two press statements on issues relevant to the legal profession;
- (b) organised and arranged over 130 social and networking events for our members including Family Fun Day, Summer Party, Sports Night, Christmas Party, Cooking Competition, Annual Cocktail, Spring Reception, luncheon talks, and many others;
- (c) coordinated 64 community projects including Law Week, Teen Talk, Community Fun Day, the Legal Pioneer Mentorship Programme and the Helpline on free legal advice, community talks, elderly visits and school talks;
- (d) received 41 delegations from the Greater China region and other overseas jurisdictions;
- (e) coordinated 37 outbound visits to nine cities in the Greater China region and 19 delegations to international conferences and meetings to other overseas jurisdictions;
- (f) arranged the signing of four memoranda of understanding / cooperation agreements with overseas professional bodies;
- (g) organised the selection and sponsorship of 10 young lawyers as well as their participation,
- (h) organised 480 training courses totaling 18,023 attendances under the Continuing Professional Development ("CPD") Scheme and the Risk Management Education ("RME") Programme;
- (i) administered the annual OLQE for a total of 165 candidates;
- (j) coordinated the activities of 14 Law Society sports teams and eight recreational teams;
- (k) processed applications for the subscription of 9,869 members, 19 associate members and 473 student members, registration of 467 trainee solicitor contracts, admission of 575 solicitors, issue of 8,647 practising certificates in English and 3,749 in Chinese, registration of 1,622 foreign lawyers and 90 foreign firms, as well as issue of 762 certificates of standing;
- (l) conducted CPD audit on 489 practitioners;
- (m) handled 817 complaints on practitioners and employees of law firms; and
- (n) visited 64 law firms on 79 occasions to provide assistance on their

together with other Law Society representatives, at seven international conferences hosted by the International Bar Association ("IBA"), LAWASIA, the Commonwealth Law Association, the Inter-Pacific Bar Association ("IPBA"), International Association of Young Lawyers ("AIJA") and the Union Internationale des Avocats;

accounting procedures and to inspect documents to ensure compliance with the Solicitors' Accounts Rules.

Much of our work, however, is not quantifiable. Thus, more descriptive details on the work that we did in 2015 are set out in the various sections in this Annual Report.

## Membership movements and breakdown

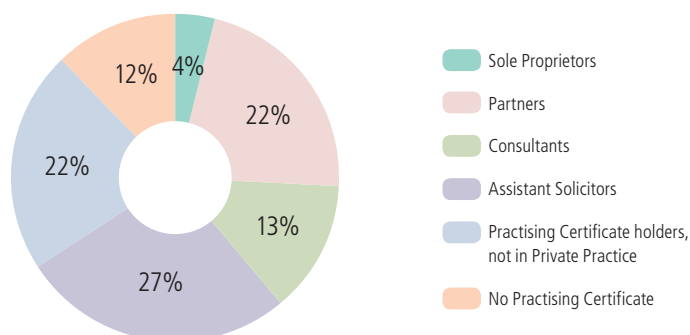
Membership of Hong Kong solicitors grew steadily by 4.74%, which is in line with the average rate of 4.66% for the five-year period from 2010 to 2014. The charts on page 11 show a snapshot of the distribution of our membership in terms of their practice and seniority as at the end of 2015.

During the year, 34 new Hong Kong law firms and nine new foreign law firms commenced practice. On the other hand, 16 Hong Kong law firms and 11 foreign law firms ceased practice. Out of the 11 foreign firms that were closed, eight became Hong Kong law firms.

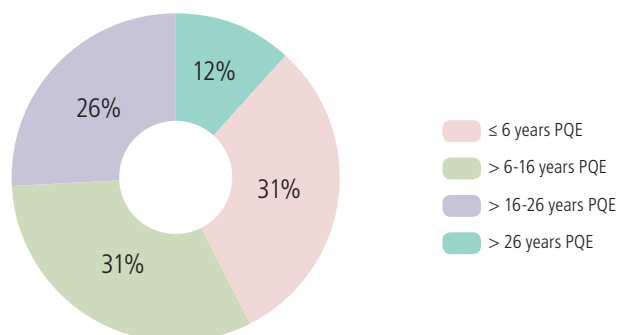
One of the priorities in 2015 was to encourage more law students to become student members and to get involved in The Law Society activities as early as possible. In 2015, we achieved a 97% increase to student membership from 240 in 2014 to 475.

The jurisdiction of The Law Society Council extends to the conduct not only of a person who is, or was at the relevant time, a solicitor, a foreign lawyer or a trainee solicitor but also to an employee of a solicitor or foreign lawyer. At the

### Practice



### Seniority



end of 2015, 15,111 unqualified persons were employed by Hong Kong law firms and 466 by foreign law firms, a slight increase of 1.8% and 3.3% respectively compared to 2014.

## Financial position

Our financial position remained sound and healthy.

2015 recorded a surplus after tax of about HK\$2.3 million, a decrease of about 49.4% compared to the 2014 results.

Our major sources of income included fees for membership, solicitors' practising certificates, foreign lawyers' registration and miscellaneous applications like certificates of good standing. The income for the year was about HK\$93 million, representing an increase of about 4.5% from 2014. The fee rates of membership subscription, application for practising certificate, and registration as a foreign lawyer and a foreign firm were unchanged for the year. Student membership fee continued to be free to encourage more law students to join The Law Society.

The increase in income was largely attributable to an increase in the membership and practising certificate applications as well as in the recovery of costs in disciplinary proceedings and interventions.

With respect to expenditure, compared to 2014, it had increased by 8% to about HK\$90.3 million. The increase was due to an increase in staff cost by 4.1%, members' expenses by 23.2% and other operating expenses by 7.7%. For members' expenses, the increase was largely due to the hosting by The Law Society of the 6th Guangdong-Hong Kong-Macau Lawyers Sports Meet during the year. It is an annual event that the three participating organisations, namely, The Law Society, the Macau Bar Association and the Guangdong Provincial Lawyers Association, take turn to be the host. For other operating expenses, major factors leading to the increase included an increase in the costs incurred in relation to disciplinary and on-going intervention cases, the implementation of online library for members, the newly added Head VI on Hong Kong Constitutional Law in the 2015 OLQE and the purchase of a warehouse during the year. The Law Society used to rent warehouse units for storage of archived documents and documents seized during intervention. The tenancies were due to expire during the year and the Council considered it beneficial for The Law Society to acquire its own warehouse for long term planning. The Law Society completed the purchase of a warehouse at Kwai Chung, The New Territories at HK\$32.8 million in June. Owing to the acquisition of the warehouse, our cash position decreased by 15.7% from about HK\$199.5 million in 2014 to about HK\$168.2 million



at the end of 2015. The Law Society managed its cash reserves prudently and maintained them in fixed deposits spread among seven banks with not more than 22% of the total cash reserves in any one bank. Liquidity is closely monitored to ensure sufficient resources to meet the operating needs of The Law Society and to maximise interest earnings. As of the end of the year, about 69% of the total cash reserves were maintained with banks with maturity within three months. The details of the exposure to financial risks including credit, liquidity and interest rate risks and the policies and practices adopted to manage these risks are set out in Note 15(a) to (c) of the Financial Statements on page 93.

## About the Team

The effectiveness and security of our information technology ("IT") systems is crucial to the smooth operation of The Law Society. Our operation is information intensive and IT is instrumental in enhancing the services we provide to members. To cope with the increasing demands of our operations and to minimise exposure to IT risks associated with our work, The Law Society added one headcount for the position of IT Consultant in 2015, which was filled by Mr. Ronald To. On personnel movement, The Law Society had an overall turnover rate of 37.2% in 2015 compared to 22% in 2014. The highest turnover was in the junior rank of "Assistant". Exit interviews were conducted to identify the causes and improve retention. New staff joining the managerial team during the year included Assistant Director Lydia Cheung in the Practitioners Affairs Department and In-House Prosecutor Paulus Lau in the Compliance Department, both of whom are qualified Hong Kong solicitors.

Staff functions organised during the year included the Spring Dinner in March, the Staff Dinner in October and the Christmas Party in December. Staff seminars on the Mandatory Provident Fund Schemes and IT Risks were organised in May. An annual budget was also set aside to sponsor staff training on work-related knowledge and skills.

Our team comprised of 100 staff as of the end of 2015. The capacity of the current office premises is already full and the Council is considering the space requirements for the operation in the long run.

## Environmental protection

The Law Society is committed to ensuring that all services offered by The Law Society as well as our own internal operations are conducted in an environmentally responsible manner.

Measures to protect the environment are stipulated in The Law Society's staff manual. Staff are reminded to:

- (a) think carefully whether there is a need to copy or print a document and if there is a need, it should be done in the double-sided mode;
- (b) recycle and reuse envelopes and draft paper; and
- (c) switch off all lights, electrical equipment and appliances before leaving office.

As a result of the effort of our staff, compared to 2014, the following saving was achieved in 2015:

- (a) the electricity consumption in The Law Society office premises reduced by about 1% ;
- (b) the volume of copying and printing dropped by about 11% ; and
- (c) the copying paper consumption decreased by about 24%.

The staff are urged to recycle and reuse wherever possible. There is a system in place to collect plastic and paper materials, toner and ink cartridges for recycling. Used envelopes are centrally stored for the staff to reuse.

With respect to communication with the general membership, The Law Society's weekly Circulars are disseminated electronically. For The Law Society Annual Report and our official monthly journal, *Hong Kong Lawyer*, our members can choose whether to receive hard copies or not. The Law Society sends regular reminders to the general membership on the availability of opting out from the receipt of hard copies and the "Opt-Out" icon is prominently placed on The Law Society website. Members can notify The Law Society of their decision to opt out at any time.

Further, The Law Society has resolved to cease distributing the printed version of The Law List, a directory of law firms. The Law List will only be available in electronic version which is publicly accessible on the website of The Law Society.

2015 has been a fulfilling year and our team enters 2016 with renewed confidence that The Law Society is making significant strides for the benefit of our members.

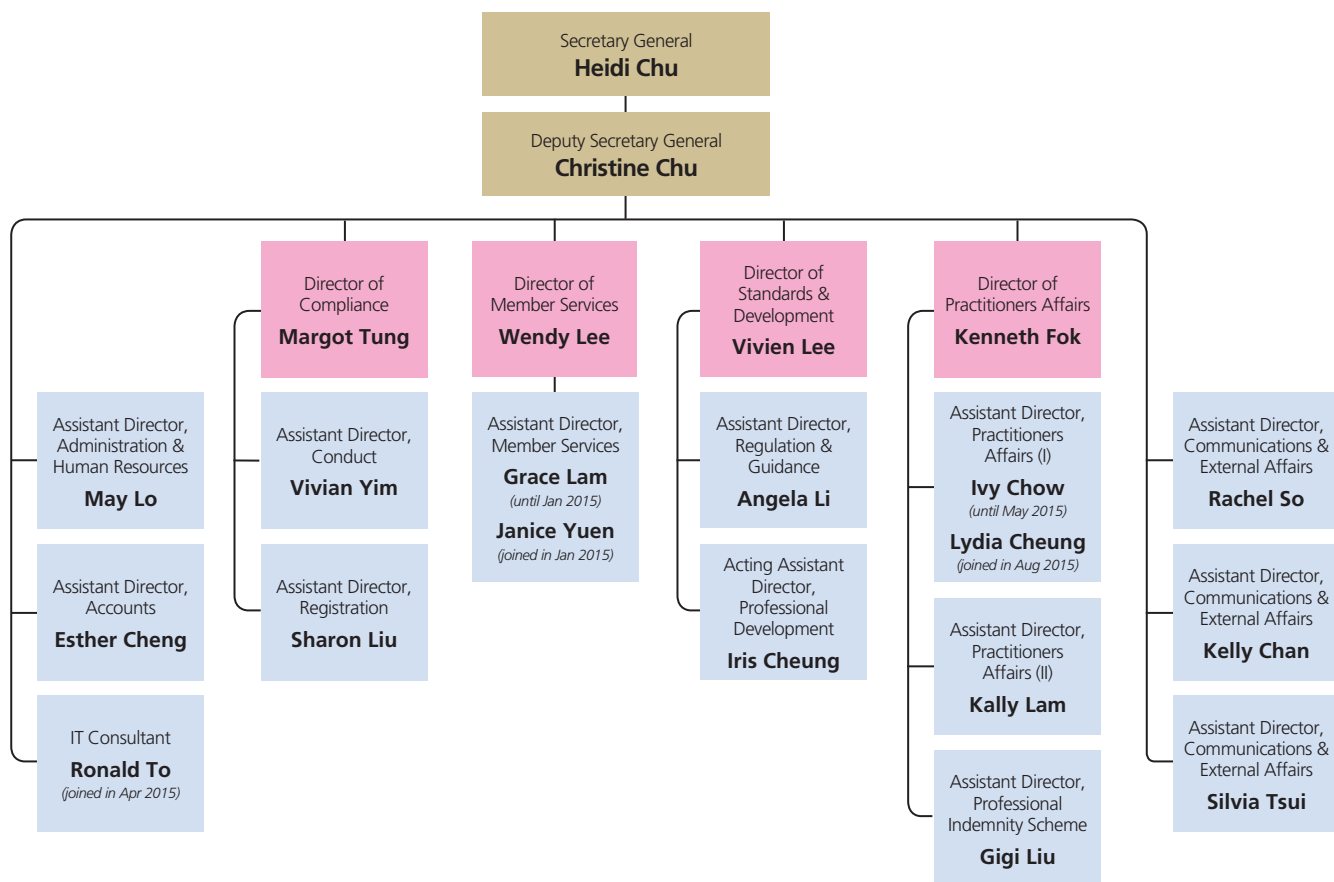
A handwritten signature in black ink, reading "Heidi Chu". The signature is fluid and cursive, with the first name "Heidi" being more prominent than the last name "Chu".

**Heidi Chu**  
*Secretary General*



**Heidi Chu**  
*Secretary General*

# Law Society Secretariat









# Safeguarding the Rule of Law





# Safeguarding the Rule of Law

One of the important roles of The Law Society is to safeguard the Rule of Law and to uphold those principles on which this core value is founded.

During the year, public commentaries expressing views on, for example, how the core components of the Rule of Law like equality before the law, separation of powers and judicial independence apply in Hong Kong, or how the judicial review process had been abused by some people to advance their own political agenda, sparked vociferous public debate.

The Law Society issued a public statement on 20 September defending the Rule of Law and the judicial independence in Hong Kong. The judicial system is widely respected by the Hong Kong community and is regarded by the international community as the cornerstone to Hong Kong's economic success. This high level of respect and the confidence in the Hong Kong judicial system was earned through a long judicial history, hard-earned tradition, and constitutional entrenchment, as well as the continuous efforts of distinguished and professional judges. The Law Society reiterated that the respect and integrity of our judicial system should never be compromised or dragged into the political arena.

Going hand-in-hand with the independence of the Judiciary is the independence of the legal profession. The Law Society noted with deep concern the news reports of the arrests and detention of lawyers in the Mainland. On 21 July, The Law Society issued a statement reiterating that the independence of lawyers and their freedom to legally pursue their

clients' interests without pressure or undue influence is a core principle for the proper administration of justice in any jurisdiction and should not be undermined in any way.

The existence of the Rule of Law is of critical importance to the enjoyment of fundamental human rights. The Law Society has been keeping a close watch over the implementation of the Unified Screening Mechanism ("USM") for non-refoulement claims since its launch in March 2013. On 16 February, The Law Society published a submission on various proposals to enhance the USM. In November, a representative of The Law Society attended the meeting of the United Nations Committee Against Torture in Geneva to hold a watching brief on how Hong Kong's effort measured up in the international community.

Access to justice as a fundamental human right is protected under the Basic Law. Article 35 specifically provides Hong Kong residents, among other things, with the right to access the courts and to choose a lawyer for timely protection of their lawful rights and interests or for representation in the courts. Legal aid plays a critical role in enhancing access to justice and it forms an integral part of the administration of justice. Further, a substantial portion of our members engage in legal aid work. The Law Society sees it as its duty to ensure that we do everything within our remit to help enhance the legal aid system. The relevant Law Society committees regularly review the issues arising from legal aid practices and monitor the progress of the measures proposed by

the Legal Aid Department ("LAD") to address those issues. On 24 November, The Law Society published a submission in response to the proposed expansion of the Supplementary Legal Aid Scheme.

On the territory's constitutional development, The Law Society continued to be the voice of the solicitors' profession in the heated debates in this area. On 6 March, The Law Society published a submission in response to the consultation on the selection method of the Chief Executive by universal suffrage. Taking into account the significance of the constitutional reform and the uniqueness of "One Country, Two Systems" in the constitutional development of Hong Kong, The Law Society agreed that the reform must be in accordance with the Basic Law and the relevant decisions made by the Standing Committee of the National People's Congress. In its submission, the Law Society set out its members' views in detail on the proposed selection models in the consultation.

The Law Society will continue its tireless efforts to defend the Rule of Law, the key to the social stability, economic success and overall well-being of Hong Kong.

