



ANNUAL REPORT AND ACCOUNTS 2021/2022

Members of the Law Society of Ireland
C/o Blackhall Place
Dublin 7

27 October 2022

Dear Members,

In accordance with Bye-law 4 of the Society's Bye-laws, we have pleasure in presenting the Annual Report for 2021/22 of the Law Society of Ireland.



Michelle Ní Longáin
President,
Law Society of Ireland



Mark Garrett
Director General,
Law Society of Ireland

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ABOUT THE LAW SOCIETY

The Law Society exercises statutory functions under the *Solicitors Acts 1954 to 2015* in relation to the education, admission, enrolment, discipline and regulation of the solicitors' profession. These statutory functions are exercised by the Council or by committees to which the Council delegates those statutory functions. It is the professional body for its solicitor members, to whom it also provides services and support.

GOVERNANCE STRUCTURE

The Law Society is governed by a Council, comprising elected and nominated members of the solicitors' profession. The director general is the chief executive of the Law Society, with all of the powers and responsibilities usually vested in a chief executive.

A new Council is elected every year in November. It delegates statutory functions to a range of committees. A president and two vice-presidents are elected each year from among the elected Council members.

PRESIDENT'S REPORT

It has been a really enjoyable and challenging year, and a privilege to serve as President of the Law Society of Ireland. There are over 12,000 practising solicitors in this country, and we play a big role in society. The breadth and variety of that role is only really understood from the vantage point of the role of president, which gives the opportunity to engage with members across the country and gain insights into their diverse working lives. I have had the chance to meet many solicitors in person throughout most of this year, both around the country and at many different events held at Blackhall Place. I have also represented the profession internationally, and that wider engagement has real impact here in Ireland.



We are in a time of change and transition. We have come out of an acute COVID phase in 2022, when the first few months of this year were significantly affected by the pandemic. We are still dealing with its fallout, and that of Brexit, which make it so important that we support our profession in every way and embrace wellbeing and diversity.

The rule of law and democracy have never been more challenged in recent memory. We must work to support them in our work for our individual clients and in the national and international law-reform agenda, and to guard against the undermining of the rule of law. We are part of the bigger international legal community, and we play a significant role there.

INVASION OF UKRAINE

As part of that role, we have actively condemned the invasion of Ukraine and, in a small gesture of solidarity with the people of that country, the Ukrainian flag flies at Blackhall Place. We have also endorsed the statement regarding Ukraine made by the Council of Bars and Law Societies of Europe, and I was honoured to host a webinar on upholding the rule of international law earlier this year, which featured a panel of distinguished guests, including a practising Ukrainian lawyer. If you haven't done so already, I encourage you to view a recording of this event on the Law Society's YouTube channel.

As another aspect of that role, ten women judges from Afghanistan are now living safely in their new homes with their families in communities across Ireland. This is the positive outcome from the collaborative effort of a coalition that includes the Law Society, the Bar of Ireland, Irish Rule of Law International, the Irish Red Cross, the International Association of Women Judges, members of the Irish judiciary, and the Irish Refugee Protection Programme.

KEY ISSUES

When I began my year as president, I identified a number of key issues that I desired to progress for the benefit of the profession and for future solicitors. The first of those themes was to promote gender equality, diversity, and inclusion within the profession.

As only the fifth woman president of the 151 presidents of the Law Society to date – and as an employment and equality lawyer throughout my career across three jurisdictions – it is a theme close to my heart.

The Law Society is actively working to improve access to the profession in the broadest sense, and in several ways. For example, our Women in Leadership Mentoring Programme seeks to increase equality at more senior roles within the profession. We also put a strong emphasis on visibility, and we continue to champion the voices of underrepresented groups in the profession.

THE VALUE OF HEALTH AND WELLBEING

A second theme I focused on this year was that of health and wellbeing. In mid-October, we marked World Mental

Health Day, and later welcomed over 600 solicitors to the third annual Business of Wellbeing Summit – a clear indicator of the value put on health and wellbeing by the profession.

