

# INDEPENDENT LEGAL SERVICES COMMISSION



# ANNUAL REPORT 2010



# INDEPENDENT LEGAL SERVICES COMMISSION

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# Commissioners Report

**The Independent Legal Services Commission (ILSC) was established by the Legal Practitioners Decree 2009 and commenced operation in October 2009**

**Under the Decree the ILSC is to consist of a Commissioner, a Secretary of the Commission and such other staff as are necessary for the operations of the commission.**

**The function and purpose of the ILSC is to hear and determine complaints against lawyers. Applications detailing the allegations are filed with the ILSC y the Legal Practitioners Unit of the Chief Registrars Office. An application may also be filed by any complainant whose complaint has been determined by the Chief Registrar and who is dissatisfied with that determination.**

**A total of 10 applications containing 59 complaints against 8 lawyers and 2 law firms were filed in 2009. All but two of these applications were finalised during 2010. The ILSC is restrained by the Court of Appeal from dealing with the two outstanding applications. Only 3 applications containing 38 complaints against 5 lawyers and 1 law firm were filed in 2010. All of these applications**



**John Connors  
COMMISSIONER**

**have been heard by the commission. There are no pending matters awaiting determination apart from the sentence hearing in matter 2 of 2010.**

**Of the 59 complaints finally disposed of by the commission 1 has been dealt with by the practitioner being removed from the roll of legal practitioners . 23 complaints have been dismissed.**

**Practitioners found guilty of Professional misconduct and Unsatisfactory Professional Conduct have received a range of penalties including: requirement to undertake specific continuing legal education; order to conduct 5 criminal trials for Legal Aid on a pro bono basis; fines and orders for compensation to be paid to complainants.**



**STAFF ILSC**

**AFRANA NISHA  
SECRETARY TO THE COMMISSION**

**VANDANA RAJ  
RECEPTIONIST/ TYPIST**

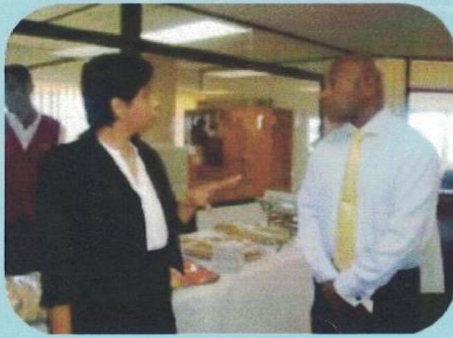


**TEVITA QAQANIVALU  
DRIVER/ MESSENGER**

## JUDGMENTS AND RULINGS DELIVERED 2010

CR –v- William Wylie Clarke	01/12/2010	Extempore Ruling on No Case to Answer
CR –v- Vipul Mishra, Mehboob Raza, Dr Sahu Khan and Sahu Khan & Sahu Khan	16/11/2010	Ruling – Separate Trial
CR –v- Haroon Ali Shah	30/09/2010	Judgment on Sentence
CR –v- Haroon Ali Shah	30/09/2010	Judgment
CR –v- Haroon Ali Shah	15/09/2010	Extempore Ruling on Application to Disqualify For Bias
CR –v- Dorsami Naidu	17/09/2010	Extempore Ruling on Motion for Stay Pending Appeal
CR –v- Haroon Ali Shah	14/09/2010	Ruling
CR –v- Dorsami Naidu	16/08/2010	Judgment on Sentence
CR –v- Dorsami Naidu	13/08/2010	Judgment
CR –v- Akuila Naco CR –v- Hemendra Nagin CR –v- Sheik Shah	09/07/2010	Judgment on Sentence Judgment on Sentence Judgment
CR –v- Iqbal Khan CR –v- Iqbal Khan & Assoc	21/06/2010	Extempore Ruling on Application to Disqualify For Bias
CR –v- Akuila Naco	16/06/2010	Judgment
CR –v- Sheik Shah	15/06/2010	Judgment
CR –v- Hemendra Nagin	07/05/2010	Judgment
CR –v- Iqbal Khan CR –v- Iqbal Khan & Assoc	28/04/2010	Extempore Ruling On Application to Vacate Hearing Date
CR –v- Dorsami Naidu	15/04/2010	Extempore Ruling On Application to Vacate Hearing Date
CR –v- Akuila Naco	13/04/2010	Extempore Ruling On Application to Vacate Hearing Date
CR –v- Nilesh Lajendra	13/04/2010	Judgment
CR –v- Abhay Singh	01/02/2010	Judgment Ruling on Stay Pending Appeal