# Improving Practice Environment



Conference Room 1 of the Legislative Council Complex  
Our acknowledgement to The Legislative Council, copyright owner  
and "[www.legco.gov.hk](http://www.legco.gov.hk)", the source of this image.



# Improving Practice Environment

The forces of globalisation and technology, the breaking down of barriers in cross-border trade and investment and the increase in personnel and business mobility are changing the world rapidly. In relation to the legal profession, changes are manifested in numerous ways, including the way legal practices are structured and funded as well as in the way legal services are delivered. These changes present numerous challenges and the legal service market is becoming increasingly competitive.

One of the priorities of The Law Society is to improve the practice environment for our members.

## Reduction of overheads

One of the substantial overhead costs for operating a law firm is the mandatory contributions payable by the firm to the Hong Kong Solicitors Indemnity Fund. The amount of contribution is calculated in accordance with a statutory formula stipulated in the Solicitors (Professional Indemnity) Rules (Cap. 159, Sub. Leg.) ("PIS Rules"). The Council had no discretion to deviate from the statutory formula until 2010 when the PIS Rules were amended to enable the Council to reduce the total amount of contributions due for the next indemnity year. Since then, with the assistance of professional actuarial projections, the Council annually considers the projected Fund surplus for the following five years under different economic scenarios in conjunction with the Fund's loss history and investment returns and decides if an adjustment to the contribution can be made. The PIS contributions payable by law firms were reduced by one-third in the indemnity years 2010/11, 2011/12, 2013/14 and 2014/15. The amount of reduction

provided to the profession over these four indemnity years totaled HK\$470 million. In 2015, on the basis of the projections, the Council also decided to exercise its power to reduce the contributions for the indemnity year 2015/16 by one-third.

The Law Society has set up a Working Party on Practice in Service Centres, At Home, In Domestic Premises or by Virtual Offices to review the feasibility of conducting legal practice in each of these scenarios which might help reduce overheads of operating a physical office in the traditional way. During the year, the Working Party considered the pros and cons of the various modes of operation and reviewed the existing rules applicable in Hong Kong as well as those of some overseas jurisdictions. The paramount consideration is to preserve clients' confidentiality and the Working Party reviewed various measures that solicitors could consider if they were to conduct their practices in service centres. These will be submitted to the Standing Committee on Standards and Development and the Council in due course for further consideration.

## Modernisation of legal infrastructure

### Limited Liability Partnerships ("LLPs")

Since 2004, The Law Society has been working to modernise business structures available to practitioners and has pushed for the introduction of LLPs for law firms in Hong Kong. LLPs have been adopted in most jurisdictions around the world including financial centres like New York, London and Singapore. Allowing law firms to practise as LLPs is to bring Hong Kong in line with the global trend. This form of business organisation facilitates the formation of large partnerships

with partners who possess expertise in different practice areas. It will enable a diversification of the scope of practice areas and legal services on offer in the same firm to meet the different needs of a client. Further, it can cultivate the concept of a one-stop shop making available a wide range of legal services for consumers' convenience. With an expansion in the scale of operation, the resulting economy of scale will benefit both the law firms and the consumers.

Significant progress in the LLP legislative process has been made during the year. The necessary subsidiary legislation for implementation of LLPs was all passed and scheduled to commence on 1 March 2016.

Another additional mode of operation in the pipeline is the Solicitor Corporation. The Working Party on Solicitor Corporations continued to work, in consultation with the Department of Justice, on the drafting and translation of the relevant subsidiary legislation.

### Civil jurisdictional limits

The last review of the civil jurisdictional limits of the District Court took place 12 years ago in 2003. On 9 December, The Law Society published a response to a consultation on these jurisdictional limits by the Judiciary, which we considered long overdue, supporting the proposed increase in the general financial limit of the civil jurisdiction of the District Court from HK\$1 million to HK\$3 million. We took the view that an appropriate increase in the jurisdictional limit should divert a number of cases from the High Court to the District Court. That should help alleviate the caseload of the High Court. Further, we also supported the increase in the financial limit of the civil

jurisdiction of the Small Claims Tribunal from HK\$50,000 to HK\$75,000.

## Party and party rates

The judicial guide on the bands of hourly rates allowed for solicitors and their staff on party and party taxation (Scale Rates) was last revised by the Registrar of the High Court in 1997. Economic changes and the development in the legal service market over the past 18 years have led to a significant gap between the Scale Rates and the solicitors and own client rates.

This growing divergence means that a successful litigant is being seriously disadvantaged. What he recovers from the losing party under a costs order, pursuant to the principle of “loser pays”, has become substantially insufficient to cover what he actually pays his solicitors. The difference can range from 15% to as much as 50%. The current system of maintaining such out-of-date Scale Rates is clearly unfair to successful litigants and it renders Hong Kong less attractive as a legal services hub.

The Law Society has been lobbying hard for an urgent update of the Scale Rates. However, the pace of the review by the Judiciary has not been satisfactory. In December, The Law Society made a submission to the Judiciary in response to the draft interim report on the review methodology prepared by the Judiciary’s consultants.

## Improvements to existing practice

The Law Society is grateful for our members’ input in identifying areas that they encounter in their daily practice which require improvement. The Law Society will communicate these issues to

the relevant authorities and engage them in discussions with a view to effecting changes that address the identified problems. However, change takes time. The Law Society has engaged the relevant authorities in the following areas during the year and will continue to work on them:

### Taxation

Members have shown increasing concern about the current practice of cost taxation which does not seem to be capable of resulting in a fair and reasonable assessment of costs. In December, The Law Society set up a Working Party on Taxation in Civil Proceedings to review the taxation process and explore ways, together with other stakeholders, to address the concerns.

### Payment of interim billings by Legal Aid

In May, The Law Society conducted a members’ survey on the payment of interim billings on the assigned cases by the LAD. The survey results generally showed that there was room for improvement. The Law Society relayed the survey results to the LAD, urging the Department to take remedial actions.

### Criminal legal aid rates

The Law Society has been in discussions with the Administration on the review of the criminal legal aid fee system since March 2006. It has been a long battle. The crux of the matter principally lies with the resources the Administration is prepared to put into the criminal legal aid system to assist citizens who cannot afford private legal representation in criminal trials. The Administration owes it to the community to address the fundamental resource issues that concern citizens’ rights in criminal trials.

During the year, The Law Society continued discussions with the LAD and the Home Affairs Bureau on an upward adjustment of the criminal legal aid rates.

### Fixed costs in matrimonial cases

The Law Society had also started discussions with the LAD proposing an update to the fixed costs in matrimonial cases specified under Schedule I of the District Court (Fixed Costs in Matrimonial Causes) Rules (Cap. 336F), which were last reviewed in 2000. The Law Society had proposed that the fixed costs arrangement be extended to the new family court practices, such as Children’s Appointment and Children Dispute Resolution Hearings.

### Police Protocol in handling domestic violent cases

In January, The Law Society made a proposal to the Hong Kong Police Force to update its protocol in handling the domestic violence cases.

### Notification to hearing

In cases where judgment is reserved at the end of a hearing, The Law Society has proposed to the Judiciary to introduce enhanced measures to notify parties to the hearing the estimated time for handing down the reserved judgment.

## Contributions to law reforms

The Law Society, through the valuable input of various specialist committees under the Standing Committee on Practitioners Affairs, has relayed the views of the solicitors' profession in consultations on law reforms. In 2015, 21 public submissions were made on a wide range of areas, some of which are set out below:

- Proposed Amendments to the Securities and Futures Ordinance for Providing Assistance to Overseas Regulators in Certain Situations;
- Review of Fees and Charges of the Intellectual Property Department ("IPD");
- Review of the Building Management Ordinance (Cap. 344);
- Proposed Application of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks to the Hong Kong Special Administrative Region;
- Proposals to enhance the USM;
- Method for Selecting the Chief Executive by Universal Suffrage;
- Revised Draft Guidelines under the Competition Ordinance;
- An Effective Resolution Regime for Financial Institutions in Hong Kong (2nd Consultation Paper);
- The Principles of Responsible Ownership;
- Automatic Exchange of Financial Account Information in Tax Matters in Hong Kong;
- Enactment of Apology Legislation in Hong Kong;
- Review of The Environmental, Social And Governance Reporting Guide;
- Establishment of a reporting system on the Physical Cross-Boundary Transportation of Large Quantities of Currency and Bearer Negotiable Instruments;
- Draft Leniency Policy for Undertakings Engaged in Cartel Conduct;
- Copyright (Amendment) Bill 2014;
- Introducing Mandatory Clearing and Expanding Mandatory Reporting;
- Review on Expansion of Supplementary Legal Aid Scheme;
- Review of the Civil Jurisdictional Limits of The District Court and the Small Claims Tribunal;
- To Expand the Scope of Short Position Reporting and On The Corresponding Amendments To The Securities and Futures (Short Position Reporting) Rules; and
- Proposed Amendments to the Guidelines for the Regulation of Automated Trading Services.

Further, The Law Society also contributes to the promotion of law reforms and various legal practice areas through sponsorships. In 2015, The Law Society supported the following either as a co-organiser or a sponsor.

- (a) The Law Society co-organised the Third Children's Issues Forum on 13 and 14 November gathering members of the local and overseas judiciary and legal profession, government officials from Hong Kong and overseas, health care and child protection professionals, and community and non-profit organisations to consider important issues relating to the welfare, well-being and safety of Hong Kong children. This was a valuable opportunity for our family law practitioners to exchange insights on their practices affecting children.
- (b) The Law Society supported the promotion of arbitration in the Arbitration Week held in the last week of October by sponsoring "ADR in Asia Conference", "UNCITRAL Asia-Pacific Judicial Summit" and "Hong Kong Arbitration Charity Ball".
- (c) The Law Society co-organised the 2015 Criminal Law Conference on 24 October to provide a platform for various stakeholders in the criminal justice system to exchange views on the possible future development of Hong Kong's criminal justice system and to discuss issues related to the latest development in criminal law.



# Maintaining the Highest Standards



# Maintaining the Highest Standards

The solicitors' profession is self-regulatory. The Council is obliged to ensure the establishment and promotion of high standards of work within the profession. This includes the encouragement of the continued study and acquisition of legal knowledge and skills by legal practitioners.

## Nurturing life-long learning

The Law Society implemented the CPD Scheme in 1998 and the RME Programme in 2004. The CPD Scheme aims at providing a convenient framework for the legal profession to meet the changing demands of clients and society by requiring them to update their legal knowledge and skills. The RME Programme aims to raise awareness of risk issues and promoting good risk management when running a legal practice.

In 2015, The Law Society and Hong Kong Academy of Law Limited ("Academy") conducted a total of 480 CPD and RME courses and attracted an attendance of 18,023 participants. Further, The Law Society accredited 5,231 CPD courses provided by other providers.

The Law Society has taken into consideration the need for busy practitioners to have a variety of means by which they can comply with the CPD requirements by permitting and encouraging methods of learning other than attendance at traditional lecture based courses. During the year, The Law Society also accredited two postgraduate and other law courses, 12 legal journals and books, 75 legal researches and one committee for CPD purposes.

Under the Legal Practitioners Ordinance ("LPO"), a solicitor cannot practise on his own account or in partnership until he has satisfied the Council that he has been bona fide employed in the practice of a solicitor in Hong Kong for at least 2 years. To ensure that a solicitor is properly equipped with the necessary practice management skills before he is allowed to operate his own firm as a sole proprietor or as a partner, the LPO has been amended to include a requirement on the completion of an approved practice management course prior to an application for an unconditional practising certificate. This legislative amendment has not come into operation and no commencement date has yet been fixed. During the year, The Law Society worked on the practice management course and other implementation details.

## Gatekeeper of admission standards

The Law Society is empowered under s. 4 of the LPO to prescribe the requirements for admission as solicitors of Hong Kong. Solicitors are the backbone of society tasked with the important responsibility of ensuring the fair administration of justice, and The Law Society has a statutory duty to prescribe admission requirements to ensure those who enter the solicitors' profession are of the highest standards.

There are two routes to admission as a solicitor of Hong Kong, via the trainee solicitor route and the overseas lawyers qualification route.

In respect of the overseas lawyers qualification route, The Law Society is responsible for administering the OLQE which is held annually.

In 2015, The Law Society administered the 21st OLQE since its launch in 1995. It was also the first examination in which the additional subject on Hong Kong Constitutional Law was tested. Of the 165 candidates who sat for the OLQE, 159 were from 22 overseas jurisdictions (12 were common law jurisdictions and 10 were non-common law jurisdictions). The overall pass rate was 61%.

For the trainee solicitor route, prior to entering into a trainee solicitor contract, a person is currently required to complete the Postgraduate Certificate in Laws provided by the three law schools in Hong Kong. Under r. 7 of the Trainee Solicitors Rules (Cap. 159, Sub. Leg.), The Law Society is also empowered alternatively to set and/or approve an examination for anyone wishing to enter into a trainee solicitor contract. During the year, The Law Society worked on the CEE proposal pursuant to r. 7 of the Trainee Solicitors Rules. The proposed CEE is aimed at ensuring all solicitors have been assessed under the same rigorous standard. This will improve consistency and enhance the quality and competence of the entrants to the solicitors' profession thereby ensuring that the public interest is served and the confidence of the community in the profession is sustained.

The Law Society will continue to work on the various aspects of the CEE engaging all stakeholders in the process.



# Exploring New Opportunities





# Exploring New Opportunities

One of The Law Society's important tasks is exploring new business opportunities for members.

The Law Society has been actively promoting Hong Kong legal services to the international community at every possible opportunity. We are also putting in substantial efforts to enhance the global understanding of the unique position of Hong Kong as a Special Administrative Region of the People's Republic of China under the implementation of the concept of "One Country, Two Systems".

In 2015, The Law Society took the opportunity to promote Hong Kong legal services to the international community on the following occasions:

- (a) IPBA Conference in Hong Kong in May;
- (b) "SmartHK" Roadshow organised by the Hong Kong Trade Development Council ("HKTDC") in Jinan in May;
- (c) "Think Asia, Think Hong Kong" Trade Mission organised by the HKTDC in Toronto and Chicago in June;
- (d) Legal Services Forum organised by the HKTDC in July;
- (e) "In Style, Hong Kong" Roadshow organised by the HKTDC in Jakarta in September;
- (f) IBA Annual Conference in Vienna in October.



**1** IPBA 25th Annual Meeting and Conference in Hong Kong



**2** A thematic session held at HKTDC "Think Asia, Think Hong Kong", in Toronto



**3** "In Style • Hong Kong" Symposium in Jakarta

Through networking with law societies and bar associations around the world, The Law Society has established extensive connections with the legal profession in different overseas jurisdictions laying a good foundation for collaborative initiatives for the benefit of our members. In 2015, The Law Society entered into a MOU with each of the following:

- (a) The Taichung Bar Association in January;
- (b) The Okinawa Bar Association in May;
- (c) The Federal Chamber of Lawyers of the Russian Federation in May; and
- (b) The Guangdong Provincial Lawyers Association and the Macau Bar Association in July.

Further, through the attendance at selected international conferences by our representatives, The Law Society has been able to keep abreast of the global development of the legal market.



- 4 Signing MOU with The Taichung Bar Association
- 5 Signing MOU with The Okinawa Bar Association
- 6 Signing MOU with The Federal Chamber of Lawyers of the Russian Federation





Opening up new areas of work for our members is another priority for The Law Society. Recent new areas included the work of solicitor advocates, civil celebrants of marriages and reverse mortgage counselors. The numbers of solicitors qualifying into these areas keep increasing. As of the end of the year, there were 37 solicitor advocates, 2,082 civil celebrants and 438 reverse mortgage counselors. Discussions to explore the establishment of a Law Society Panel of

Parenting Co-ordinators were in progress. The Law Society also promoted the development of Islamic Finance in Hong Kong at the 6th Annual World Islamic Banking Conference held in Singapore in June.

The Law Society will continue its efforts to secure more opportunities for our members and maintain a healthy and sustainable development of our profession.