The Law Society is very aware of the various difficulties and issues faced by many solicitors within the legal profession. Earlier this year, it launched its new Law Society Psychological Services. In just two years, and following extensive research, we have developed a full suite of services, including counselling teams, LegalMind (an independent, confidential, low-cost mental-health support available to members and their dependants), and embedded psychological and emotional wellbeing in our training programmes at the Law School. These are just some of the highlights, and there is untold work going on behind the scenes to provide offerings and supports, from pre-trainee level right up to fully qualified lawyers with many years in practice, as well as those operating at senior levels within the profession.

Law Society Psychological Services has the potential to transform the profession in Ireland, to change the culture, and to safeguard its integrity and future. We are a world leader in this area. Those of you who represent in-house practice (whether in the private or public sectors), from large firms, small practices, and sole practitioners across the country, can help us make meaningful change in these areas, both for ourselves and for others. I encourage you to reflect on these issues, engage with the services we now offer, and see how you can become a greater part of the change now taking place within the profession.

SHAPING SOCIETY

Society shapes us, and we have an opportunity to shape society too. Our work in the law-reform arena, including looking outside the profession to find commonalities with others, are very important in that regard.

We have transitioned to a new leadership in the organisation of the Law Society, and I thank those who have taken up the new leadership roles and those who have worked before them to support and drive the interests of the Society and the profession. I have started the process of developing the next phase of the Law Society's strategy, which I know will develop and grow.

This is a strong profession, where people desire to pursue their careers. This year, we have our latest intake of trainee solicitors – the largest number for more than a decade. We are working with Government, leaders of the Bar, and State agencies to seek international investment in Ireland's legal system. Ireland is both a great place to



do business and a great place to avail of legal services, and we constitute an important part of Ireland's economy in that regard.

We are an independent profession, with all of the values that encompass our professionalism. We must never forget that when we strive to go about our business, support our employees, serve our clients in navigating the justice system, help people to vindicate their rights, and seek to enjoy a decent livelihood and professional life. It is important that we take part in our society and that we use the skills we have as lawyers in conflict resolution, enabling the raising of different and conflicting views in a constructive and effective manner and protecting the structures of our legal system in the public interest.

The Law Society works on many different fronts too, some more visible than others, to protect and advance the interests of its members, which is in the public interest. It is in the public interest, too, that we have a strong legal profession that provides access to justice for all members of society, and which enables the economy to perform well, and businesses and State entities to deliver on their objectives. We all play a part in making that work.

Thank you for the work you carry out on behalf of the legal profession on a daily basis. I wish you all long, happy and fruitful careers, whether in large or small firms, in-house roles in the public or private sectors, urban or rural areas, in Ireland or elsewhere.

Law Society Psychological Services has the potential to transform the profession in Ireland, to change the culture, and to safeguard its integrity and future. We are a world leader in this area.

There are many opportunities given to us and privileges bestowed on us by our profession. It places many demands on us, too, and requires rigorous integrity and ethics. It is in our interests to work with integrity, backed by strong professional ethics, and to provide leadership in our profession. I hope you will all continue to do so for many years to come.

I wish to thank the profession, the Council, the senior executive, and all the staff of the Law Society, past and present, for their support to me this year, which is always willingly given to those who hold this office.

Michelle Ni Longáin,
President

DIRECTOR GENERAL'S REPORT

I was delighted to take up the role of director general with the Law Society in January, and want to thank the members and staff of the Society for their warm welcome since the beginning of the year.

The challenge I have been set in this role is how to guide the Society and its members in adapting to the changing landscape for the legal profession over the next ten years. I believe that the best way to tackle that challenge is to look at not just adapting to that landscape, but to shape it.

This is a profession that operates in an Ireland that has a modern, open economy and society. Ireland is the leading hub in Europe for businesses as diverse as technology, pharma, aviation, and nutrition. Despite the obvious problems, it is an attractive place to do business, to work, and to live. That is likely to be the case for the decade ahead. And so, I believe that the legal profession is one that should not just reflect this dynamism, confidence and ambition, but should strive to shape it too.

