



The line of Chancellor accountants started with Willis Trenwith Chancellor, who spent his early working years as a bank clerk, honing his skills in the then, very manual bookkeeping orientated area of "Accountancy". After receiving his qualification from the Federal Institute of Accountants on the 6<sup>th</sup> February 1934, Willis promptly founded "Willis T Chancellor & Co", in the Queensland National Building, on the corner of Queen & Creek Street in the central business district of Brisbane. This building is now a Heritage listed building under the control of the National Bank.

The old "Queensland National Bank" has its own history which is an important part of the history of Brisbane and Queensland, and in particular the State's city-rural connection. It should be noted here that Willis was educated at the then, Church of England Grammar School in East Brisbane. Records from the school indicate he was a pupil there from 1918 to 1927. The Headmaster & School Founder, Cannon Morris and the Cambell sisters were closely associated with Willis and his father Oscar Chancellor and were indeed close friends and neighbours. Our records indicate the practice flourished in the pre-war years. We have the original Trust Account Recordings dating back to 1937. We also have copies of tax returns of a client, Mr Percy Ward for the period 1937 to 1957. During this period Willis had a number of substantial clients including, Ira Bourke, Overells Department Store and other prominent Brisbane figures. Then came the war! Willis was drafted and an arrangement was made for John Larwill to take over subsequently however John was also drafted and a Mr Redmond took over. By amazing co-incidence John's great grandson James now works in the practice as a trainee accountant. During the war years a Miss Dulcie Feige was a junior with the firm. Dulcie later went on to become the President of the Queensland arm of the Australian Society of Accountants and eventually a Chartered Accountant. During the war the practice under the name Willis T Chancellor & Co progressed little. The war affected everything! One of the unfortunate casualties of the war was the grand home of Willis' parents in law 'Erica' which occupied five and a half acres of prime Coorparoo hillside. Erica was compulsorily requisitioned by the US army and gutted during the war, and later sold to the Xavier Society for a mere 6,000 Pounds. The home has recently been restored and the grounds have become a retirement village.



Peter, Willis's son, distinctly remembers Victory in the Pacific Day (or V.P. Day), when there was dancing in the street outside the National Bank Building on Queen Street. On the 15<sup>th</sup> August 1945 at the age of 9 years, Peter and his grandfather Oscar watched the celebrations from the balcony, and threw a whole bag of three-penny pieces down over the revellers. Naturally, Peter descended to the street level to reclaim some. Dancing scenes (jitterbugging) occurred 50 years later at that same spot in celebration of the anniversary.



National Bank Central at 180 Queen Street is also a heritage building and was to be home for Chancellors until 1991 when the firm moved to National Bank House, 255 Adelaide Street after more than 50 years in Central. The move was prompted by the commencement of extensive renovations to the building. Due to planned renovations at 255 Adelaide Street, in 2006 The National Bank lapsed all of its sub tenants and Nicholas Chancellor looked at resuming business at the original location of 180 Queen Street. It was at a difficult time in the property market and Nicholas eventually settled for a superior though equally historic location in the heritage Anzac Square building at 232 Adelaide Street, which was formerly home to the State Government.

An interesting client following the war was Stewart Middlemass who in 1947 set up Barrier Reef Airways using war surplus Catalina flying boats from Brisbane to Heron Island. Peter recalls flying to Heron in the port gunnery blister of one of these aircraft. Barrier Reef Airways opened up Heron Island and that part of the Great Barrier Reef later with Short Sandringham flights from Redland Bay and Sydney Harbour.

In 1953 Peter Chancellor graduated at senior level also from Church of England Grammar school. In December 1953 he joined F M Hart & Co Chartered Accountants, and worked there for 3 years in areas of accountancy, tax and audit. While with that firm of Chartered Accountants, Peter and Peter Hurwood did win the Griffith Oxley cup for tennis as noted on the cup itself in 1956. The cup was and still is the Premier Tennis event among the Chartered Accountancy offices in Queensland.