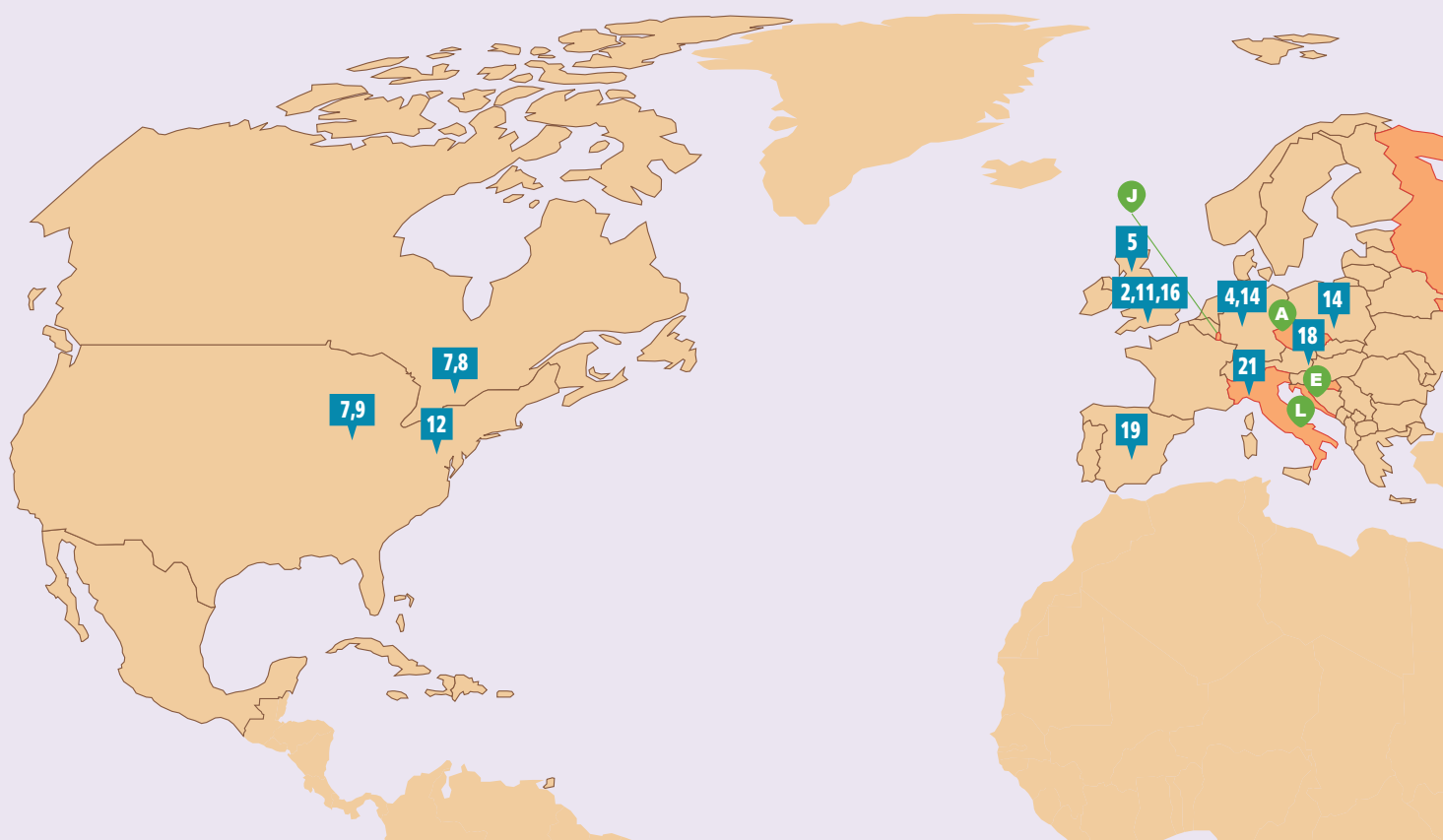
7 The 2nd Lawyers' Forum in Changzhou

8 Visit to the Shenzhen Qianhai Free Trade Zone



# The Law Society's Global Network

## Overseas



### The Law Society entered into MOUs with the following overseas organisations in 2015

- O. Japan (Okinawa) - Okinawa Bar Association
- P. Russia - Federal Chamber of Lawyers of the Russian Federation



### The Law Society participated in the following international conferences and events in 2015

1. Opening of Legal Year of Singapore (5 Jan)
2. Global Law Summit, London (23-25 Feb)
3. IBA 4th Asia Pacific Regional Forum Conference, Singapore (18-20 Mar)
4. 2nd International Lawyers' Forum, Berlin (26-27 Mar)
5. The 19th Commonwealth Law Conference 2015, Glasgow (12-16 Apr)
6. IPBA 25th Annual Meeting and Conference, Hong Kong (6-9 May)
7. HKTDC "Think Asia, Think Hong Kong", Toronto & Chicago (8-10 Jun)
8. International Legal Regulators Conference, Toronto (27-28 Jul)
9. ABA Annual Conference, Chicago (30 Jul- 4 Aug)
10. LAWASIA 9th Employment Law Conference, Hanoi (14-15 Aug)
11. AIJA Congress, London (1-5 Sep)
12. IILACE Annual Conference, Washington DC (9-12 Sep)
13. HKTDC "In Style - Hong Kong" & DoJ Roadshow, Jakarta (16-18 Sep)
14. HK Business Delegation to Central Europe, Budapest, Warsaw, Dusseldorf (21-27 Sep)
15. POLA Summit 2015, Goa (25-27 Sep)
16. Opening of Legal Year of the Law Society and Bar Council of England and Wales, London (30 Sep - 1 Oct)
17. Hong Kong Infrastructure Development & Real Estate-related Services and Professional Services Mission to Yangon, Myanmar (4-8 Oct)
18. IBA Annual Conference & Breakfast session, Vienna (4-9 Oct)
19. UIA 59th Congress, Valencia (28 Oct - 1 Nov)
20. LAWASIA 28th Annual Conference, Sydney (6-9 Nov)
21. United Nation Human Right: Committee Against Torture, Geneva (16-18 Nov)



## Greater China Region







**The Law Society entered into MOUs with the following organisations in the Greater China region in 2015**

- a. Guangdong Lawyers Association
- b. Macau Lawyers Association
- c. Taichung Bar Association



**The Law Society participated in the following conferences and events held in the Greater China region in 2015**

- A. Seminar on Hong Kong's Legal and Arbitration Services, Chongqing (17 Mar)
- B. Seminar on Hong Kong's Legal and Arbitration Services, Chengdu (18 Mar)
- C. Beijing Lawyers Forum at the Law School of the Renmin University of China, Beijing (21 May)
- D. Smarthk, Jinan (27-28 May)
- E. Open day of the First Circuit Court of the Supreme People's Court, Shenzhen (28 May)
- F. All China Lawyers Association Seminar, Guangzhou (5 Jun)
- G. Legal Services Seminar, Wuhan (2 Jul)
- H. Seminars on Hong Kong's Legal and Dispute Resolution Services, Beijing (18 Aug)
- I. Seminars on Hong Kong's Legal and Dispute Resolution Services, Shanghai (19 Aug)
- J. Seminar on the Legal Exchange and Cooperation between Hong Kong and the Mainland, Shanghai (21 Aug)
- K. Seminar organised by China University of Political Science and Law, Beijing (16 Oct)
- L. Study Trip to Qianhai Free Trade Zone, Shenzhen - co-organising with HKTDC (18 Dec)



**The Law Society had entered into MOUs with the following organisations in the Greater China region prior to 2015**

- The Law Society signed a MOU with All China Lawyers Association in 2013 (lawyers association on national level)
- 1. Anhui Lawyers Association
- 2. Beijing Lawyers Association
- 3. Changzhou Lawyers Association
- 4. Chongqing Lawyers Association
- 5. Dalian Lawyers Association
- 6. Foshan Lawyers Association
- 7. Fujian Lawyers Association
- 8. Guangxi Lawyers Association
- 9. Hangzhou Lawyers Association
- 10. Hebei Municipal Lawyers Association
- 11. Henan Lawyers Association
- 12. Hubei Lawyers Association
- 13. Hunan Lawyers Association
- 14. Jiangsu Lawyers Association
- 15. Jiangxi Lawyers Association
- 16. Jilin Lawyers Association
- 17. Kaohsiung Bar Association
- 18. Lawyers Association of Zhejiang
- 19. Liaoning Lawyers Association
- 20. Nanjing Lawyers Association
- 21. Ningbo Lawyers Association
- 22. Qingdao Lawyers Association
- 23. Shaanxi Province Lawyers Association
- 24. Shandong Lawyers Association
- 25. Shanghai Bar Association
- 26. Shanxi Lawyers Association
- 27. Shenzhen Lawyers Association
- 28. Sichuan Province Lawyers Association
- 29. Taipei Bar Association
- 30. Tianjin Lawyers Association
- 31. Xi'an Municipal Lawyers Association
- 32. Xinjiang Lawyers Association

# Providing Relevant and Effective Support to Members





# Providing Relevant and Effective Support to Members

The Law Society is dedicated to providing relevant and effective support to our members.

The support we provide covers different aspects including the professional development and the well-being of our individual members as well as sector-specific needs.

## Professional support

### Law

The Law Society and the Academy regularly organise seminars to update members on upcoming changes to the law and practice. Updates in 2015 included the following:

- (a) the Pilot Scheme on Private Financial Adjudication which commenced on 19 January;
- (b) the Judiciary's New Checklist for Application for Grant that was launched on 10 June;
- (c) the Competition Ordinance which came into effect on 14 December;
- (d) the Contracts (Rights of Third Parties) Ordinance that would take effect on 1 January 2016; and
- (e) the Solicitors' Accounts (Amendment) Rules 2012 that would take effect on 1 July 2016.

### Ethics

The Law Society handles daily enquiries from members on matters relating to the LPO (Cap. 159) and its subsidiary legislation, The Law Society's Practice Directions and the Hong Kong Solicitors' Guide to Professional Conduct ("Conduct Guide"). The more complicated enquiries

are referred to The Law Society's Guidance Committee for consideration. During the year, the Guidance Committee considered 16 enquiries on professional conduct issues.

### Practice management

The Law Society has set up a dedicated committee on Practice Management to support members in this area. The Committee organised two seminars on "Alternative Business Structure" and "How to Grow and Expand a Legal Practice, particularly from the perspective of a Small and Medium Sized Firm" in October and November, respectively. It also commissioned an external consultant to write an article on "Staying Relevant in the Age of Technology" which was published in the December issue of The Law Society's official journal, *Hong Kong Lawyer*.

### Accounts

One of the roles of The Law Society's Monitoring Accountants is to pay routine visits to newly established law firms, both local and foreign, to provide guidance on how to ensure compliance with the Solicitors' Accounts Rules (Cap. 159, sub leg). In 2015, they conducted a total

of 61 visits (45 visits to Hong Kong law firms and 16 visits to foreign law firms).

### Technology

To facilitate members' access to information on our website, The Law Society developed a Law Society App in 2013. During the year, three functional features were added including a running text function, a keyword search function in the Law List and in the Conduct Guide. Further, two seminars were organised by the Technology Committee to highlight the proper use of mobile data. The Committee also reviewed the feasibility of the development of an integrated system with features including solicitor-client billing, document management, office administration, law firm accounting and compliance.

## Support for Members' Well-Being

Maintaining a work-life balance is important to the well being of our members. The Law Society provides a framework for members to participate in different kinds of sports, recreational and social activities and to have some fun in between their busy work schedules.



1 Council members answering questions from the floor in the Members' Forum



In 2015, The Law Society administered 14 sports teams and eight recreational groups for members and organised a variety of members' functions including:

- (a) Champagne Night for Valentines' Day on 12 February;
- (b) a 12-hour Mental Health First Aid Training course in March;
- (c) Family Fun Day on 3 May;
- (d) a visit to the Ministry of Foreign Affairs in Hong Kong on 23 May;
- (e) a visit to the Legislative Council on 13 June;
- (f) Swimming Gala on 16 August;
- (g) Summer Party on 28 August;
- (h) 6th Guangdong-Hong Kong-Macau Lawyers Sports Meet and the Rule of Law Marathon on 14 November;
- (i) 10th Recreation and Sports Night on 14 November;
- (j) Christmas Party on 17 December; and
- (k) five luncheon talks and workshops on topics relating to health and education.



The Law Society also took out Disability Income Insurance to provide income protection to our members in case anyone suffered from sickness or accidents leading to loss of speech or loss of independent existence. The online research platform "LawSociety Lexis" free of up-front charge continued to be available exclusively for Law Society

members, registered foreign lawyers and trainee solicitors for the fifth year since its launch in 2011.

**2** 6th Guangdong-Hong Kong-Macau Lawyers Sports Meet and the Rule of Law Marathon

**3** 10th Recreation and Sports Night

**4** 5th Family Fun Day 2015

**5** Guided Visit for members' children





## Support for Sector-Specific Needs

### In-House Lawyers

An increasing number of our members work as in-house lawyers. As of the end of 2015, about 22% of our members holding a practising certificate was not in private practice.

The Law Society held its Annual Conference of In-House Lawyers on topics of common interest to in-house solicitors in September, which attracted over 400 participants.



6



7

### Young Solicitors

Out of 8,647 members holding a practising certificate, about 31% were admitted between 2010 and 2015. The Law Society's Young Solicitors Group was set up to support the needs of this substantial group of our membership. In addition to organising activities that are of interest to young members, The Law Society also helps promote the culture of sharing in the profession. In 2015, the CONNECTED Programme continued for the fifth year. The purpose of the Programme was to provide an opportunity for trainee solicitors to meet both the younger members (their "buddy") and the senior members (their "mentor") of The Law Society to facilitate a better mutual understanding among members of their different backgrounds through interactive activities.



8

The Law Society will continue its efforts to identify the needs of our members and provide support to them.

6 2015 Annual Conference of In-House Lawyers

7 2015 CONNECTED Programme

8 The Law Society Annual Christmas Party 2015



# **Giving Back to Community**





# Giving Back to Community

Our members have been actively participating in pro bono and community work, often quietly fulfilling their social responsibilities in different meaningful ways. The Law Society helps members to do so by providing for structured opportunities. During the year:

- we organised a series of community projects including, eg, “Teen Talk”, involving over 87 solicitor volunteers facilitating discussions on topics of legal interest among 955 secondary student participants;
- our Free Legal Helpline handled 1,603 requests for legal assistance through the helplines in the areas of personal injury, matrimonial law, criminal law and mediation manned by over 120 solicitor volunteers;



- the “Legal Pioneer Mentorship Programme” enlisted over 25 mentors for 13 school teams comprising 92 student mentees;
- our members disseminated legal knowledge through school and community talks, public discussions, newspaper columns, radio and online media including the radio programme “Viva Counsellor” which was broadcast weekly from September to mid-November and online videos and legal knowledge cards launched during Law Week on the social media;

1 Teen Talk 2015 on 28 November

2 Council members disseminating legal knowledge via radio programme from 4 June to 15 October

3 Legal Pioneer Mentorship Programme 2014 – 2015

4 Law Week 2015 on 28 November



- we collaborated with various organisations on different voluntary projects benefiting different sectors of the community, including working on:

- the “NGOs Governance Platform Project” with the Hong Kong Council of Social Service to promote best practice and experience sharing among board members of their NGO members;
- the “Business-School Partnership Programme” (“BSPP”) with the Education Bureau to promote better cooperation and closer alliances between the business sectors and the schools so as to lead students out of the classroom to gain a wider perspective of the world and to get them better prepared for life after school;

- 5** A seminar briefing participants from social enterprises on legal issues on 5 June
- 6** “BSPP” activity on 27 May
- 7** Gathering with the Elderly on 12 December
- 8** Volunteer Services Programme – Summer Story Telling & Art Workshop for under-resourced children on 11 July and 1 August





- the “Free Legal Advice Service on Building Management” with the Home Affairs Department to provide assistance to owners corporations and building owners;
- the “Pro Bono IP Advisory Service” with the IPD to provide legal assistance to small and medium-sized enterprises on intellectual property issues; and
- members raised HK\$60,000 through the Sports Night activities for the Hong Kong Amputees Association.

Further, The Law Society also organises an annual Pro Bono and Community Work Recognition Programme to honour our members who have contributed selflessly their time and expertise for the benefit of the community. In 2015,



14 law firms and 99 members were honoured with awards under this Programme.