UNPRECEDENTED TRANSFORMATION

Even with that optimism, I'm under no illusion about the challenge. The world is going through an unprecedented level of change, and that is not going to stop any time soon. In the next ten years, there are going to be substantial changes to the way in which we all live our lives and do our work. Much of that transformation is going to be mandated and regulated by changes in the law.

My priority for the Law Society is that we put in place a proactive strategy to help members mitigate the challenges and take advantage of the opportunities that those changes are going to bring. That proactive strategic focus will very much be at the heart of my role as director general in the months and years ahead

In all of that, what I see are challenges, but also opportunities for the legal profession and for the Law Society.

We can see all around us that businesses, consumers, and employees want to operate in a society and an economy with world-class governance, reputation, and legal system – these will be the competitive advantages of the future for Irish society.

This is a real opportunity for the legal profession and the Law Society, because we promote and advocate for high standards in these areas. And also because, at its best, the law and the legal profession are very much about promoting the public interest. What is in the public interest is also in the interest of the legal profession, which will benefit from a thriving economy and society in practices, large and small, right around the country.

LINKED CHANGES

There is no doubt that change is inevitable but, from my vantage point, there are significant interlinked legal, societal and market changes that will most directly have an impact on the legal profession.

There are six in particular that I believe are relevant:

- Increased regulation and the increased role of government,
- Technology,
- The changing workplace and workforce,
- Changing expectations on environmental, societal and governance (ESG) issues,
- Competition and structural shifts in the profession, and
- Reputation and trust, and their impact on the profession.

Just one example of the challenges and opportunities is the era of 'Big Government' that we are experiencing here in Ireland, and around the world. Governments are expected, and are increasingly willing, to intervene in virtually every area of our society and economy. There will be a significant transition in the regulation of the profession in the years ahead, as well as in areas such as the provision of education. But again, there are significant opportunities for the profession in increased laws and regulation in areas such as data privacy, climate and sustainability, assisted decision-making, tax and





trade rules, dignity at work, and health-and-safety issues associated with remote working. These are areas where the legal profession can lead and build their businesses.

TECHNOLOGY'S IMPACT

I don't believe that there is much need to spell out the impact of technology as it surrounds us – and that impact will only increase. It will range from the impact that artificial intelligence (AI) will have in eliminating work for lawyers, through to the significant work for the profession from the legal issues surrounding the adoption and misuse of technology. Technology is going to play a greater role in many aspects of the work of the profession and the Society.

The broader working environment is changing rapidly, and COVID is just the latest catalyst – and the workplace and workforce is evolving quickly. The office is far from dead, but there will be more blended and flexible working arrangements. This is an area where I think the Society can give assistance and guidance to its members. ESG issues will shape the landscape for all organisations in the decade ahead. Organisations of all sizes will soon be expected by their stakeholders, and mandated by law, to have an ever-increasing range of policies. These will not just be legal requirements. They are (and will continue to be) core to attracting and retaining the best talent. The generations of Millennials and Gen Z are driven by purpose, issues of diversity and inclusion, as well as dignity at work. All of these are vital to a well-run organisation and to the reputation of those organisations.

In summary, I think the priorities for the Law Society are both regulatory and commercial. There are challenges – but also opportunities. There is still a lot of negotiation to be done on the regulation of the profession. There is also the opportunity and strategic need to deepen the relationship with the members now that the Society is less of a regulator. This will allow for a closer relationship with members, and a refocusing on the services provided.

We will need to focus, too, on the transformation and disruption of the business environment for lawyers, for example Brexit, COVID, AI, and competition. A key priority has to be diversity within the profession and the changing demands of the working environment. This was critically highlighted by the *Dignity Matters* report. And we need, also, to improve the reputation and impact of the profession.