In 1956 Peter Chancellor joined the firm Willis T Chancellor & Co. His first direct client in that, then very small office at National Bank Central, 180 Queen St was Essie Davies who with her equally fiery sister ran a shop in the Brisbane Arcade. The instructions were simple "get in your office now otherwise she will have gone through all the papers on your desk!".

While at F M Hart & Company, Chartered Accountants, Peter Chancellor progressed through the Institute of Chartered Accountants in Australia, exams. There were a lot of slackers in these Institute examinations and Peter Chancellor vied with Sydney Larwill for top place in Queensland. Syd of course, was the son of John Larwill who could have run the practice in the war years except for his call up. Interestingly enough, Syd joined the former partners of F M Hart & Co Group from Deloitte to form Hart Larwill and Co which subsequently became Moore Stephens. Chancellors were closely associated with Hart Larwill as recently as 2003 in a Compliance Committee role for property syndications. To cap that off young James Larwill joined Chancellors in 2011. That's Brisbane for you.

Peter Chancellor qualified as a Chartered Accountant in November 1957 at age 21, considered at that time and now to be an early age to have qualified. He received his associate certificate on 8<sup>th</sup> April 1958 and became a fellow of the institute on 19 September 1967. In 2007 Peter celebrated 50 years of active membership of the institute of Chartered Accountants and received an award.



Over the period followed by the establishment of peace, Willis Chancellor not only conducted business from National Bank Central, but also did significant honorary work. He was auditor of the Old Boys Association at Churchie for many years retiring after 54 years in the role.. Willis was also Treasurer of the Citizen Municipal Organisation (CMO) which was politically significant at Brisbane City Hall.

As Original Treasurer of the Churchie Parents and Friends Association he ran in a financial sense the Huge Churchie Fairs which were very successful fund raising functions in the 50's and 60's. At that time Charles Porter a stalwart of the Liberals was president of the CEGS Parents and Friends. Peter for his part rendered assistance to the fairs on a regular basis as assistant to the Treasurer and recalls those long nights counting and balancing cash. Even Willis' wife Thelma was involved with these major fairs, making and dispensing cakes at the cake stall, literally hundreds of them for each fair.

In the post war years Willis T Chancellor diversified into business through the Bowers Group which commenced with G Bowers Asphalt Pty Ltd in paving and road making on 23 May 1946. The practice continued to work and flourish and Bowers established in Sydney and later in Melbourne, specialising in spray applications. This involved the practice in a lot of early compliance work and secretarial duties. Peter qualified for membership of the Chartered Institute of Secretaries in 1962 and received his degree of Bachelor of Commerce in the same year.

In the late fifties and early sixties the main emphasis was on tax and of course still is today. It is noted that the tax act of 1936 -1954 went to a total of 273 pages. At present Tax Legislation goes to over seven thousand pages. During that era Willis T Chancellor & Co took on a number of audits for which Peter was primarily responsible. The first major audit he recalls was Paper Converting Company (Queensland) Pty Limited, which was established in 1951 by Arthur Croft and a subsidiary of the Paper Converting group. Another early audit was in the Building Society movement which was through association with Accountants Forge & Partners, who later became Horwath & Horwath.

So in that early era you had Chancellors, a firm specialising in tax, with auditing as a bread and butter job and also interest in compliance and secretarial duties. The accounting industry has changed since then, as audits are a more specialised field now and are no longer undertaken internally by the firm.



In the late fifties and early sixties very few books were printed. Peter recalls how the cash books of Purr Pull, a major fuel supplier were entirely in hand writing.

Moreover there were very few mechanical aides. Not only were most calculations done in one's head, despite efficient comptometer operators existing: adders were crank handle operated; typewriters were arm printers through tape; few firms had mechanical ledger facilities and virtually none had computers. Facilities for some audits were very basic,; one engineering business down in Alice Street for instance, had a dirt floor, wooden boxes for seating and work benches for a desk.

Of course salaries reflected not only the then present time value of money but also the skills involved. Peter's commencing salary in 1956 was 4 pounds; 2 shillings and 8 pence.