MORNING TEA TO CELEBRATE THE COMMENCEMENT OF THE ILSC



**INDEPENDENT LEGAL SERVICES COMMISSION**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2010**

INDEPENDENT LEGAL SERVICES COMMISSION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010

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REPUBLIC OF THE FIJI ISLANDS  
OFFICE OF THE AUDITOR GENERAL

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Excellence in Public Sector Auditing

INDEPENDENT LEGAL SERVICES COMMISSION  
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010  
INDEPENDENT AUDIT REPORT

Scope

I have audited the financial statements of the Independent Legal Services Commission for the year ended 31 December 2010 in accordance with Section 92 (2) of the Legal Practitioners Decree 2009. The Commission is responsible for the preparation and presentation of the financial statements and the information contained therein. The financial statements consist of the Balance Sheet, Income Statement, Statement of Cash Flows and the accompanying notes.

I have conducted an independent audit of these financial statements in order to express an opinion on them.

The audit has been conducted in accordance with the Fiji Standards on Auditing to provide reasonable assurance as to whether the financial statements are free of material misstatement. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies stated in Note 1 of the financial statements and statutory requirements so as to present a view which is consistent with my understanding of the Commission's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Unqualified Audit Opinion

In my opinion:

- (a) proper books of accounts have been kept by the Commission, as far as it appears from my examination of those books; and
- (b) the accompanying financial statements which have been prepared in accordance with Fiji Accounting Standards;
  - (i) are in agreement with the books of account
  - (ii) to the best of information and according to the explanations given to me:
    - give a true and fair view of the state of affairs of the Commission as at 31 December 2010 and of the results of the Commission for the period ended on that date; and
    - give the information required by Section 92 (2) of the Legal Practitioners Decree 2009 in the manner so required.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of my audit.

Tevita Bolanavanua  
AUDITOR GENERAL

Suva, Fiji

14 December 2011



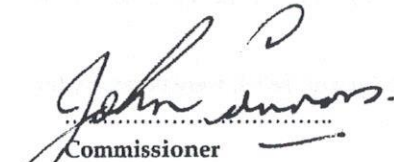
INDEPENDENT LEGAL SERVICES COMMISSION  
 BALANCE SHEET  
 AS AT 31 DECEMBER 2010

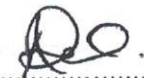
	Notes	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash on hand and in bank	4	121,986	702,720
Interest Receivable		40,686	-
Financial Assets	5	750,000	-
<b>Total Current Assets</b>		<u>912,672</u>	<u>702,720</u>
<b>NON CURRENT ASSETS</b>			
Plant and Equipment	6	239,450	183,230
<b>Total Non- Current Assets</b>		<u>239,450</u>	<u>183,230</u>
<b>TOTAL ASSETS</b>		<u>1,152,122</u>	<u>885,950</u>
<b>CURRENT LIABILITIES</b>			
Creditors and Accruals		4,563	-
<b>Total Current Liabilities</b>		<u>4,563</u>	<u>-</u>
<b>NON CURRENT LIABILITIES</b>			
Deferred Capital Grant	7	149,867	183,230
<b>Total Non - Current Liabilities</b>		<u>149,867</u>	<u>183,230</u>
<b>TOTAL LIABILITIES</b>		<u>154,430</u>	<u>183,230</u>
<b>NET ASSETS</b>		<u>997,692</u>	<u>702,720</u>
<b>ACCUMULATED FUND</b>		<u>997,692</u>	<u>702,720</u>

The accompanying notes form an integral part of this balance sheet .

**COMMISSION'S STATEMENT**

In our opinion, the financial statements have been properly drawn up so as to give a true and fair view of the Commission's operations and its state of affairs for the year ended 31 December 2010.