So with all of that in mind, I want to draw on the wisdom of perhaps one of the most famous lawyers, Abraham Lincoln, when he said: “The best way to predict the future is to help shape it.” That is why my priority for the Law Society is that we put in place a proactive strategy to help members mitigate the challenges and take advantage of the opportunities that those changes are going to bring. That proactive strategic focus will very much be at the heart of my role as director general in the months and years ahead.

Mark Garrett,
Director General

STRATEGIC OBJECTIVES 2019-2023

The Law Society of Ireland's Strategy Statement 2019-2023 sets out the strategic objectives that the Society will follow

- 1** We will use our voice, our experience and our relationships to represent the solicitors' profession and to champion its contribution to the Irish economy, the vindication of citizens' rights and the rule of law.
- 2** We will provide a strong voice in policy debate in order to inform decision-making on matters pertaining to the justice system and law reform.
- 3** We will enable our members to achieve their potential as respected and trusted advisors and successful businesses.
- 4** We will fulfil our statutory regulation functions to ensure fair and effective regulation of solicitors in the interests of the profession and the public.
- 5** We will fulfil our statutory education functions in delivering a premier qualification and high-quality ongoing education and training.
- 6** We will be a valued resource for our members as a high-performance professional body.
- 7** We will continue our tradition of engaged citizenship and civic responsibility by promoting legal awareness, encouraging social diversity within the profession, supporting local community initiatives, and providing accessibility to our resources at Blackhall Place, in line with our Corporate Social Responsibility Statement.

1

DIGNITY MATTERS MARKS A TURNING POINT

The *Dignity Matters* report, published on 20 October 2021, marked a turning point in tackling bullying, harassment, and sexual harassment in the legal profession. The Law Society pledged to take firm action on all of the report's recommendations. President Michelle Ní Longáin said: "The Society has embarked on an ambitious, evidence-based programme of change to support a culture of dignity, respect and inclusivity in the solicitors' profession."

2

BUSINESS RECOVERY REPORT AND RECOMMENDATIONS

The Law Society published its *Business Recovery Survey Report* in November 2021. It found that solicitors believe that the use of information and communications technology (73%) and changed work practices (65%) will have the most positive impact on their businesses in the short-to-medium term. The survey discovered that the profession was most concerned about the pandemic's impact on turnover/income (25%), fears for the future of their businesses (18%), and worries about the economic impact and recession (16%).

3

PSYCHOLOGICAL SERVICES A WORLD FIRST FOR LEGAL PRACTITIONERS

The Law Society's psychological service for trainees has now been extended to all solicitors as they move through their careers. President Michelle Ní Longáin made the announcement at a parchment ceremony in February, following a decision by the Council at its meeting on 28 January. Since then, the Society has set up Law Society Psychological Services, which supports lawyers to reach their optimal potential through key services, such as LegalMind and Law School Counselling Services.

TOP TEN OF 2021/2022

4

BOOSTING ACCESS TO THE PROFESSION

In May, the Law Society reported the largest intake of new solicitor trainees recorded since 2008. Trainee admissions to the Law School are at a ten-year high, with trainee numbers this year up 10% on last year. The *Annual Report on Admission Policies of the Legal Professions 2021* showed that there is now greater access and fewer barriers to the solicitors' profession in Ireland for trainees from diverse educational, professional, and socio-economic backgrounds. A positive trend is that one in six trainee solicitors now comes from a non-legal background.

5

SANCTIONS RESOURCE HUB LAUNCHED

The Society launched a new Sanctions Resource Hub in March to help solicitors ensure compliance with the sanctions introduced across the EU against Russia and Belarus over the invasion of Ukraine. The hub (www.lawsociety.ie/sanctions) provides detailed help and information on sanctions, encompassing financial services, immigration and trade, among other legal fields. The Society has urged solicitors to make compliance with the sanctions "a top priority."