In the early sixties Chancellors took a change of direction, which while it can be questioned in retrospect, was aimed at achieving a higher degree of professionalism and expertise. We, as then a two partner firm joined with Philip Cox (5 partner Sydney firm), Bob Johnson (4 partner Melbourne firm), Wes Landcake (3 Partner Adelaide firm), and Vic Garland and his father (a Perth firm) in a joint venture called Cox Johnston and Co Chartered Accountants. This was always a loose relationship without financial involvement except as to mutual expense sharing and income from referrals, local and international.

Cox Johnston & Co jointly established a firm in New Guinea serviced mainly by the Sydney group but financed jointly and this became the second largest practice in New Guinea established originally in Raubal then Port Moresby then Lae with other branches.

Philip Cox much later became President of the Institute of Chartered Accountants in Australia and Vic Garland became Australian Agent in London, appointed by the Fraser Government on the recommendation of Doug Anthony.

Subsequent to the establishment of Cox Johnston & Co in Australia with operations in New Guinea (as second largest to Coopers in that area) Cox Johnston became a part of a loosely linked world wide accounting firm McKlinton, Main, La Franz which numbered eighth on the world scale of accountants. These were interesting times, rewarding in the sense of knowledge and the size of even the regional assignments.

It is notable that the big world nine accounting firms have changed to the big four now and auditing has seen somewhat of a decline with regulators stepping in. There have been big casualties including in particular Arthur Anderson & Co the internally generated, apparent leader in the profession, and indeed in the search by accountants for a theory in support of fundamentals of our profession. There was the Principals Board led by Leonard Sparhac of Arthur Anderson in the seventies.

The effect on Chancellors of our National and International exposure was not great, in terms of our total client base, but it was certainly beneficial in the review of our procedures and development against an outside benchmark.

One interesting audit client referred to us through the international connection was Corn Products, interesting because Corn Products were manufacturers and distributors of Uncle Toby's Oats and Clements Corn Flour through their acquisition of Clifford Love and Co, of which company Oscar Chancellor (Willis' Father) was manager for Queensland operating from offices in Eagle Street Brisbane which was at the time a cobble stoned road.

The National association also was responsible in part for Peter carrying out further study towards a Master in Commerce (complete to the qualifying stage) in the 60's, and eventually a Master in Financial Management in 1982. Links were established by Peter with various academics from the University of Queensland. He was for some years on a board of advisers, assisting the Head of the Department of Commerce and still has contact with various members of the disciplines of Commerce, Finance and Business at the University. Peter has always been of the view that Academia and the Accounting profession, in particular Chartered Accountants, are not as close as they should be. One initiative supported by Peter as Board Member, was the Business Person in Residence program, which is still in progress and involved various business personalities including Desmond Martin, our client of many years and Barry Thornton of GWA, then an associate of Des Martin.

It is noteworthy that the International firms have in some instances failed to deliver. It is our view that while their fees are not exorbitant for the services they provide, they have the following problems:

- a. Specialisation means a separate department for each aspect. A Specialist in Canberra may never have prepared a tax return and may well be incapable of doing so.
- b. Personal attendance to clients is sacrificed.
- c. Emphasis is on the assistance to the Manager of the small firm not the owner. The Manager has an operational function while the owner has a financial duty to himself, his shareholders and family.

This has led to the disintegration of parts of some large firms such as the aforementioned Deloittes, Brisbane Branch - where a number of partners who were true to their clients simply walked away and established Hart Larwill & Co. This fragmentation is also a characteristic of the legal profession.



Big is not necessarily best for professionalism. We had as an aim being a small dedicated firm for our high net wealth clients together with our second, third and fourth generation friends. We are now, essentially tax orientated advisors!

The problems of the big firm are not of course isolated to them. The firm has been involved in several crises the most important being the Building Society problem of the mid 70's.

As auditors of a Building Society we were put to call on our integrity as Auditors. We simply refused to sign off, until our auditing principles were satisfied. This took an agonising 11 months and resulted in disclosure of industry wide problems in accounting controls following several runs on major Queensland Permanent Building Societies and in our audit clients case, significant manual transaction when "on line" computers went down.