**9** Fundraising in the 10th Recreation and Sports Night on 14 November

**10** 2015 Pro Bono and Community Service Award Presentation Ceremony on 4 December



# Membership of Standing Committees, Committees, Working Groups, Working Parties and Organising Committees

## Committees and Working Parties Reporting Directly to the Council

### Hong Kong Lawyer Editorial Board

Huen WONG *(Chair)*  
Jenkin S.F. CHAN  
Peter C.H. CHAN  
Heidi K.P. CHU  
Steven Brian GALLAGHER  
GU Minkang  
Warren P. GANESH  
Julienne JEN  
Dave C.K. LAU  
Byron T.W. LEUNG *(joined in January)*  
George Y.C. MOK  
Anne SCULLY-HILL  
Michelle K.M. TSANG  
Adamas K.S. WONG  
Cecilia K.W. WONG *(resigned in August)*  
Tony Y.H. YEN

Secretary: Assistant Director, Member Services

### Honours Committee

Huen WONG *(Chair)*  
Michael J. LINTERN-SMITH  
Amy Y.K. LIU  
Amirali B. NASIR  
Paul C.Y. TAN  
Herbert H.K. TSOI *(retired in February)*

Secretary: Secretary General

### LegCo Liaison Group

Stephen W.S. HUNG *(Chair)*  
Heidi K.P. CHU  
Dennis KWOK  
Melissa K. PANG  
Thomas S.T. SO

Secretary: Director of Practitioners Affairs

### Mediation Committee

Cecilia K.W. WONG *(Chair)*  
Geoffrey N. BOOTH  
John R. BUDGE  
Patrick M. BURKE  
Bryan G.T. LUNG  
Maureen E. MUELLER  
Melissa K. PANG  
Catherine K.G. POR  
Jody K.Y. SIN  
Sylvia W.Y. SIU  
Norris H.C. YANG  
Helena S.Y. YUEN

Secretary: Director of Practitioners Affairs  
Mediation Co-ordinator

### New Working Group on Pro Bono Insurance

Melissa K. PANG *(Chair)*  
Heidi K.P. CHU  
Junius K.Y. HO  
Amirali B. NASIR  
Sylvia W.Y. SIU

Secretary: Director of Member Services

### Public Policy Committee

Nick CHAN *(Chair)*  
James K.T. WONG *(Vice-Chair from February)*  
Frederick K.C. KAN *(Vice-Chair until January)*  
Bonnie J.Y. CHAN *(resigned in April)*  
C.M. CHAN  
Keith CHAN  
CHAN Tze Chin  
Wendy CHAN  
Stanley W.L. CHAN

Eliza L.S. CHANG  
Horace K.K. CHEUNG  
Sebastian Y.F. KO  
Angela Y.L. LAU  
Terry LIU  
Raymond C.P. SIU  
Roden M.L. TONG  
Eric H.Y. WOO  
Roderick B. WOO

Secretary: Assistant Director, Communications and External  
Affairs

**Working Party on Limited Liability Partnerships**

Joseph C.W. LI *(Chair)*  
Junius K.Y. HO  
Allan C.Y. LEUNG  
Michael J. LINTERN-SMITH  
Amirali B. NASIR  
David G. SMYTH  
Huen WONG

Secretary: Secretary General



## Standing Committee on Compliance

Denis G. BROCK	<i>(Vice-Chair until January; Chair from February)</i>	(1/10)
Nick CHAN	<i>(joined in January; Vice-Chair from February)</i>	(10/10)
Angela W.Y. LEE	<i>(Chair until January)</i>	(0/10)
Alfred K.H. CHAN		(7/10)
Patrick R.P. HAMLIN		(10/10)
Dennis H.F. HIE		(8/10)
Stephen W.S. HUNG		(7/10)
Henson LAM		(10/10)
Andrew Y.B. LEE		(8/10)
Jason C.K. LI		(10/10)
Peter C.L. LO		(8/10)
Billy W.Y. MA		(9/10)
Gavin P. NESBITT	<i>(joined in August)</i>	(2/5)
Kenneth S.Y. NG		(1/10)
Melissa K. PANG		(5/10)
Gregory D. PAYNE		(8/10)
Hanifa RAMJAHN		(4/10)
Annie P.Y. WONG		(8/10)
Dieter YIH	<i>(joined in March; resigned in December)</i>	(5/9)

Annie P.Y. WONG

Kelly Y.H. WONG

Ann M.S. YEUNG

Secretary: Director of Compliance

## Investigation Committees

[Note: These Committees are Subcommittees of the Standing Committee on Compliance, consisting of three members, and consider agendas by circulation. Members are selected by the Compliance Department from members of the Standing Committee on an ad hoc basis to consider individual agendas.]

Secretary: Director of Compliance

## Consents Committee

Melissa K. PANG	<i>(Chair)</i>
Kenneth S.Y. NG	<i>(Vice-Chair)</i>
Nick CHAN	
IP Shing Hing	
Raymond M.S. KWOK	
Henry H.W. LAI	<i>(joined in July)</i>
Billy Y.C. LAM	<i>(joined in July)</i>
Henson LAM	
William C.W. LAM	
Jonathan T. W. LEE	
Paul K.Y. NG	

Note : Figures shown in the "( )" denote the meeting attendance during the year.



■ Compliance Department



## Standing Committee on External Affairs

Huen WONG	<i>(Chair)</i>	(10/10)
Joseph C.W. LI	<i>(Vice-Chair)</i>	(9/10)
C.M. CHAN	<i>(resigned in January)</i>	(0/1)
Nick CHAN		(9/10)
Kenneth Y. CHOY	<i>(joined in March)</i>	(7/8)
Junius K.Y. HO		(6/10)
Stephen W.S. HUNG		(6/10)
Frederick K.C. KAN	<i>(resigned in January)</i>	(0/1)
Carmen W.M. KAN	<i>(joined in March)</i>	(3/8)
Nadine LAI		(6/10)
Simon S.C. LAI		(8/10)
Michael J. LINTERN-SMITH	<i>(resigned in May)</i>	(0/4)
Daphne F.Y. LO		(7/10)
Kenneth H.S. NG	<i>(retired in January)</i>	(0/1)
Melissa K. PANG	<i>(joined in August)</i>	(2/4)
Robert C. RHODA	<i>(joined in March)</i>	(8/8)
Thomas S.T. SO		(7/10)
Maggie Y.T. TSUI	<i>(joined in March)</i>	(7/8)
James K.T. WONG	<i>(joined in March)</i>	(7/8)
Philip W.C. WONG		(8/10)
Stephen R. YAP	<i>(retired in January)</i>	(0/1)
Ann M.S. YEUNG		(8/10)
Dieter YIH	<i>(joined in January; resigned in December)</i>	(6/9)
Henry K.W. YIP		(8/10)

Secretary: Assistant Director, Communications and  
External Affairs

### Law Week 2015 Organising Committee

Ann M.S. YEUNG	<i>(Chair)</i>
Nancy B.Y. LEUNG	<i>(Vice-Chair)</i>
Stanley W.L. CHAN	
Stephen W.S. HUNG	
William C.Y. KONG	
Nadine LAI	
Arthur Y.Y. LAW	
Daphne F.Y. LO	
SAUW Yim	
Daniel K.M. SHUM	

Michelle W.T. TSOI  
Maggie Y.T. TSUI  
Cecilia Grace L.A. WONG  
Louise K.F. WONG  
Nathan S.K. WONG  
Cassandra K.C. WU

Secretary: Assistant Director, Communications and  
External Affairs

### Teen Talk 2015 Organising Committee

Nick CHAN	<i>(Chair)</i>
Nadine LAI	<i>(Vice-Chair)</i>
Roden M.L. TONG	<i>(Vice-Chair)</i>
Serina K.S. CHAN	
Arthur C.W. CHEUNG	
Ian P.N. CHU	
Patricia D.Y. HO	
Stephen W.S. HUNG	
Ronald Y.H. KAN	
Cammille K.Y. LEUNG	
Winnie W.S. LO	
Daniel K.M. SHUM	
SHUM Hin Han	
James K.T. WONG	

Secretary: Assistant Director, Communications and  
External Affairs

### Community Relations Committee

Philip W.C. WONG	<i>(Chair)</i>
Ann M.S. YEUNG	<i>(Vice-Chair)</i>
Nick CHAN	
Serina K.S. CHAN	
Stanley W.L. CHAN	
Joseph C.K. HO	<i>(joined in October)</i>
Nadine LAI	
Arthur Y.Y. LAW	
SAUW Yim	
Michelle W.T. TSOI	
Maggie Y.T. TSUI	
Patricia WIJAYA	

Note : Figures shown in the "( )" denote the meeting attendance during the year.

Cecilia Grace L.A. WONG  
James K.T. WONG  
Nathan S.K. WONG  
Cassandra K.C. WU *(joined in May)*  
Judy W.C. YAM *(retired in July)*  
Victor C.K. YAU *(resigned in March)*

Secretary: Assistant Director, Communications and External Affairs

#### **Working Group on Community Talks and Services**

Maggie Y.T. TSUI *(Chair)*  
SAUW Yim *(Vice-Chair)*  
Stanley W.L. CHAN  
Anthony W.M. KWAN *(retired in July)*  
Nadine LAI  
Stephanie W.Y. LAU  
Daniel K.M. SHUM  
Michelle W.T. TSOI  
Patricia WIJAYA *(joined in April)*  
James K.T. WONG  
Nathan S.K. WONG *(retired in July)*  
Cassandra K.C. WU  
WU Weijing *(joined in October)*  
Victor C.K. YAU *(retired in July)*  
Jackie N.M. YEUNG  
Matthew K.W. YIM *(retired in July)*  
Cerin N.T. YIP *(joined in July)*  
Henry P.H. YU

Secretary: Communications and External Affairs Officer

#### **Working Group on Law and New Generation Programme and School Talks**

Serina K.S. CHAN *(Chair)*  
Nadine LAI *(Vice-Chair)*  
Nick CHAN  
Stanley W.L. CHAN  
Muhammad K. CHAUDHRY *(joined in October)*  
Joyce C. CHENG *(joined in July)*  
Joseph C.K. HO  
Frederick C.K. HUI *(retired in July)*

Cecilia G. WONG *(retired in July)*  
James K.T. WONG  
Cassandra K.C. WU  
Ann M.S. YEUNG *(retired in July)*

Secretary: Communications and External Affairs Officer

#### **Working Group on Legal Pioneer Mentorship Programme**

Nathan S.K. WONG *(Vice-Chair until July; Chair from August)*  
Judy W.C. YAM *(Chair retired in July)*  
Arthur Y.Y. LAW *(Vice-Chair from August)*  
Serina K.S. CHAN  
Ronald Y.H. KAN *(joined in July)*  
Nadine LAI  
MAK Hon Ming *(retired in July)*  
SAUW Yim  
Victor C.K. YAU  
Michelle K.Y. YUNG *(joined in October)*

Secretary: Communications and External Affairs Officer

#### **Working Group on Sing Tao Legal Mailbox**

Cecilia Grace L.A. WONG *(Chair)*  
Stanley W.L. CHAN *(Vice-Chair)*  
Katherine J.R. HUANG  
Nadine LAI  
Albert M.K. SO  
Michelle W.T. TSOI  
James K.T. WONG *(retired in July)*  
Nathan S.K. WONG *(retired in July)*

Secretary: Communications and External Affairs Officer

#### **International Legal Affairs Committee**

Melissa K. PANG *(Chair from August)*  
Joseph C.W. LI *(Chair retired in August)*  
Gavin P. NESBITT *(Vice-Chair)*  
Bonita B.Y. CHAN  
Simon CHAN  
Deborah FONG *(joined in October)*



Jing GU *(retired in August)*  
 Frederick K.C. KAN *(joined in November)*  
 Sebastian Y.F. KO *(resigned in December)*  
 Alan H. LINNING  
 Robert C. RHODA  
 Cynthia Y.S. TANG  
 Louise K.F. WONG *(joined in October)*  
 Philip W.C. WONG

Secretary: Assistant Director, Communications and  
 External Affairs

#### **Greater China Legal Affairs Committee**

Thomas S.T. SO *(Chair)*  
 Emily Y.M. LAM *(Vice-Chair)*  
 Wilfred K.P. TSUI *(Vice-Chair)*  
 James K.T. WONG *(Vice-Chair)*  
 Hugo S.K. CHAN *(retired in September)*  
 Kenneth Y.H. CHAN  
 Rico W.K. CHAN  
 Neville C.H. CHENG  
 Franki W.C. CHEUNG  
 Natalia K.Y. CHEUNG *(joined in November)*  
 Anthony W.K. CHOW  
 Hannah C.L. HA  
 Brian P.C. HO  
 Stephen W.S. HUNG  
 Frederick K.C. KAN  
 Ronald Y.H. KAN *(joined in November)*  
 Ambrose S.K. LAM  
 William C.W. LAM  
 Brian C.S. LEUNG *(retired in September)*  
 Alexandra D.W. LO  
 Eric C.H. LUI  
 Patrick K.W. MAK  
 Catherine L.M. MUN  
 Sylvia W.Y. SIU  
 Henry Y.H. WAI  
 Lawrence S.H. YEUNG *(joined in November)*  
 Simon S.M. YEUNG *(retired in September)*

Secretary: Assistant Director, Communications and  
 External Affairs

#### **Cross Strait Four Regions Young Lawyers Forum 2015**

##### **Organising Committee**

Neville C.H. CHENG *(Chair)*  
 Thomas S.T. SO *(Advisor)*  
 James K.T. WONG *(Advisor)*  
 George K.H. CHAN  
 Serina K.S. CHAN  
 Heidi H.Y. CHUI  
 Aaron S.C. FUNG  
 Olivia H.Y. KUNG  
 Nadine LAI  
 Hilda LAM  
 Celeste T.Y. LO  
 Roger J. LUO  
 Vicky W.K. MAN  
 Catherine L.M. MUN  
 Felix K.H. NG  
 Myles Y.K. SETO  
 Daniel K.M. SHUM  
 Raymond C.P. SIU  
 Sharon S.Y. TAM  
 Louise K.F. WONG  
 Gary S.K. YIN

Secretary: Assistant Director, Communications and  
 External Affairs



■ Communications and External Affairs Department



## Standing Committee on Member Services

Cecilia K.W. WONG	<i>(Vice-Chair until July; Chair from August)</i>	(10/11)	Kenneth S.Y. NG	
Melissa K. PANG	<i>(Chair until July)</i>	(7/11)	Elen LAU	
Amirali B. NASIR	<i>(Vice-chair from August)</i>	(4/11)	Jason C.Y. LEE	<i>(retired in June)</i>
Bonita B.Y. CHAN		(7/11)	Anne M. SALT	
CHAN Chak Ming	<i>(on study leave)</i>	(0/11)	Irene W.K. SIU	
Grand H.L. CHAN		(8/11)	Adamas K.S. WONG	
Serina K.S. CHAN		(10/11)	Judy YANG	<i>(retired in June)</i>
Eliza L.S. CHANG		(9/11)	Edwin C.W. YEE	<i>(resigned in January)</i>
Anthony W.K. CHOW		(8/11)	Cerin N.T. YIP	
IP Shing Hing		(5/11)		
Angela W.Y. LEE	<i>(resigned in February)</i>	(0/11)		
Elaine Y.M. LO		(6/11)		

Secretary: Director of Member Services

### Clubhouse Committee

CHAN Tze Chin	<i>(Chair)</i>
Melissa K. PANG	
Bonita B.Y. CHAN	
Heidi K.P. CHU	
IP Shing Hing	
Jackie T.K. LI	
Daphne F.Y. LO	<i>(joined in January)</i>
Annie P.Y. WONG	<i>(retired in January)</i>
H.Y. WONG	
Peter K.C. YIP	<i>(retired in January)</i>

Secretary : Assistant Director, Member Services

### In-House Lawyers Committee

Grand H.L. CHAN	<i>(Chair)</i>
Maggie Y.T. TSUI	<i>(Vice-Chair)</i>
CHAN Chak Ming	
Ricky M.T. CHAN	
CHAN Wing Kit	<i>(joined in September)</i>
Eliof S.W. FONG	<i>(retired in June)</i>
Diana W.L. HUI	
Jasmine KARIMI	
Geoffrey W.C. MO	

### Member Benefit Committee

Bonita B.Y. CHAN	<i>(Chair)</i>
CHAN Tze Chin	
Heidi H.Y. CHUI	
Nadine LAI	
Daphne F.Y. LO	
Melissa K. PANG	<i>(retired in September)</i>
SHUM Ka Ming	
Maggie Y.T. TSUI	<i>(joined in December)</i>
Adamas K.S. WONG	
Annie P.Y. WONG	
Ada C.M. WU	
YU Tat Ming	<i>(retired in September)</i>

Secretary: Assistant Director, Member Services

### Practice Management Committee

Elaine Y.M. LO	<i>(Chair)</i>
Bonita B.Y. CHAN	<i>(joined in August)</i>
Eliza L.S. CHANG	
Kenneth Y. CHOY	<i>(resigned in October)</i>
David J. FLEMING	
IP Shing Hing	
Amirali B. NASIR	
NG Ching Wo	
Ludwig S.W. NG	
Melissa K. PANG	

Secretary: Director of Member Services

Note : Figures shown in the "( )" denote the meeting attendance during the year.