TOP TEN OF 2021/2022

6

SOCIETY LENDS SUPPORT TO JUDICIAL APPOINTMENTS REFORM

Following publication of the *Judicial Appointments Commission Bill* in May 2022, Law Society President Michelle Ní Longáin welcomed the intention to reform the judicial appointments process for the public benefit. "The interests of society will be best served by a judiciary that is rich in a variety of life experiences and background," she said. "We need a more diverse pool of candidates for judicial appointment – candidates that are reflective of our society."

7

FUSED PPC MARKS SIGNIFICANT REFORM

A new 'fused' Professional Practice Course was launched by the Law Society in September 2022. A total of 472 new trainees started the streamlined course, in which trainee solicitors will complete one academic course instead of two – making it one of the most significant reforms to solicitor education in Ireland in over two decades. The innovative course was developed by the Society as part of its strategic plan to increase access to solicitor training in Ireland.

8

THE FUTURE WAY WE WORK

The *Future Way We Work* survey, compiled on behalf of the Younger Members Committee by Smith & Williamson, has spotlighted some interesting findings about how solicitors are now working. In July 2021, 61% of solicitors were blending remote and on-site working. In all, 91% of practitioners expressed a preference for a hybrid working model (5% said they'd prefer to work from home full time, while 4% wished to return to full-time office work). A total of 69% of solicitors said that they were more productive when working from home.

9

CALL TO END NON-STATUTORY SYSTEM OF DIRECT PROVISION

Appearing before the Oireachtas Committee on Public Petitions on 16 September 2021, Stephen Kirwan (Law Society's Human Rights and Equality Committee) called for an "end to the non-statutory system of direct provision", highlighting deficiencies within the current system that need to be addressed. An alternative system should be "grounded in the principles of human rights, respect for diversity, and respect for privacy and family life". Human Rights Committee chair Sinéad Lucey stated: "Meaningful action is long overdue."

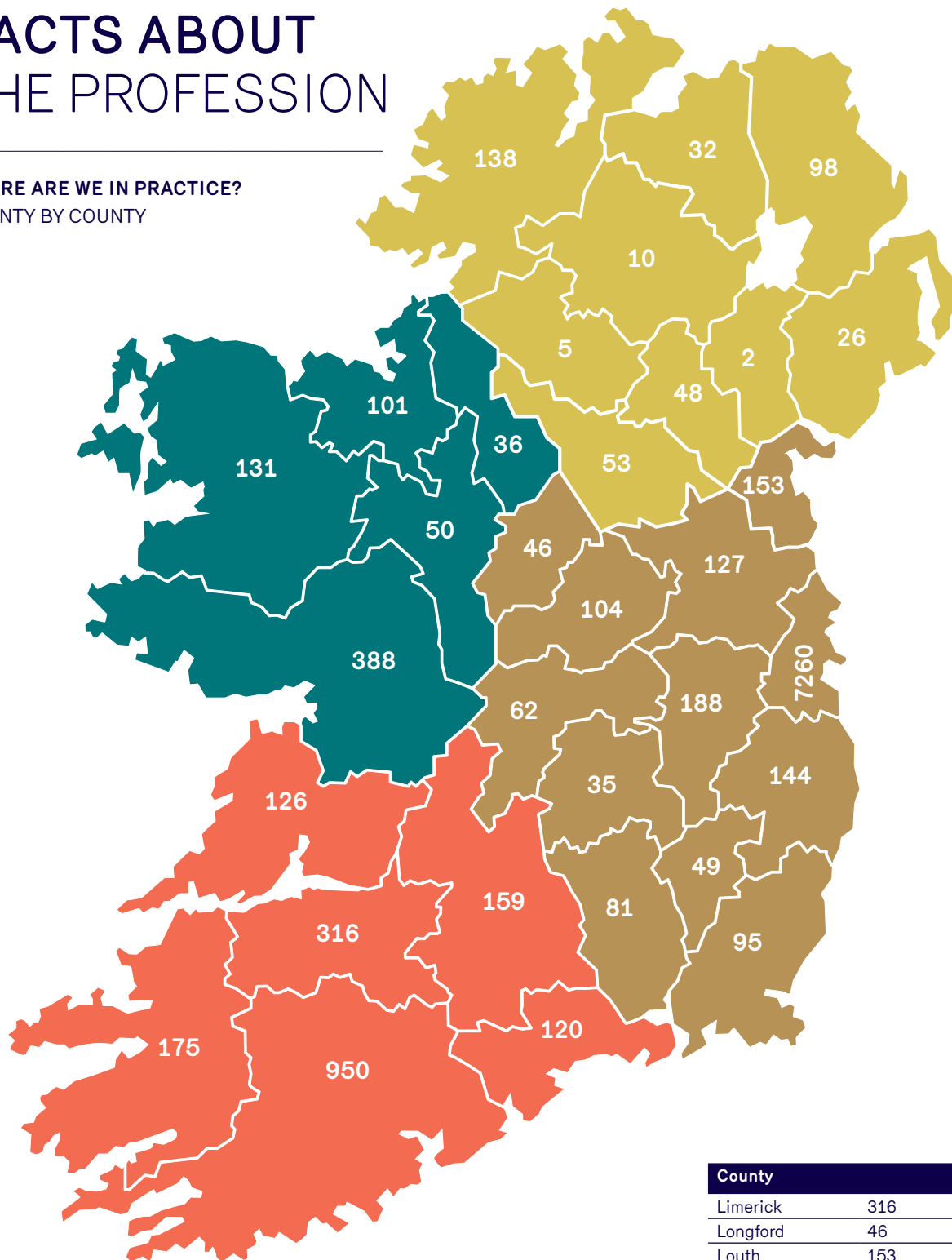
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SOCIETY RECOMMENDS ORDERLY TRANSFER FROM WARDSHIP SYSTEM