  
 Commissioner  
 Date: 08/12/2011

  
 Secretary  
 Date: 08/12/2011

INDEPENDENT LEGAL SERVICES COMMISSION  
 INCOME STATEMENT  
 FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 \$	2009 \$
<b>REVENUES</b>			
Distribution from contribution fund	2	565,428	107,720
Distribution from stabilization fund	3	-	595,000
Interest		40,686	-
Amortization of Deferred Income		33,363	-
Fines		10,750	-
Miscellaneous Income		1,131	-
<b>Total Revenue</b>		<u>651,358</u>	<u>702,720</u>
<b>EXPENDITURES</b>			
Advertising		369	-
Accommodation		26,255	-
Bank fees		230	-
Depreciation		41,973	-
Dues and subscription		3,185	-
Electricity		10,181	-
Fiji National Provident Fund		4,077	-
Fuel		2,948	-
Hearing Expenses		305	-
Insurance		3,200	-
Leasehold Improvement Expense		960	-
Motor Vehicle Renewal and Service		1,613	-
Office Supplies		3,503	-
Printing		1,913	-
Postage and Delivery		136	-
Professional fees		148,754	-
Sundry		3,355	-
Stationery		475	-
Telephone		9,481	-
Travelling		42,037	-
Wages and Salaries		51,164	-
Water		272	-
<b>Total Expenditures</b>		<u>356,386</u>	<u>-</u>
Net Surplus for the year		294,972	702,720
Accumulated funds at 1 January		702,720	-
<b>Accumulated Fund at 31 December</b>		<u>997,692</u>	<u>702,720</u>

The accompanying notes form an integral part of this statement of revenue and expenditure.

INDEPENDENT LEGAL SERVICES COMMISSION  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010	2009
		\$	\$
<b>Cash flows from Operating Activities</b>			
Receipts Contribution Fund		565,428	107,720
Receipts from Stabilisation Fund		-	595,000
Fines and Penalties		11,881	-
Payment for operating activities		(309,850)	-
		<u>267,459</u>	<u>702,720</u>
<b>Net Cash provided by operating activities</b>		<u>267,459</u>	<u>702,720</u>
<b>Cash flows from Investing Activities</b>			
Payments for plant and equipment		(98,193)	-
Investment in term deposit		(750,000)	-
<b>Net cash provided by investing activities</b>		<u>(848,193)</u>	<u>702,720</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(580,734)</b>	<b>-</b>
Cash and cash equivalents at the beginning of the year		702,720	-
<b>Cash and cash equivalents at the end of the year</b>		<u><u>121,986</u></u>	<u><u>702,720</u></u>

*The accompanying notes form an integral part of this statement of cash flow.*

INDEPENDENT LEGAL SERVICES COMMISSION  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2010

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**NOTE 1: STATEMENT OF ACCOUNTING POLICIES**

Set out hereunder are the significant accounting policies adopted by the Independent Legal Service Commission in the preparation of the financial statements for the year ended 31 December 2010.

**a) Basis of Accounting**

The financial statements have been prepared under the historical cost convention using the accounting policies described below and do not take into account of changes in the general purchasing power of the dollar.

**b) Income**

Income distribution from Contribution Fund is recognized when distribution amount is determined and established.

Interest income is recognized on an accrual basis.

**c) Income Tax**

By virtue of Section 17(24) of the Income Tax Act, the income of the Commission is exempt from income tax.

**d) Deferred Capital Grant**

Assets acquired through capital grants are capitalised to property, plant and equipment and the corresponding credit is taken as deferred capital grant. Property, plant and equipment are depreciated over their estimated useful lives. The benefit arising from the grants being the recoupment through depreciation is credited to revenue over the period of the useful lives of those assets.