### Islamic Finance Working Party

Amirali B. NASIR *(Chair)*  
 Davide BARZILAI  
 Balbir S. BINDRA  
 John S. GALE  
 Gregory P. MAN  
 Kingsley T.W. ONG  
 Benjamin J. SANDSTAD *(resigned in July)*  
 Edmond M. Y. YEUNG

Secretary: Director of Member Services

### Working Party for SME FIRMS

Junius K.Y. HO *(Chair)*  
 IP Shing Hing *(Chair)*  
 Raymond M.L. CHAK  
 Joseph W.K. CHAN  
 Angela M.K. HO  
 Kenneth H.W. SIT

Secretary: Director of Member Services

### Young Partners' Roundtable

Raymond C.P. SIU *(Chair)*  
 Heidi H.Y. CHUI *(Vice-Chair)*  
 Malcolm T.C. CHIN  
 Alan C.W. CHIU *(joined in May)*  
 Nelson H.Y. CHUNG  
 HAU Pak Sun *(joined in May)*  
 Brian P.C. HO  
 Rita M.W. KU

Secretary : Assistant Director, Member Services

### Pro Bono Committee

Sylvia W.Y. SIU *(Chair)*  
 Junius K.Y. HO  
 Patrick M. BURKE *(retired in September)*  
 Melissa K. PANG  
 Serina K.S. CHAN *(joined in March)*  
 Eric T.M. CHEUNG  
 Michelle Y.W. CHOW *(joined in March)*

E. John DAVISON  
 Anthony W.M. KWAN  
 Alexander H.S. LEUNG  
 Angelyn A.L. LIM *(retired in September)*  
 Michelle S.M. LUK *(joined in March)*  
 Alan G. SCHIFFMAN  
 Amy Y.T. SUPANGKAT  
 Davyd Wong *(joined in March)*

Secretary : Assistant Director, Member Services

### Working Group on Insurance for Pro Bono Work

Eric T.M. Cheung *(Chair)*  
 Patrick M. BURKE

Secretary : Director of Member Services

### Working Group on Pro Bono Project on Building Management Work

Alexander H.S. Leung *(Chair)*  
 Junius K.Y. Ho  
 Anthony W.M. Kwan  
 Melissa K. Pang

Secretary : Assistant Director, Member Services

### Working Group on Pro Bono Webpage

Patrick M. BURKE *(Chair)*  
 Serina K.S. CHAN *(joined in October)*  
 May M.Y. LUN  
 Jelita PANDJAITAN  
 Davyd WONG *(joined in October)*

Secretary : Assistant Director, Member Services

### Working Group on Seminars for Social Enterprises

E. John DAVISON *(Chair)*  
 Serina K.S. CHAN  
 CHI Kee Ming  
 Teresa C.W. CHU  
 May M.Y. LUN  
 Rendy K.M. NG



Kirindi Y.T. TANG

Stephen M. VINE

Secretary : Assistant Director, Member Services

#### **Pro Bono and Community Work Recognition Committee**

Melissa K. PANG *(Chair)*

Sherman K.N. CHAN

IP Shing Hing

Daphne F.Y. LO

Sylvia W.Y. SIU

Christopher K.Y. WONG

Philip W.C. WONG

Secretary : Assistant Director, Member Services

#### **Recreation and Sports Committee**

Eliza L.S. CHANG *(Chair)*

Nick CHAN *(Vice-Chair)*

Agnes H.C. CHAN *(joined in January)*

Keith C.W. CHAN *(retired in June)*

Simon S.M. CHAN *(retired in June)*

Calvin K. CHENG

George C.C. CHEUNG *(retired in June)*

Karen LAM *(joined in January)*

Louisa S.M. LAM

Kam Wing PANG

Sylvester SUNG

Roden M.L. TONG

Jackie N.M. YEUNG

Winston S.Q. YU

Celine CHAN *(student representative joined in January)*

Stephanie KWOK *(student representative joined in January)*

Constance LOWCOCK *(student representative joined in January)*

Secretary: Senior Member Services Officer

#### **Technology Committee**

Amirali B. NASIR *(Chair)*

Nick CHAN *(Vice-Chair)*

CHAK Man Lai

Alan C.W. CHIU

Stanley Y.S. HUI *(resigned in December)*

William W.S. LAM

Andrew S.K. LAW

Steven K. LEE

PANG Kam Wing

Tony M.H. WONG *(resigned in August)*

YU Pui Hang

Secretary: Director of Member Services

#### **Working Group on the Law Society's App**

Nick CHAN *(Chair)*

Grand H.L. CHAN

Bonnie J.Y. CHAN *(resigned in April)*

CHAN Tze Chin

IP Shing Hing

KWAN Chiu Yin

Secretary : Assistant Director, Member Services

#### **Young Solicitors' Group**

Serina K.S. CHAN *(Chair)*

Sebastian Y.F. KO *(Vice-Chair)*

Dominic L.K. YANG *(Vice-Chair)*

George K.H. CHAN

Anson James DOUGLAS

Gerald H.C. LAM

Hilda LAM

Karen S.K. LAM

Kenneth L.K. LEE

Vicky W.K. MAN

Michael T.H. NGAI

Daniel K.M. SHUM *(retired in September)*

Raymond C.P. SIU *(retired in September)*

Billy C.H. TANG *(joined in September)*

Karen H.L. WONG *(joined in September)*

Louise K.F. WONG

Priscilla T.T. WONG *(retired in September)*  
Felix P.H. YUEN *(joined in September)*

Secretary: Assistant Director, Member Services

#### **Interest Group on Mergers and Acquisitions**

Ambrose S.K. LAM *(Chair)*  
Jan R. BOGAERT  
Nick CHAN  
May W.M. CHAN  
Michelle W. CHEN  
CHEUNG Yuen Sang  
Mason Y.K. CHING  
Paul R.P. CHRISTOPHER  
Basil H.L. HWANG  
Christine M. KOO  
Steven K. LEE  
Steven C. NELSON  
Wilfred K.P. TSUI  
William A. WILSON III  
Benson Shuobin XIAO  
YEOH Soon Chin

Secretary: Director of Member Services

#### **Law Society Publications Working Party**

Huen WONG *(Chair)*  
Amirali B. NASIR

Secretary : Assistant Director, Member Services

#### **Working Party on Historical Archive**

Roderick B. WOO *(Chair)*  
Jenkin S.F. CHAN  
Stanley W.L. CHAN  
Frederick K.C. KAN  
Melissa K. PANG

Secretary : Assistant Director, Member Services

#### **Working Group on Law Library**

Daphne F.Y. LO *(Chair)*  
Alex K.L. LAU *(resigned in August)*  
Stephenie W.Y. LAU  
Daniel K.M. SHUM  
YU Ming Yik  
YU Tat Man

Secretary: Director of Member Services

#### **Working Group on Member Wellness Programme**

Melissa K. PANG *(Chair)*  
Bonita B.Y. CHAN  
Bonnie J.Y. CHAN *(resigned in October)*  
Daphne F.Y. LO

Secretary: Assistant Director, Member Services

#### **Working Group on Online Recruitment Services**

Andrew S.K. LAW *(Chair)*  
Bonita B.Y. CHAN  
Steven K. LEE  
Melissa K. PANG

Secretary: Director of Member Services

#### **Working Party on Student Membership**

Bonita B.Y. CHAN *(Chair)*  
Serina K.S. CHAN  
Eliza L.S. CHANG

Secretary: Assistant Director, Member Services





Member Services Department

## Standing Committee on Policy and Resources

Stephen W.S. HUNG	(Chair)	(8/12)
Thomas S.T. SO		(9/12)
Denis G. BROCK		(4/12)
Heidi K.P. CHU		(11/12)
Brian W. GILCHRIST		(9/12)
Junius K.Y. HO		(6/12)
Ambrose S.K. LAM	(resigned in May)	(1/4)
Angela W.Y. LEE	(resigned in January)	(0/0)
Joseph C.W. LI	(joined in August)	(3/5)
Billy W.Y. MA		(11/12)
Amirali B. NASIR		(11/12)
Melissa K. PANG		(8/12)
Huen WONG		(7/12)
Cecilia K.W. WONG	(joined in August)	(5/5)
Dieter YIH	(resigned in December)	(5/12)

Secretary: Assistant Director, Administration and Human Resources

### Working Party on Law Society Premises

Junius K.Y. HO	(Chair)
Ambrose S.K. LAM	(resigned in May)
Angela W.Y. LEE	(resigned in January)
Joseph C.W. LI	
Billy W.Y. MA	
Amirali B. NASIR	
Kenneth S.Y. NG	
Melissa K. PANG	
Huen WONG	
Dieter YIH	(resigned in December)

Secretary: Secretary General

### Working Party on The Law Society IT Systems

Nick CHAN	(Chair from June)
Dieter YIH	(Chair until June; resigned in December)
CHAK Man Lai	(joined in June)
Kenneth Y. CHOY	(joined in June)
IP Shing Hing	(retired in June)
Sebastian Y.F. KO	(joined in June)

William W.S. LAM	
Andrew S.K. LAW	
Steven K. LEE	(joined in June)
Amirali B. NASIR	(joined in June)
Charles H.W. TO	(joined in July)
YU Pui Hang	(joined in June)

Secretary : IT Consultant (from June)

### Working Party on Global Lawyers Association/Forum

Ambrose S.K. LAM	(Chair)
Denis G. BROCK	
C.M. CHAN	
Anthony W.K. CHOW	
Kenneth Y. CHOY	
Heidi K.P. CHU	
Christine W.S. CHU	
Stephen W.S. HUNG	
Frederick K.C. KAN	
James K.T. WONG	
Philip W.C. WONG	

Secretary: Assistant Director, Communications and External Affairs

### Working Party on Review of The Law Society's Memorandum and Articles of Association

Huen WONG	(Chair)
Julia F. CHARLTON	
Paul K.Y. CHOW	
Simon S.C. LAI	
Gavin P. NESBITT	
Thomas S.T. SO	

Secretary : Deputy Secretary General

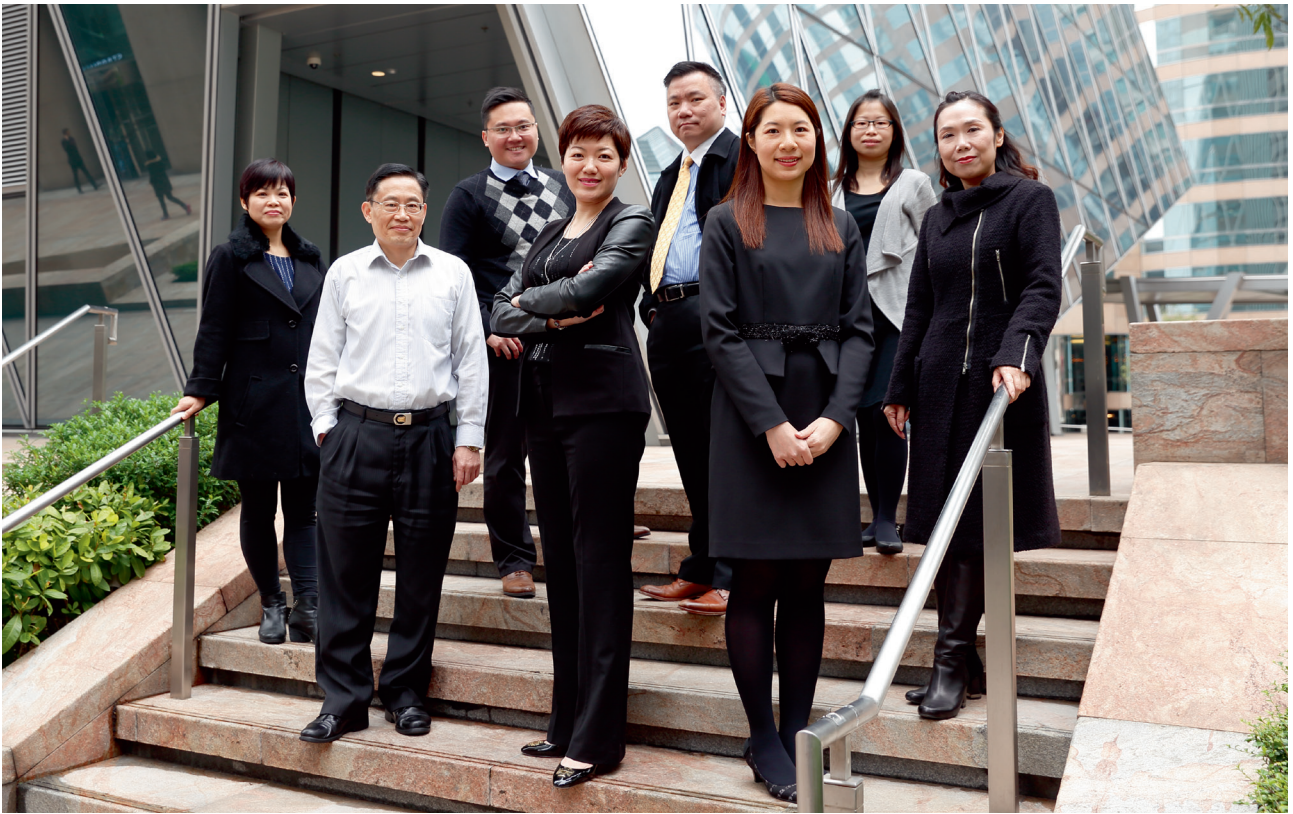
### Working Party on Unclaimed Money in Client Account

Huen WONG	(Convenor)
Joseph C.W. LI	
Amirali B. NASIR	

Secretary : Deputy Secretary General

Note : Figures shown in the "( )" denote the meeting attendance during the year.





■ Finance and Administration Department

## Standing Committee on Practitioners Affairs

Amirali B. NASIR	<i>(Chair from August)</i>	(1/2)
Gavin P. NESBITT	<i>(Vice-Chair from August)</i>	(3/7)
Brian W. GILCHRIST	<i>(Chair until July; resigned in July)</i>	(5/5)
Simon H. BERRY		(6/7)
Denis G. BROCK		(2/7)
Mark DALY	<i>(joined in August)</i>	(1/2)
E. John DAVISON		(7/7)
HO Veng Ian		(6/7)
IP Shing Hing		(4/7)
Kenneth H.S. NG		(4/7)
Sylvia W.Y. SIU		(4/7)
Cecilia K. W. Wong	<i>(resigned in July)</i>	(3/5)
Simon W.L. WONG		(2/7)
Eric H.Y. WOO		(5/7)

Secretary: Director of Practitioners Affairs

### Arbitration Committee

Huen WONG	<i>(Chair)</i>
Denis G. BROCK	
Mason Y.K. CHING	
Dominic Y.K. LAI	
Lily Y.Y. LAI	
John Y.C. LEE	
Amy P.S. LO	
Catherine L.M. MUN	
Billy Y.K. NG	
Robert C. RHODA	
Philip ROMPOTIS	
Thomas S.T. SO	
Sam K.S. TSUI	
Kenneth W.Y. WONG	
Eric H.Y. WOO	
Steven W.Y. YIP	

Secretary: Director of Practitioners Affairs

### Arbitrators Admission Committee

Martin J. DOWNEY	<i>(Chair)</i>
Glenn R.A. HALEY	

James P. KWAN  
Dominic Y.K. LAI  
M.S. YEUNG  
Steven W.Y. YIP

Secretary : Mediation Co-ordinator

### Civil Litigation Committee

Kenneth W.Y. WONG	<i>(Chair from February)</i>
Nicholas D. HUNSWORTH	<i>(Chair until February)</i>
Denis G. BROCK	
Johnny C.M. FEE	
D. Nigel FRANCIS	
Warren P. GANESH	
Patrick M.K. HUI	
Richard KEADY	
Joseph S.M. KWAN	
Jeffrey H. LANE	
Brenda F. LEE	
Mark LIN	
Simon D. POWELL	
Sherman C.N. YAN	

Secretary: Assistant Director, Practitioners Affairs (II)

### Company Law Committee

Patrick C.K. WONG	<i>(Chair)</i>
Grace K.W. CHAN	
Elsa S.C. CHAN	
CHAO TIEN YO	<i>(resigned in June)</i>
Julia F. CHARLTON	
Paul K.Y. CHOW	
Stanley CHOW	
Vincent P.C. KWAN	
Simon S.C. LAI	
Lewis T. LUK	
Gavin P. NESBITT	
Psyche C.S. TAI	
Frank K.F. YUEN	

Secretary: Director of Practitioners Affairs (May to August)  
Assistant Director, Practitioners Affairs (I)

Note : Figures shown in the "( )" denote the meeting attendance during the year.