In all, the 70's and 80's were interesting times and indeed very challenging times. The wide spread use of computers, the sometimes blatant tax schemes, the bull share market and the crash of 1987, the introduction of Capital Gains Tax, the growth of many of the clients of the 60's and before, and the new developing clients alike made for interesting Accountant/Individual client relationships.

Among those clients, there were those individuals of interest through: their background; the dynamic individuals by nature; the Corporation builders; and those just going about providing their services in the best possible fashion. We name just a few with the sincere hope that we offend no one.

- A doctor was interned in the infamous Changi Prison during the war and unfortunately his experiences as a doctor there are not recorded, he has never discussed these days.

- One client was for many years a Masseur at Sullivans, next to Ranwick. He could give the most minute detail of most great horses including Pharlap (confirmed died of colic), derived from jockeys.
- A prominent competitive yachtsman.
- Among the dynamics would have to be the hotelier who, in a period of a few years acquired the 'Exhibition Hotel' renamed "Bonapartes"; Built Kookaburra Queens 1 and 2; established Pier Nine Restaurant; acquired Shafston House; and was one of the four founding members of the Bronco's.
- If we look at the corporate builders we should start with the aforementioned Arthur Croft who was always interested and interesting. The major electrical contractor also comes to mind for his effort in moving an 'at home' Electrical Contracting business to one of the biggest in Queensland with prime jobs such as the 'Miller" (ship).
- Also to mind is Desmond Martin who developed family businesses into significant commercial enterprises; acquired by GWA.
- The optometrist who built a chain of 38 professional prescribing and delivering locations.
- Among persons providing personal services, one to start with is the O'Brien's, long term butchers of excellence.
- Dr Simon Latham (children's hospital)

Willis Chancellor, the founder of the company, died in June 1989 while still in service, even though on the whole, diminished by ill health. He had been in practice nearly 55 years. Son, Peter Chancellor, who had been running the day to day practice for over 20 years was in sole charge. In 2006 Peter celebrated on 29<sup>th</sup> October his own 50 years with the firm.

Nicholas Chancellor commenced work at Chancellors on July 1<sup>st</sup> 1991. He was the opinion that at that time the practice needed, new blood and indeed to update itself out of the 80's. Tax lodgements were now carried out by computer, as was almost everything, a new broom was necessary. But not necessarily a new direction. Client welfare and wealth was still paramount.

Nick had been educated at "Churchie" from 1974 to 1981. He commenced work with Horwath & Horwath Chartered Accountants and upon becoming a Chartered Accountant in 1990 moved on as Tax Manager for Elms Lazerko Chartered Accountants on the Sunshine Coast.

His arrival at Chancellors was welcomed as he brought youth, enthusiasm and tax and computer expertise. He also had a talent for recruiting staff of ability and while this took quite sometime, we have now got it right!

Mention should also be made of Eve, Peter's daughter who worked with the firm in the 1980's for some years and also attained an Accounting qualification. Eve, whose vocation has always been art, now runs a Gallery in Cairns.

Totally, the Chancellor family as to three generations, have served the firm for together 124 years, over the now 78 years since the practice was commenced.

Since Nick Chancellor joined the practice, now trading as Chancellors Pty Ltd or Chancellors Chartered Accountants, there have been significant changes.

Chancellors is now even more tailored to looking after the tax and financial affairs of long standing and high net wealth clients. In this we now specialise. This of course does not mean we have lost interest in our smaller and developing clients.

Our fields are now general accounting, areas of tax, including in particular Individual Tax, Corporate Tax, Trust and Superannuation Funds and business advisory.



Nick was admitted as a Chartered Accountant in 1990 and received his Certificate of Public Practice in 1993. He has a Graduate Diploma in Applied Corporate Governance and has been a member of the Institute of Chartered Secretaries since 2007. Nick also became a Fellow of the Taxation Institute of Australia in 2006 and in 2012 became a Chartered Tax Adviser. More recently he completed ICAA exams for Self-Managed Superannuation specialisation and was awarded the designation in January, 2013