**e) Plant and Equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition and installation of the items.

Plant and equipment are depreciated on a straight-line method over their estimated useful lives using the following rates:

Furniture and Equipment 10% - 15%  
Motor Vehicle 10%

INDEPENDENT LEGAL SERVICES COMMISSION  
 NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
 FOR THE YEAR ENDED 31 DECEMBER 2010

NOTE 2: RECEIPTS FROM CONTRIBUTION FUND

	2010	2009
	\$	\$
Funds received in accordance with Section 22 of the Trust Account Act were as follows:		
First Quarter - (from 31 December quarter distribution)	130,308	-
Second Quarter - (from 31 March quarter distribution)	141,056	-
Third Quarter - (from 30 June quarter distribution)	143,768	-
Fourth Quarter - (from 30 September quarter distribution)	150,296	107,720
	<u>565,428</u>	<u>107,720</u>

NOTE 3: RECEIPTS FROM STABILIZATION FUND

Funds Received from Stabilisation Fund established under the Trust Accounts Act	-	595,000
	<u>-</u>	<u>595,000</u>

In accordance with the transitional provisions in Section 30 of the Trust Accounts Act (as inserted by the Amendment Decree 2009), the transitional provisions provides for closure of Stabilisation Fund and for monies available in the Stabilisation Fund on or before 30 June 2009 to be paid to the Independent Legal Services Commission Fund and the Judiciary Fund in equal proportions. Accordingly, distribution was made to Independent Legal Services Commission Fund in August 2009 and September 2009 amounting to \$1,000 and \$594,000, respectively.

NOTE 4: CASH ON HAND AND CASH AT BANK

Cash at bank represents the current account balance with Bank of Baroda and cash on hand.

Cash on hand	200	-
Cash at bank	121,786	702,720
	<u>121,986</u>	<u>702,720</u>

Note 5: FINANCIAL ASSETS

Short term deposits with financial institutions:

Credit Corporation	250,000	-
Merchant Finance	500,000	-
	<u>750,000</u>	<u>-</u>

Financial Assets held to maturity attract interest ranging from 6.5 % to 8.25 % per annum and have maturities up to November 2011.

INDEPENDENT LEGAL SERVICES COMMISSION  
 NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)  
 FOR THE YEAR ENDED 31 DECEMBER 2010

Note 6: PLANT AND EQUIPMENT

	Furniture, Fitting and Equipment - grant assets	Furniture, - Fittings and Equipment	Motor Vehicles	Total
	(\$)	(\$)	(\$)	(\$)
<b>Gross carrying amount - at cost</b>				
Balance at 1 October 2009	-	-	-	-
Additions	183,230	-	-	-
Balance at 31 December 2009	183,230	-	-	-
Additions	-	19,193	79,000	98,193
Balance at 31 December 2010	183,230	19,193	79,000	281,423
<b>Accumulated Depreciation</b>				
Balance at 1 October 2009	-	-	-	-
Depreciation Expense	-	-	-	-
Balance at 31 December 2009	-	-	-	-
Depreciation Expense	33,363	991	7,619	41,973
Balance at 31 December 2010	33,363	991	7,619	41,973
<b>Net Book value</b>				
As at 31 December 2009	183,230	-	-	183,230
As at 31 December 2010	149,867	18,202	71,381	239,450

Note 7:	DEFERRED CAPITAL GRANT	2010	2009
		\$	\$
	Deferred capital grant relating to furniture and equipment provided by the Attorney General's office	183,230	183,230
	Less: accumulated amortization	(33,363)	-
	Total deferred income, net	149,867	183,230

Note 8: COMMISSION ESTABLISHMENT

The Commission was established in accordance with Section 84 of the Legal Practitioners Decree, 2009 and commenced operation in October 2009.

**INDEPENDENT LEGAL SERVICES COMMISSION**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS (CONT'D)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Note 9: PRINCIPLE ACTIVITY**

The principal activity of the Commission is to hear and determine complaints against lawyers.

**Note 10: CONTINGENT LIABILITY**

Contingent liabilities as at 31 December 2010 amounted to \$Nil (2009 - \$Nil).

**Note 11: ACCOUNTS PRESENTATION**

Current period financial statements are prepared for a twelve month period ended 31 December 2010. Prior

**Note 12: CLIENT LOCATION**

Independent Legal Services Commission is located on Level 5 , Civic Tower, Victoria Parade in Suva.