### **Competition Law Committee**

Simon H. BERRY *(Chair)*  
Nick CHAN  
Stephen R. CROSSWELL  
F. Martin DAJANI *(until April)*  
Sebastien J. EVRARD *(joined in June)*  
Angus H. FORSYTH  
Clara INGEN-HOUSZ *(joined in June)*  
Larry L.K. KWOK  
Gavin P. NESBITT  
Simon D. POWELL  
Henry J.H. WHEARE  
David P.H. WONG  
K.F. YAM

Secretary: Assistant Director, Practitioners Affairs (II)

### **The Council Sub-Committee on Competition Ordinance**

Huen WONG *(Chair)*  
IP Shing Hing  
Gavin P. NESBITT  
Thomas S.T. SO

Secretary: Assistant Director, Practitioners Affairs (II)

### **Constitutional Affairs and Human Rights Committee**

Amirali B. NASIR *(Chair from August)*  
Thomas S.T. SO *(Chair until July)*  
BUT Sun Wai  
Nick CHAN  
John J. CLANCEY  
Mark D. DALY  
Dr. James D. FRY  
Junius K.Y. HO  
Eric C. IP  
IP Shing Hing  
Melissa K. PANG  
Raymond C.P. SIU  
K.F. Yam *(resigned in January)*

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Bucky K.H. CHAN  
Stephen W.S. HUNG  
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Fred S.N. MA  
Jonathan C. Y. MOK  
Andrew POWNER  
Kevin STEEL  
Eric TANG  
Michael J. VIDLER  
K. K. WONG  
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Kim BOREHAM  
Lily S.M. CHANG *(joined in June)*  
Fiona B.L. CHOW *(joined in June)*  
Paul R. HASWELL *(joined in June)*  
Dennis C.K. HO *(retired in April)*  
Lily Y.Y. LAI *(joined in June)*  
Jeffrey H. LANE *(retired in April)*  
Melissa K. PANG  
Eric A. SZWEDA  
Charles H. W. TO  
Jennifer A. VAN DALE *(joined in June)*  
WONG Kwok Yan *(retired in April)*

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Jennifer W.C. IP  
Lily Y.Y. LAI  
LAM Tze Yan  
LEUNG Shek Lim  
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CHIU Koon Shou *(Vice-Chair)*  
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Junius K. Y. HO  
Camille JOJO *(joined in March)*  
Ludwig S.W. NG *(joined in March)*  
Simon D. POWELL *(joined in June)*  
Richard M. TOLLAN  
Jimmie K.S. WONG *(resigned in April)*  
King K.L. WONG *(joined in June)*  
Vivian W.Y. WONG *(joined in June)*

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Rupert C. SKRINE  
TSUI Kwok Sum  
Shane F. WEIR  
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Simon C.C. CHAN *(joined in August)*  
Nick CHAN *(joined in February)*  
Ella S.K. CHEONG  
Yvonne CHUA  
A. Clinton D. EVANS  
KWONG Chi Keung  
Chloe Y.F. LEE  
Anita P.F. LEUNG  
Rebecca M.C. LO  
Annie S.T. TSOI  
Henry J.H. WHEARE  
Adelaide H.M. YU *(joined in August)*

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Assistant Director, Practitioners Affairs (II)  
(May to August)

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Eliof S. W. FONG  
Stephen M. FLETCHER  
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Alan H. LINNING  
Gavin P. NESBITT  
Sara S.M. OR  
Charlotte J. G. ROBINS  
Adamas K.S. WONG

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Assistant Director, Practitioners Affairs (I)

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IP Shing Hing  
Andrew W.Y. NG  
Christopher TUNG

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Assistant Director, Practitioners Affairs (I)

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Junius K.Y. HO *(Chair until July)*  
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Sherlynn G. CHAN  
Dennis C.K. HO  
Rebecca V.I. HO  
Alison C. LIU *(resigned in August)*  
Kenneth H.S. NG *(resigned in November)*  
Melissa K. PANG *(joined in August)*  
Virginia W.L. SZETO  
WAN Charn Wing  
Late Leslie K.L. YEUNG *(resigned in May)*

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#### **Personal Injuries Committee**

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Eliza L.S. CHANG  
Anthony L.C. CHIU  
Christina W.C. HUNG  
Nancy B.Y. LEUNG  
Vitus W.H. LEUNG

J.C. Nicholas MILLAR  
Amirali B. NASIR  
Szwina S.K. PANG  
Tommy K.M. WONG

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Billy W.Y. MA *(Chair)*  
AU Miu Po *(joined in August)*  
Viola HUNG  
NG Kin Yuen  
TAM Sau Hing  
TSANG Kam Chuen  
Herbert H.K. TSOI  
WONG Tak Shing

Secretary: Assistant Director, Practitioners Affairs (I)  
Assistant Director, Practitioners Affairs (II)  
(May to August)

#### **Joint Standing Committee on Probate Practice**

Billy W.Y. MA  
AU Miu Po *(joined in August)*  
Viola HUNG  
NG Kin Yuen  
TAM Sau Hing  
TSANG Kam Chuen  
Herbert H.K. TSOI  
WONG Tak Shing

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Assistant Director, Practitioners Affairs (II)  
(May to August)

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Emily Y.M. LAM *(Chair until March)*  
Debbie F. CHEUNG  
Keith P.K. CHEUNG  
Doreen Y.F. KONG  
Amanda L.Y. LIU

LUI Yiu Fai *(joined in March)*

Billy W.Y. MA

Lilian P.Y. MAK *(joined in March)*

SHUM Man Wai

WONG Man Wa

David P.H. WONG

Terry P.L. YEUNG

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Assistant Director, Practitioners Affairs (II)  
(May to August)

### **Working Party on Land Titles Ordinance**

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Judith SIHOMBING *(Vice-Chair)*

Peter AHERNE

AU Fun Kuen

Dora S.Y. CHAN

Emily Y.M. LAM

Alexander H.S. LEUNG

Vincent W. S. LIANG *(resigned in February)*

Andy O.T. NGAN

Anthony H.Y. SHIN

WONG Man Wa

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Assistant Director, Practitioners Affairs (II)  
(May to August)

### **Working Party on Review of Non-Consent Scheme Forms**

Amanda L.Y. LIU *(Chair)*

Doreen Y.F. KONG

LEUNG Siu Hon

WONG Man Wa

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Assistant Director, Practitioners Affairs (II)  
(May to August)

### **Working Party on Revised DMC Guidelines**

LEUNG Siu Hon *(Chair)*

MA Ho Fai

Patrick K. H. LAM *(resigned in August)*

David P.H. WONG

Terry P.L. YEUNG

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Assistant Director, Practitioners Affairs (II)  
(May to August)

### **Solicitor Advocates Interest Group**

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Denis G. BROCK

Christopher J. DOBBY

Matthew P. GEARING

Nicholas D. HUNSWORTH

Jason D. KARAS

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Jonathan N. MIDGLEY

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### **Subgroup on LTO Forms**

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David K.F. IP

Alexander H.S. LEUNG

Fanny S.F. MAK

Chris S.H. PANG

Melissa K. PANG

Anthony H.Y. SHIN

TING Lee Hoong

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Christine M. KOO  
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Sophia W.Y. MAN  
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WEI Chung Yin  
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Assistant Director, Practitioners Affairs (I)

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Emily Y.M. LAM  
Joseph C.W. Li  
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Assistant Director, Practitioners Affairs (II)  
(May to August)

#### **Working Party on Charities and Trust**

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CHAN Chak Ming  
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Lester G. HUANG  
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Cecilia K.W. WONG

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#### **Working Party on Enforcement in Civil Proceedings**

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Rebecca V.I. HO  
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Brenda F. LEE  
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Catherine K.G. POR  
TONG Wui Tung  
King K.L. WONG

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 Warren P. GANESH  
 Cameron D. HASSALL  
 Barbara A. HUNG  
 Jason D. KARAS  
 Paul M.W. LI  
 Gary MEGGITT  
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 Mark F. REEVES  
 Sylvia WY. SIU

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### **Working Party on Party and Party Rates**

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 Amiral B. NASIR  
 Kenneth W.Y. WONG

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 Rebecca M.C. LO  
 Thomas S.T. SO  
 K.F. YAM

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### **Working Party on Resolution Regime**

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 Stephen M. FLETCHER  
 Elio S.W. FONG  
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 Nicholas D. HUNSWORTH  
 Jason C.Y. LEE  
 Martin C.v.M. LISTER  
 Sara S.M. OR

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### **Working Party on Taxation in Civil Proceedings**

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 CHIU Koon Shou  
 Ian R. DE WITT  
 Nicholas D. HUNSWORTH  
 Lily Y.Y. LAI  
 Joseph C.W. LI  
 Mark F. REEVES  
 Kenneth W.Y. WONG

Secretary: Director of Practitioners Affairs

### **Hong Kong Solicitors Indemnity Fund Ltd**

Peter R. GRIFFITHS *(Chair)*  
 Denis G. BROCK  
 Albert B.K. DAN  
 Brian W. GILCHRIST  
 Christopher G. HOWSE  
 Peter C.L. LO  
 Patrick R. MOSS  
 Amiral B. NASIR  
 Andrew W.Y. NG  
 Kevin C.K. SHUM  
 David G. SMYTH  
 Norris H.C. YANG

Secretary: Essar Insurance Services Ltd.

### **PIS Claims Committee**

Brian W. GILCHRIST *(Chair)*  
 Colin B. COHEN *(Vice-Chair)*  
 Charles W. ALLEN  
 Keith M. BRANDT  
 Tony K.W. CHOW  
 Simon P. CLARKE  
 George D. LAMPLOUGH  
 Jeffrey H. LANE  
 Ronald W.T. TONG

Secretary: Essar Insurance Services Ltd.

### **PIS Investment Sub-committee**

Peter C.L. LO *(Chair)*

John S. GALE

IP Shing Hing

Elen LAU

LEE Kher Sheng

Kevin C.K. SHUM

Norris H.C. YANG

Secretary: Assistant Director, Professional Indemnity Scheme

### **Professional Indemnity Advisory Committee**

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Kevin R. BOWERS

Richard KEADY

Susan P.S.K. LIANG

Andrew W.Y. NG

Peter K.H. NGAI

Robin S. PEARD

Thomas S.T. SO

Fiona J. STEWART

Gareth H. THOMAS

Secretary: Assistant Director, Professional Indemnity Scheme

### **PIS Panel Solicitors Selection Board**

Huen WONG *(Chair)*

Stephen W.S. HUNG

Amirali B. NASIR

Kenneth S.Y. NG

Secretary: Assistant Director, Professional Indemnity Scheme

### **Working Party on PIS Gross Fee Income Reports and Contributions**

IP Shing Hing *(Chair)*

Albert B.K. DAN

Andrew W.Y. NG

Huen WONG

Secretary: Assistant Director, Professional Indemnity Scheme





## Standing Committee on Standards and Development

Brian W. GILCHRIST	<i>(Chair from August)</i>	(3/4)
Amirali B. NASIR	<i>(Chair until July)</i>	(6/7)
Sylvia W.Y. SIU	<i>(Vice-Chair from August)</i>	(3/4)
Gavin P. NESBITT	<i>(Vice-Chair until July)</i>	(5/7)
Bonita B.Y. CHAN		(9/11)
Serina K.S. CHAN	<i>(joined in September)</i>	(2/2)
Stephanie S.Y. CHEUNG	<i>(joined in September)</i>	(1/2)
Heidi H.Y. CHUI		(7/11)
Albert T. DA ROSA JR.	<i>(joined in September)</i>	(2/2)
Warren P. GANESH		(10/11)
HAU Pak Sun	<i>(joined in September)</i>	(2/2)
Stephen W.S. HUNG		(9/11)
IP Shing Hing		(8/11)
Doreen Y.F. KONG	<i>(resigned in May)</i>	(2/4)
Catherine L.M. MUN	<i>(joined in September)</i>	(2/2)
Ivan C.K. NG	<i>(resigned in May)</i>	(0/4)
Peter K.P. SIT		(8/11)
Thomas S.T. SO		(6/11)
Simon S.P. TANG		(4/11)
Adamas K.S. WONG		(8/11)
Dieter YIH	<i>(resigned in December)</i>	(1/1)

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Angela W.Y. LEE	<i>(resigned in January)</i>
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John D.S. HO	
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Albert K.M. LEUNG	
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Raymond CHAN	<i>(joined in April)</i>
May W.M. CHAN	<i>(joined in April)</i>
Alexander R. DE NERÉE BABBERICH	<i>(resigned in June)</i>
Carmel A. GREEN	
LI Huanting	
SIN Ping Kwan	
Rupert C. SKRINE	
William August WILSON III	

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Note : Figures shown in the "( )" denote the meeting attendance during the year.

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Patrick R. MOSS  
Amirali B. NASIR  
Kenneth S.Y. NG  
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SHUM Ka Ming  
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Richard CULLEN *(resigned in March)*  
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Joseph C.W. LI  
Billy W.Y. MA

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John J. CLANCEY  
Dennis Y.F. HA  
Nancy B.Y. LEUNG  
Michelle W.T. TSOI  
Kenny K.S. WONG  
Adrian K.M. WONG  
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Michael Halley BECKETT  
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Maureen E. MUELLER  
Jody K.Y. SIN

Secretary: Mediation Co-ordinator

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Nick CHAN *(joined in August)*  
Eugene C. GREGOR *(resigned in September)*  
James C. LIN *(joined in August)*  
Mark LIN  
Arthur McINNIS  
Sylvia W.Y. SIU  
Donna L. WACKER

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### **Overseas Lawyers Examination Panel Convenors**

Malcolm MERRY *(Chief Examiner)*

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Wilson W.S. CHOW  
Alisa W.C. KWAN  
Alexander H.S. LEUNG  
Professor Michael LOWER  
George S.K. NGAI  
Simon J. REID-KAY

### **HEAD II : Civil and Criminal Procedure**

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Amanda WHITFORT *(Convenor)*  
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William S. CLARKE  
Louis K.L. FUNG

Christopher ELLIS  
Julienne JEN  
Nancy B.Y. LEUNG  
Martin D. ROGERS  
Bernard K.F. SIU

### **HEAD III : Commercial and Company Law**

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Mary W.Y. AU-YUENG  
Felix W.H. CHAN  
Peter C.H. CHAN  
Shirley S.L. CHUA  
Dennis H.F. HIE  
Michelle P.Y. LIU  
Alexandra D.W. LO  
Daphne F.Y. LO  
Adrian K.M. WONG

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Michael WILKINSON *(Convenor)*  
Adrian J. HALKES  
Alex K.L. LAU *(joined in September)*  
Ludwig S.W. NG  
Peter K.P. SIT

### **HEAD V : Principles of Common Law**

Michael C. JENKINS *(Convenor)*  
Adrian K.M. WONG *(Convenor)*  
Shirley S.L. CHUA  
Julianne P. DOE  
Alex K.L. LAU  
Anthony F. NEOH, S.C.  
Peter F. RHODES

### **HEAD VI : Hong Kong Constitutional Law**

Danny GITTINGS *(Convenor)*  
Eric C. IP *(Convenor)*  
William S. CLARKE  
Lin FENG  
ZHU Guobin *(resigned in February)*

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Warren P. GANESH  
Alex K.L. LAU  
Joseph C.W. LI *(retired in August)*  
Thomas S.T. SO *(joined in August)*

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Joseph C.W. LI *(Chair until July)*  
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Heather DOUGLAS  
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Alan M.B. LAM

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Junius K.Y. HO  
Ivan C.K. NG  
Dieter YIH *(resigned in December)*

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Amirali B. NASIR *(Chair)*  
Stephanie S.Y. CHEUNG  
Richard CULLEN *(resigned in March)*  
Joseph C.W. Li  
Patrick R. MOSS  
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### **Working Party on Common Entrance Examination**

Stephen W.S. HUNG *(Chair)*  
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Anthony W.K. CHOW  
Norman P.M. CHUI  
Dennis Y.F. HA  
Lester G. HUANG  
Nadine LAI  
Felix K.Y. YAU  
Dieter YIH *(resigned in December)*

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### **Working Party on Practice in Service Centres, at Home, in Domestic Premises or by Virtual Offices**

PANG Kam Wing *(Chair)*  
Nick CHAN *(joined in June)*  
Mark DALY *(joined in June)*  
Andrew S.K. LAW  
Vivien LEE  
SZETO Wai Sun  
Margot TUNG  
Edmond M.Y. YEUNG  
YU Pui Hang  
YUEN Tat Tong

Secretary: Assistant Director, Regulation and Guidance

### **Working Party on Solicitors' Accounts Rules**

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Constance CARMICHAEL  
Billy W.Y. MA  
Helen MACKENZIE  
Amirali B. NASIR

Secretary: Assistant Director, Regulation and Guidance

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IP Shing Hing  
Frederick K.C. KAN

Christopher E.M. LAMBERT  
Joseph C.W. LI  
Ivan C.K. NG  
Peter K.P. SIT  
Cecilia K.W. WONG

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### **Working Party on Solicitors' Practice Rules**

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IP Shing Hing  
Alex K.L. LAU  
Patrick R. MOSS  
NG Ching Wo  
Ivan C.K. NG  
Michael WILKINSON

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### **Working Party on the Practising Certificate (Special Conditions) Rules**

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IP Shing Hing  
Thomas S.T. SO  
Margot TUNG  
Dieter YIH *(resigned in December)*

Secretary: Assistant Director, Regulation and Guidance

### **Working Party to Vet the Chinese Translation of the Guide**

Huen WONG *(Chair)*  
Joseph C.W. LI  
Amirali B. NASIR  
Tony Y.H. YEN

Secretary: Assistant Director, Regulation and Guidance

### **Joint Working Group of the CPD and the RME**

#### **Committees**

Sylvia W.Y. SIU *(Chair)*

Professor Douglas ARNER

CHUNG Lai Ming

Warren P. GANESH

Alex K.L. LAU

Adamas K.S. WONG

Victor C.K. YAU

Secretary: Director of Standards and Development



Standards and Development Department

# Law Society Representatives On Statutory or Official Committees

## **Advisory Committee on Code of Practice for Recognised Certification Authorities**

Pamela F. KU

## **Advisory Group on Modernisation of Corporate Insolvency Law**

Keith M.K. HO

## **Business of Intellectual Property Asia Steering Committee**

Rebecca M.C. LO

Kenny K.S. WONG

## **Cadastral Survey Consultative Committee**

E. John DAVISON

## **City University of Hong Kong – Law School Board**

Ambrose S.K. LAM

## **City University of Hong Kong – PCLL Academic Board**

Stephen W.S. HUNG

Joseph C.W. LI

Sylvia W.Y. SIU

Huen WONG

## **Companies Registry Customer Liaison Group**

Jane M.S. NG

## **Competition Tribunal Users' Committee**

Kenneth S.Y. NG

## **Costs Committee**

Brian W. GILCHRIST (until July 2015)

Stephen W.S. HUNG

Amirali B. NASIR (from July 2015)

Dieter YIH

Thomas S.T. SO

## **Court of Final Appeal Rules Committee**

Denis G. BROCK (from July 2015)

Brian W. GILCHRIST (until July 2015)

Thomas S.T. SO

## **Criminal Procedure Rules Committee**

Kenneth H.S. NG

## **Working Group on The Review of Criminal Legal Aid Fees System**

Stephen H.S. HUNG

Kenneth H.S. NG

## **Correctional Services Department – Law Society Liaison Committee**

Bucky K.H. CHAN

Paul M.W. LI

Kenneth H.S. NG

## **Department of Justice – Steering Committee on Mediation**

Thomas S.T. SO

## **Department of Justice – Working Group on Class Action**

Huen WONG

## **District Court Rules Committee**

Denis G. BROCK (until July 2015)

Amirali B. NASIR (from July 2015)

## **District Cooling Services Ordinance Appeal Board Panel**

Junius K.Y. HO

Joseph C.W. LI

## **Duty Lawyer Service Council**

BUT Sun Wai

Joseph C.W. LI

Cecilia K.W. WONG

Kenneth H.S. NG

## **High Court Rules Committee**

Denis G. BROCK (from July 2015)

D. Nigel FRANCIS (until July 2015)

Brian W. GILCHRIST



**Higher Rights Assessment Board**

Brian W. GILCHRIST

Lester G. HUANG

Stephen W.S. HUNG

**Hong Kong Bar Association – Free Legal Service Scheme Advisory Board**

Sylvia S.Y. SIU

**Hong Kong Coalition of Professional Services Limited**

Melissa K. PANG

**Hong Kong Council of Volunteering**

Melissa K. PANG

**Hong Kong Institute of Certified Public Accountants – Disciplinary Panel**

Huen WONG

**Hong Kong Institute of Certified Public Accountants – Ethics Committee**

Amirali B. NASIR

**Hong Kong Institute of Certified Public Accountants – Investigation Panel**

Sylvia W.Y. SIU

**Hong Kong International Arbitration Centre – Appointment Advisory Board**

Amirali B. NASIR

**Hong Kong Internet Registration Corporation Limited**

Steven K. LEE

**Hong Kong Legislation Database User Liaison Group**

Stephen W.S. HUNG

**Hong Kong Mediation Accreditation Association Limited**

Cecilia K.W. WONG

Dieter YIH

**Hong Kong Mediation Accreditation Association Limited – Mediation Accreditation Committee**

Cecilia K.W. WONG

**Hong Kong Mediation Accreditation Association Limited – Communications and Publicity Committee**

Sylvia W.Y. SIU

**Hong Kong Trade Development Council – Professional Services Advisory Committee**

Huen WONG

**Intellectual Property Department – Focus Group on Review of the Patent System in Hong Kong**

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Kenny K.S. WONG

**International Association of Young Lawyers**

Camille K.Y. LEUNG

**International Bar Association – Bar Issues Commission**

Heidi K.P. CHU

Stephen W.S. HUNG

Thomas S.T. SO

**International Bar Association – Council**

Stephen W.S. HUNG

Thomas S.T. SO

**International Bar Association – Young Lawyers' Committee National Representative**

Nadine LAI

**Joint Liaison Committee on Taxation**

Simon J.G. REA

William A. THOMSON

**Joint Mediation Helpline Office**

Sylvia W.Y. SIU

Cecilia K.W. WONG

**Judicial Officers Recommendation Commission**

Stephen W.S. HUNG (from July 2015)

Huen WONG (until June 2015)

**Judiciary – Civil Justice Reform Monitoring Committee**

Brian W. GILCHRIST

**Judiciary – Working Group on Children and Ancillary Relief Procedures in Family Proceedings**

Dennis C. K. HO

**Land Registry Customer Liaison Group (Private Sector)**

AU Kin Man

AU Man Chun

Alson CHAI

LAM Man Yee

Billy W.Y. MA

WONG Yee Mei

**Land Registry Joint Standing Committee**

Emily Y.M. LAM

Vincent W.S. LIANG (until February 2015)

Billy W.Y. MA

Terry P.L. YEUNG (from May 2015)

**Land Survey Ordinance (Ch.473) Disciplinary Board Panel**

Joseph C.W. LI (from June 2015)

Amirali B. NASIR (until June 2015)

**Land Titles Ordinance Steering Committee**

E. John DAVISON

Vincent W.S. LIANG (until February 2015)

**LawAsia Council**

Melissa K. PANG

Huen WONG

**LawAsia Executive Committee**

Melissa K. PANG

**Legal Aid Services Council**

Joseph C.W. LI

Billy W.Y. MA

**Legal Aid Services Council – Interest Group on Scope of Legal Aid and Interest Group on Processing, Assignment and Monitoring of Assigned-Out Cases**

Patrick M. BURKE

Rebecca HO

**Mr. Justice Pickering Memorial Fund**

Billy W.Y. MA

**Official Receiver's Office Services Advisory Committee**

Junius K.Y. HO

Keith M.K. HO

**Organising Committee of the 2015/2016 Family-Friendly Employers Award Scheme**

Sylvia W.Y. SIU

**Police/Law Society Liaison Committee**

BUT Sun Wai

Junius K.Y. HO

Ambrose S.K. LAM

MA Shiu Ngok

Melissa K. PANG

Kevin STEEL

**Social Workers Registration Board – Assessment Panel**

C.M. CHAN

**Standing Committee on Legal Education and Training**

Vivien LEE

Huen WONG

Dieter YIH

**Steering Committee on The Provision of Legal Advice for Litigants in Person**

Stephen W.S. HUNG

**Subcommittees of the PCLL Academic Board of the University of Hong Kong**

**(i) Admission Subcommittee**

Stephen W.S. HUNG

**(ii) Curriculum Subcommittee**

Nick CHAN

**(iii) Human Resources Subcommittee**

Felix K.Y. YAU

**Sub-Committee of The Standing Committee on Legal Education and Training on English Language Proficiency**

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**The Chinese University of Hong Kong – PCLL Academic Board**

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Huen WONG

**The Hong Kong Coalition of Service Industries – Executive Committee**

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**The Hong Kong Institute of Architects – Advisory Board**

Amirali B. NASIR

**The Hong Kong Institute of Surveyors – Advisory Board**

Amirali B. NASIR

**The Joint Professional Centre Limited**

Heidi K.P. CHU

Sylvia W.Y. SIU

**The University of Hong Kong – PCLL Academic Board**

Bonita B.Y. CHAN (from April 2015)

Nick CHAN

HA Yiu Fai (until March 2015)

Stephen W.S. HUNG

Felix K.Y. YAU

**The University of Hong Kong – Board of Faculty of Law**

Ambrose S.K. LAM

**Young Coalition Professional Group of The Hong Kong Coalition of Professional Services**

Serina K.S. CHAN

Sebastian Y.F. KO



# Independent Auditor's Report to the members of The Law Society of Hong Kong

*(Incorporated in Hong Kong and limited by guarantee)*

We have audited the financial statements of The Law Society of Hong Kong ("The Law Society") set out on pages 74 to 95, which comprise the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## **Council Members' responsibility for the financial statements**

The Council Members of The Law Society are responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance and for such internal control as the Council Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinion

In our opinion, the financial statements give a true and fair view of the financial position of The Law Society as at 31 December 2015 and of The Law Society's financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

### KPMG

*Certified Public Accountants*

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

29 March 2016

# Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2015

(Expressed in Hong Kong dollars)

	Note	2015	2014
Income	3	\$ 92,991,549	\$ 88,972,155
Staff costs	4(a)	(49,268,852)	(47,345,680)
Office expenses	4(b)	(5,210,952)	(5,285,883)
Depreciation	7	(3,868,764)	(2,524,798)
Members' expenses	4(c)	(8,166,514)	(6,628,899)
Other operating expenses	4(d)	(23,773,069)	(22,068,779)
Surplus before taxation	4	\$ 2,703,398	\$ 5,118,116
Income tax	6(a)	(383,636)	(531,025)
Surplus and total comprehensive income for the year		\$ 2,319,762	\$ 4,587,091

The notes on pages 78 to 95 form part of these financial statements.



# Statement of Financial Position

At 31 December 2015

(Expressed in Hong Kong dollars)

	Note	2015	2014
<b>Non-current assets</b>			
Property, plant and equipment	7	\$ 123,111,727	\$ 88,851,696
Investments in subsidiaries	8	22	22
Deferred tax assets	13(b)	497,608	612,742
		<b>\$ 123,609,357</b>	<b>89,464,460</b>
<b>Current assets</b>			
Deposits, prepayments and other receivables	9	\$ 2,890,285	\$ 3,163,498
Amounts due from related companies	10	3,834,305	3,680,915
Amounts due from subsidiaries	10	359,441	338,135
Cash and deposits with banks	11	168,239,562	199,455,318
Current tax recoverable	13(a)	213,533	—
		<b>\$ 175,537,126</b>	<b>\$ 206,637,866</b>
<b>Current liabilities</b>			
Membership, practising certificate and other fees received in advance		\$ 52,804,583	\$ 54,964,538
Creditors and accrued charges	12	11,897,630	8,968,539
Current tax payable	13(a)	—	44,741
		<b>\$ 64,702,213</b>	<b>\$ 63,977,818</b>
<b>Net current assets</b>		<b>\$ 110,834,913</b>	<b>\$ 142,660,048</b>
<b>Net assets</b>		<b>\$ 234,444,270</b>	<b>\$ 232,124,508</b>
Representing:			
<b>Accumulated surpluses</b>		<b>\$ 234,444,270</b>	<b>\$ 232,124,508</b>

Approved and authorised for issue by the Council on 29 March 2016.

Stephen W.S. Hung	)	
	)	Council Members
Thomas S.T. So	)	
	)	
Heidi K.P. Chu	)	Secretary General

The notes on pages 78 to 95 form part of these financial statements.

# Statement of Changes in Equity

For the year ended 31 December 2015

*(Expressed in Hong Kong dollars)*

	2015	2014
<b>Balance at 1 January</b>	\$ 232,124,508	\$ 227,537,417
Surplus and total comprehensive income	2,319,762	4,587,091
<b>Balance at 31 December</b>	\$ 234,444,270	\$ 232,124,508

The notes on pages 78 to 95 form part of these financial statements.

# Cash Flow Statement

For the year ended 31 December 2015

(Expressed in Hong Kong dollars)

	Note	2015	2014
<b>Operating activities</b>			
Cash generated from operations	11(b)	\$ 6,189,005	\$ 10,448,588
Hong Kong profits tax (paid)/refunded		(526,776)	789,191
<b>Net cash generated from operating activities</b>		<b>\$ 5,662,229</b>	<b>11,237,779</b>
<b>Investing activities</b>			
Decrease in deposits with banks with maturity of more than three months at acquisition		\$ 902,924	\$ 14,363,090
Interest received		1,250,810	1,923,892
Payment for the purchase of property, plant and equipment		(38,128,795)	(895,316)
<b>Net cash (used in)/generated from investing activities</b>		<b>\$ (35,975,061)</b>	<b>\$ 15,391,666</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>\$ (30,312,832)</b>	<b>\$ 26,629,445</b>
<b>Cash and cash equivalents at 1 January</b>	11(a)	<b>158,892,413</b>	<b>132,262,968</b>
<b>Cash and cash equivalents at 31 December</b>	11(a)	<b>\$ 128,579,581</b>	<b>\$ 158,892,413</b>

The notes on pages 78 to 95 form part of these financial statements.



# Notes to the Financial Statements

*(Expressed in Hong Kong dollars)*

## 1 Status of The Law Society

The Law Society is a company limited by guarantee with no share capital. The liability of each member is limited to an amount not exceeding \$50. As at 31 December 2015, The Law Society had 9,869 members (2014: 9,422).

## 2 Significant accounting policies

### (a) Statement of compliance

For the purposes of compliance with section 379 and 380 of the Hong Kong Companies Ordinance (Cap. 622), these financial statements have been prepared to present a true and fair view of the financial position and financial performance of The Law Society only. Consequently, they have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which term collectively includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance (Cap. 622) that are relevant to the preparation of company level financial statements by a parent company.

The Law Society is a holding company as it has two subsidiaries. However, The Law Society regards these two subsidiaries, when taken together, as immaterial in accordance with section 381(3) of the Hong Kong Companies Ordinance (Cap. 622), and therefore is not required to prepare consolidated financial statements.

A summary of the significant accounting policies adopted by The Law Society is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of The Law Society. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to The Law Society for the current and prior accounting periods reflected in these financial statements.

### (b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

## 2 Significant accounting policies (continued)

### (c) Changes in accounting policies

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of The Law Society:

- Annual Improvements to HKFRSs 2010-2012 Cycle
- Annual Improvements to HKFRSs 2011-2013 Cycle

None of these developments have had a material effect on how The Law Society's results and financial position for the current or prior periods have been prepared or presented. The Law Society has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### (d) Subsidiaries

Subsidiaries are entities controlled by The Law Society. The Law Society controls an entity when it is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether The Law Society has power, only substantive rights (held by The Law Society and other parties) are considered.

In The Law Society's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(g)).

### (e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(g)).

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Leasehold land classified as being held for own use under a finance lease is depreciated over the unexpired terms of lease;
- Buildings situated on leasehold land are depreciated over the shorter of their estimated useful lives, being 25 years from the date of purchase, and the unexpired terms of lease;
- Furniture, fixtures and equipment 3 – 5 years
- Leasehold improvements 5 years

# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 2 Significant accounting policies (continued)

### (e) Property, plant and equipment (continued)

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

### (f) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if The Law Society determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Assets that are held by The Law Society under leases which transfer to The Law Society substantially all the risks and rewards of ownership are classified as being held under a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to The Law Society are classified as operating leases.

Where The Law Society has the use of other assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

### (g) Impairment of assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment; and
- investments in subsidiaries.

If any such indication exists, the asset's recoverable amount is estimated.

#### (i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the



## 2 Significant accounting policies (continued)

### (g) Impairment of assets (continued)

asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

#### (ii) Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses are recognised to reduce the carrying amount of the asset or assets in the cash-generating unit on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal, or value in use, if determinable.

#### (iii) Reversal of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

### (h) Disciplinary proceedings and ancillary costs

Disciplinary proceedings and ancillary costs are recognised in profit or loss in the year in which they are incurred. Whilst every effort is made by The Law Society to secure reimbursement of such amounts, due to the uncertainty as to whether such costs will be recovered by reference to the provisions of section 25(1) of the Legal Practitioners Ordinance, reimbursements of such costs are recognised in profit or loss only to the extent that they have been received. Also included in the financial statements under this heading are the costs incurred in respect of interventions within solicitors' practices. Such costs are only recoverable from the solicitors concerned and, in view of their nature, such costs are unlikely to be recovered in full.

### (i) Deposits, prepayments and other receivables

Deposits, prepayments and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 2 Significant accounting policies (continued)

### (i) Deposits, prepayments and other receivables (continued)

Impairment losses for bad and doubtful debts are recognised when there is objective evidence of impairment and are measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the asset's original effective interest rate where the effect of discounting is material. Objective evidence of impairment includes observable data that comes to the attention of The Law Society about events that have an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor.

Impairment losses for receivables whose recovery is considered doubtful but not remote are recorded using an allowance account. When The Law Society is satisfied that recovery is remote, the amount considered irrecoverable is written off against receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

### (j) Creditors and accrued charges

Creditors and accrued charges are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

### (k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

### (l) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

### (m) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

## 2 Significant accounting policies (continued)

### (m) Income tax (continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

### (n) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when The Law Society has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### (o) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to The Law Society and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the profit or loss as follows:

- (i) Annual membership subscriptions, practising certificate fees, registration fees and other fees are recognised on a time-apportioned basis over the period to which they relate.
- (ii) Tuition fees for continuing professional development are recognised over the period of instruction.
- (iii) Interest income from bank deposits is recognised as it accrues using the effective interest method.



# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 2 Significant accounting policies (continued)

### (p) Related parties

- (a) A person, or a close member of that person's family, is related to The Law Society if that person:
  - (i) has control or joint control over The Law Society;
  - (ii) has significant influence over The Law Society; or
  - (iii) is a member of the key management personnel of The Law Society or The Law Society's parent.
- (b) An entity is related to The Law Society if any of the following conditions applies:
  - (i) The entity and The Law Society are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either The Law Society or an entity related to The Law Society.
  - (vi) The entity is controlled or jointly-controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to The Law Society or to The Law Society's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### 3 Income

The principal activity of The Law Society is to act as the professional and regulatory body for solicitors in Hong Kong.

**Income consists of:**

	Note	2015	2014
Annual membership fees		\$ 7,694,400	\$ 7,372,800
Practising certificate fees		42,907,500	41,045,000
Foreign lawyer registration fees		14,481,000	14,359,500
Foreign law firm registration fees		1,368,105	1,302,500
Other fees	3(a)	9,671,966	8,824,355
Disciplinary proceedings and ancillary costs reimbursed	2(h)	5,084,327	4,574,711
Continuing professional development		1,998,061	1,732,278
Miscellaneous income	3(b)	8,535,380	7,837,119
Bank interest income	11(b)	1,250,810	1,923,892
		<b>\$ 92,991,549</b>	<b>\$ 88,972,155</b>

- (a) Other fees include fees received for applications for waivers from compliance with guidelines on drafting Deeds of Mutual Covenant, applications and registration for examinations and applications for certificates of standing.
- (b) Miscellaneous income comprises principally income from advertisements in The Law Society's circulars, recharges to the Professional Indemnity Scheme for The Law Society's salaries and overheads incurred during the year in administering the Scheme and to the Hong Kong Academy of Law Limited for services provided by The Law Society during the year.

# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 4 Surplus before taxation

Surplus before taxation is arrived at after charging/(crediting):

	Note	2015	2014
<b>(a) Staff costs</b>			
Salaries and allowances		\$ 44,107,931	\$ 41,969,986
Contributions to defined contribution retirement plan		5,188,806	4,863,173
Provident fund contribution forfeitures		(535,212)	(561,914)
Recruitment and training		507,327	1,074,435
		<b>\$ 49,268,852</b>	<b>\$ 47,345,680</b>
<b>(b) Office expenses</b>			
Operating lease charges: minimum lease payments in respect of property rentals		\$ 876,033	\$ 1,284,000
Rates and service charges		1,270,261	1,098,850
Electricity and telephone		542,812	537,201
Postage		201,576	205,669
Printing and stationery		1,884,486	1,803,863
Repairs and maintenance		435,784	356,300
		<b>\$ 5,210,952</b>	<b>\$ 5,285,883</b>
<b>(c) Members' expenses</b>			
Issue of membership cards		\$ 117,600	\$ 107,540
Functions		6,988,587	4,648,014
Meetings		1,060,327	1,873,345
		<b>\$ 8,166,514</b>	<b>\$ 6,628,899</b>
<b>(d) Other operating expenses</b>			
Disciplinary proceedings and ancillary costs*	2(h)	\$ 7,458,200	\$ 6,451,428
Professional education		64,663	31,000
Professional and consultancy fees		1,517,336	1,813,170
Professional development		8,400,802	8,609,292
Auditor's remuneration		150,200	157,200
Annual subscriptions		20,400	54,995
Insurance and medical		2,054,270	2,009,239
Sundry		4,107,198	2,942,455
		<b>\$ 23,773,069</b>	<b>\$ 22,068,779</b>

\* \$2,005,671 (2014: \$1,114,544) was incurred in respect of interventions within solicitors' practices, and \$792,929 (2014: \$2,513,639) was incurred in respect of litigation cases.



## 5 Remuneration of Council Members

Remuneration of Council Members disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2015	2014
Council Members' fees	\$ —	\$ —
Salaries, allowances and benefits in kind	—	—
Discretionary bonuses	—	—
Retirement scheme contributions	—	—
	<b>\$ —</b>	<b>\$ —</b>

## 6 Income tax in the statement of profit or loss and other comprehensive income

### (a) Taxation charged to profit or loss:

	2015	2014
<b>Current tax – Hong Kong Profits Tax</b>		
Provision for the year	\$ 275,482	\$ 475,995
Over-provision in respect of prior years	(6,980)	(5,169)
	<b>\$ 268,502</b>	<b>\$ 470,826</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	115,134	60,199
	<b>\$ 383,636</b>	<b>\$ 531,025</b>

The provision for Hong Kong Profits Tax for 2015 is calculated at 16.5% (2014: 16.5%) of the estimated assessable profits for the year, taking into account a reduction granted by the Hong Kong SAR Government of 75% of the tax payable for the year of assessment 2014-15 subject to a maximum reduction of \$20,000 (2014: a maximum reduction of \$10,000 was granted for the year of assessment 2013-14 and was taken into account in calculating the provision for 2014).

# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 6 Income tax in the statement of profit or loss and other comprehensive income (continued)

### (b) Reconciliation between tax expense charged to profit or loss and accounting surplus at the applicable tax rate:

	2015	2014
Surplus before taxation	\$ 2,703,398	\$ 5,118,116
Notional tax on surplus before taxation, calculated at the Hong Kong Profits Tax rate 16.5% (2014: 16.5%)	446,061	844,489
Tax effect of non-deductible expenses	163,959	13,978
Tax effect of non-taxable income	(206,384)	(317,442)
Statutory tax concession	(20,000)	(10,000)
Under-provision in prior years	13,020	4,831
Tax effect of unrecognised temporary differences	(13,020)	(4,831)
Actual tax expense charged to profit or loss	\$ 383,636	\$ 531,025

## 7 Property, plant and equipment

	Interest in leasehold land held for own use under a finance lease	Building held for own use	Leasehold improvements	Furniture, fixtures and equipment	Total
<b>Cost:</b>					
At 1 January 2015	\$ 76,666,667	\$ 38,333,333	\$ 12,818,397	\$ 7,179,133	\$ 134,997,530
Additions	29,218,612	6,729,268	1,307,866	873,049	38,128,795
Disposals	—	—	—	(182,945)	(182,945)
At 31 December 2015	\$ 105,885,279	\$ 45,062,601	\$ 14,126,263	\$ 7,869,237	\$ 172,943,380
<b>Accumulated depreciation:</b>					
At 1 January 2015	\$ 1,440,155	\$ 26,066,662	\$ 12,162,114	\$ 6,476,903	\$ 46,145,834
Charge for the year	970,127	1,802,504	514,531	581,602	3,868,764
Written back on disposals	—	—	—	(182,945)	(182,945)
At 31 December 2015	\$ 2,410,282	\$ 27,869,166	\$ 12,676,645	\$ 6,875,560	\$ 49,831,653
<b>Net book value:</b>					
At 31 December 2015	\$ 103,474,997	\$ 17,193,435	\$ 1,449,618	\$ 993,677	\$ 123,111,727

## 7 Property, plant and equipment (continued)

	Interest in leasehold land held for own use under a finance lease	Building held for own use	Leasehold improvements	Furniture, fixtures and equipment	Total
<b>Cost:</b>					
At 1 January 2014	\$ 76,666,667	\$ 38,333,333	\$ 12,613,997	\$ 6,877,760	\$ 134,491,757
Additions	—	—	204,400	690,916	895,316
Disposals	—	—	—	(389,543)	(389,543)
At 31 December 2014	\$ 76,666,667	\$ 38,333,333	\$ 12,818,397	\$ 7,179,133	\$ 134,997,530
<b>Accumulated depreciation:</b>					
At 1 January 2014	\$ 1,355,440	\$ 24,533,329	\$ 11,859,765	\$ 6,262,045	\$ 44,010,579
Charge for the year	84,715	1,533,333	302,349	604,401	2,524,798
Written back on disposals	—	—	—	(389,543)	(389,543)
At 31 December 2014	\$ 1,440,155	\$ 26,066,662	\$ 12,162,114	\$ 6,476,903	\$ 46,145,834
<b>Net book value:</b>					
At 31 December 2014	\$ 75,226,512	\$ 12,266,671	\$ 656,283	\$ 702,230	\$ 88,851,696

The leasehold land and building are held in Hong Kong under medium-term and long term leases.

## 8 Investments in subsidiaries

	2015	2014
Unlisted shares, at cost	\$ 22	\$ 22

Details of the subsidiaries are as follows:

Name of company	Place of incorporation and operation	Proportion of ownership interest held by the company	Principal activity
The Law Society of Hong Kong Publications Limited*	Hong Kong	100%	Publishing the journal of The Law Society
The Law Society Clubhouse Limited*	Hong Kong	50%	Club services for members of The Law Society

\* Not audited by KPMG.



# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 8 Investments in subsidiaries (continued)

The profit of the subsidiaries for the year ended 31 December 2015 amounting to \$17,139 (2014: \$74,238) and the subsidiaries' accumulated losses of \$437,065 (2014: \$415,593) have not been dealt with in the financial statements of The Law Society.

## 9 Deposits, prepayments and other receivables

	2015	2014
Deposits and prepayments	\$ 2,133,993	\$ 2,613,418
Other receivables	756,292	550,080
	<b>\$ 2,890,285</b>	<b>\$ 3,163,498</b>

Deposits, prepayments and other receivables are expected to be recovered or recognised as an expense within one year.

## 10 Amounts due from subsidiaries and related companies

The amounts due from subsidiaries and related companies are unsecured, interest-free and have no fixed terms of repayment.

## 11 Cash and deposits with banks

### (a) Cash and deposits with banks comprise:

	2015	2014
Deposits with banks with maturity within three months at acquisition	\$ 115,248,088	\$ 132,126,449
Cash at bank and in hand	13,331,493	26,765,964
Cash and cash equivalents in the cash flow statement	<b>\$ 128,579,581</b>	<b>\$ 158,892,413</b>
Deposits with banks with maturity of more than three months at acquisition	39,659,981	40,562,905
Cash and deposits with banks in the statement of financial position	<b>\$ 168,239,562</b>	<b>\$ 199,455,318</b>

## 11 Cash and deposits with banks (continued)

### (b) Reconciliation of surplus before taxation to cash generated from operations:

	Note	2015	2014
Surplus before taxation		\$ 2,703,398	\$ 5,118,116
Adjustments for:			
Bank interest income	3	(1,250,810)	(1,923,892)
Depreciation	7	3,868,764	2,524,798
Changes in working capital:			
Decrease in deposits, prepayments and other receivables		273,213	3,626,589
Increase in amounts due from related companies		(153,390)	(205,177)
Increase in amounts due from subsidiaries		(21,306)	(49,435)
Increase/(decrease) in creditors and accrued charges		2,929,091	(824,710)
(Decrease)/increase in membership, practising certificate and other fees received in advance		(2,159,955)	2,182,299
Cash generated from operations		\$ 6,189,005	\$ 10,448,588

As at 31 December 2015, The Law Society had \$17,610,614 (2014: \$16,372,179) cash and deposits with banks which were unclaimed client monies held on behalf of law firms pursuant to the Council's directions under section 8(2) of the Solicitors' Accounts Rules (Cap 159, sub leg) and to section 2(1) of Schedule 2 of the Legal Practitioners Ordinance (Cap. 159). These unclaimed client monies are not recognised in the statement of financial position given its nature of trust monies.

## 12 Creditors and accrued charges

Creditors and accrued charges are expected to be settled within one year or are repayable on demand.

# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 13 Income tax in the statement of financial position

### (a) Current taxation in the statement of financial position represents:

	2015	2014
Provision for Hong Kong Profits Tax for the year	\$ 275,482	\$ 475,995
Provisional Profits Tax paid	(489,015)	(431,254)
Current tax (recoverable)/payable	\$ (213,533)	\$ 44,741

### (b) Deferred tax assets and liabilities recognised:

The components of deferred tax assets recognised in the statement of financial position and the movements during the year are as follows:

	Depreciation in excess of the related depreciation allowances
<b>Deferred tax arising from:</b>	
At 1 January 2014	\$ 672,941
Charged to profit or loss	(60,199)
At 31 December 2014	\$ 612,742
At 1 January 2015	\$ 612,742
Charged to profit or loss	(115,134)
At 31 December 2015	\$ 497,608

The Law Society has no significant unrecognised deferred tax assets and liabilities at 31 December 2014 and 2015.

## 14 Capital management

The Law Society is a company limited by guarantee and has no share capital. The Law Society considers its capital to be the accumulated surplus. The Law Society's primary objectives when managing its accumulated surplus is to safeguard The Law Society's ability to continue as a going concern, so that it can continue to provide support and protect the interest of its members.



## 14 Capital management (continued)

Adjustments are made to the capital structure in light of changes in economic conditions affecting The Law Society to the extent that these do not conflict with the Council Members' fiduciary duties towards The Law Society or the requirements of the Hong Kong Companies Ordinance.

There has been no change in The Law Society's capital management practices as compared to prior year and The Law Society is not subject to any externally imposed capital requirements in both current and prior years.

## 15 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity and interest rate risks arises in the normal course of The Law Society's operation. The Law Society's exposure to these risks and the financial risk management policies and practices used by The Law Society to manage these risks are described below.

### (a) Credit risk

The Law Society does not have any significant credit risk with respect to amounts due from related companies/ subsidiaries and other receivables as they relate to a wide range of entities with no recent history of default.

The major exposure to credit risk is represented by deposits with banks. The Law Society's policy is to place its deposits with banks with major financial institutions with good credit rating.

### (b) Liquidity risk

The Law Society's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

### (c) Interest rate risk

The Law Society's interest rate risk arises primarily from deposits with bank at fixed rates that expose The Law Society to fair value interest rate risk. The Law Society's bank deposits have an effective interest rate of 0.76% (2014: 1.12%).

At 31 December 2015, it is estimated that a general decrease/increase of 100 basis points (2014: 100 basis points) in interest rates, with all other variables held constant, would have decreased/increased The Law Society's surplus and equity by approximately \$1,250,810 and \$1,637,987 (2014: \$1,429,066).

The sensitivity analysis above has been determined assuming the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The analysis has been performed on the same basis as for 2014.

# Notes to the Financial Statements (continued)

(Expressed in Hong Kong dollars)

## 15 Financial risk management and fair values of financial instruments (continued)

### (d) Fair value measurement

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2015 and 2014.

## 16 Operating lease commitments

At 31 December 2015, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

	2015	2014
Within one year	\$ –	\$ 802,500

## 17 Professional Indemnity Scheme

The Solicitors (Professional Indemnity) Rules (Cap 159, sub leg) provide that The Law Society is authorised to establish and maintain a fund to provide the indemnity mentioned in section 73A of the Legal Practitioners Ordinance (Cap 159). This fund is known as the Hong Kong Solicitors Indemnity Fund ("the Fund"). Pursuant to the Solicitors (Professional Indemnity) Rules, the Fund is held and administered by Hong Kong Solicitors Indemnity Fund Limited which is a company limited by guarantee. The assets and liabilities of the Fund are not those of The Law Society and accordingly, they are not included in these financial statements.

## 18 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in the financial statements, The Law Society entered into the following material related party transactions.

- (a) Charges for legal services in relation to intervention, disciplinary and litigation proceedings rendered to The Law Society by the firms of solicitors in which Council Members are interested totalled \$2.2 million (2014: \$2.6 million) for the year ended 31 December 2015.

Amounts due to these firms of solicitors as at 31 December 2015 amounted to \$1.2 million (2014: \$0.8 million) which are included in creditors and accrued charges.

## 18 Material related party transactions (continued)

(b)	Note	2015	2014
Expenses borne on behalf of subsidiaries		\$ 701,894	\$ 402,181
Recharge of office expenses to:		5,514,942	5,320,230
Hong Kong Academy of Law Limited	(i)	3,236,434	3,247,955
Hong Kong Solicitors Indemnity Fund Limited	(ii)	2,278,508	2,072,275

Notes:

- (i) The entity is a related party to The Law Society as its board of directors are Council Members of The Law Society.
- (ii) The entity is a related party to The Law Society as its board are appointed by the Council of The Law Society.

## 19 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2015

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2015 and which have not been adopted in these financial statements. These include the following which may be relevant to The Law Society.

	Effective for accounting periods beginning on or after
Annual Improvements to HKFRSs 2012-2014 Cycle	1 January 2016
Amendments to HKAS 1, Disclosure initiative	1 January 2016
Amendments to HKAS 16 and HKAS 38, Clarification of acceptable methods of depreciation and amortisation	1 January 2016
HKFRS 15, Revenue from contracts with customers	1 January 2018

The Law Society is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on The Law Society's results of operations and financial position.

# Abbreviated Terms Used in this Report

<b>Academy</b>	Hong Kong Academy of Law Limited
<b>AIJA</b>	International Association of Young Lawyers
<b>BSPP</b>	Business-School Partnership Programme
<b>CEE</b>	Common Entrance Examination
<b>Conduct Guide</b>	The Hong Kong Solicitors' Guide to Professional Conduct (Volume 1, 2nd and 3rd editions)
<b>CPD</b>	Continuing Professional Development
<b>HKTDC</b>	Hong Kong Trade Development Council
<b>IBA</b>	International Bar Association
<b>IPBA</b>	Inter-Pacific Bar Association
<b>IPD</b>	Intellectual Property Department
<b>IT</b>	Information Technology
<b>LAD</b>	Legal Aid Department
<b>LLPs</b>	Limited Liability Partnerships
<b>LPO</b>	Legal Practitioners Ordinance
<b>MOU</b>	Memorandum of Understanding
<b>NGO</b>	Non-governmental organisation
<b>OLQE</b>	Overseas Lawyers Qualification Examination
<b>PIS</b>	Professional Indemnity Scheme
<b>PIS Rules</b>	Solicitors (Professional Indemnity) Rules
<b>RME</b>	Risk Management Education
<b>SHRs</b>	Solicitors' Hourly Rates
<b>The Law Society</b>	The Law Society of Hong Kong
<b>USM</b>	Unified Screening Mechanism





3/F, Wing On House, 71 Des Voeux Road Central, Hong Kong

Tel : (852) 2846 0500 Fax : (852) 2845 0387 Web : [www.hklawsoc.org.hk](http://www.hklawsoc.org.hk) Email : [sg@hklawsoc.org.hk](mailto:sg@hklawsoc.org.hk)