In April 2022, the Law Society warned the Government that the proposed implementation plan for the *Assisted Decision-Making (Capacity) Bill* could deny access to justice for the most vulnerable in society. It strongly recommended that appropriate transitional provisions be put in place to ensure an orderly transfer from the current wardship system to new systems

FACTS ABOUT THE PROFESSION

WHERE ARE WE IN PRACTICE? COUNTY BY COUNTY



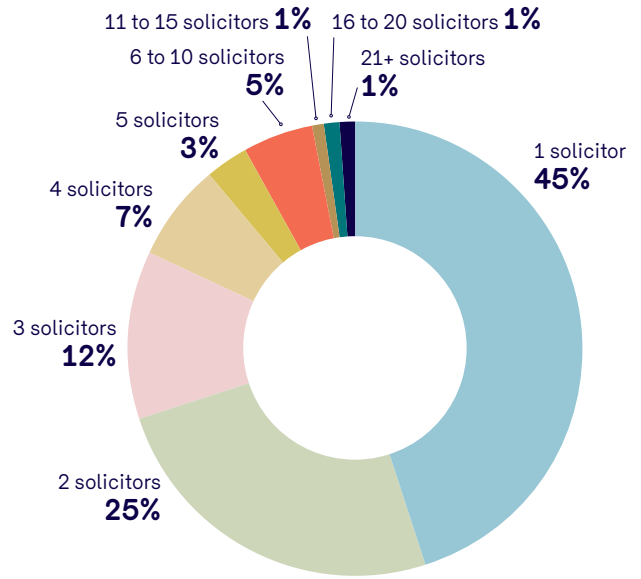
County	
Antrim	98
Armagh	2
Carlow	49
Cavan	53
Clare	126
Cork	950

County	
Derry	32
Donegal	138
Down	26
Dublin	7,260
Fermanagh	5
Galway	388
Kerry	175
Kildare	188
Kilkenny	81
Laois	35
Leitrim	36

County	
Limerick	316
Longford	46
Louth	153
Mayo	131
Meath	127
Monaghan	48
Offaly	62
Roscommon	50
Sligo	101
Tipperary	159
Tyrone	10
Waterford	120
Westmeath	104
Wexford	95
Wicklow	144
Total	11,308

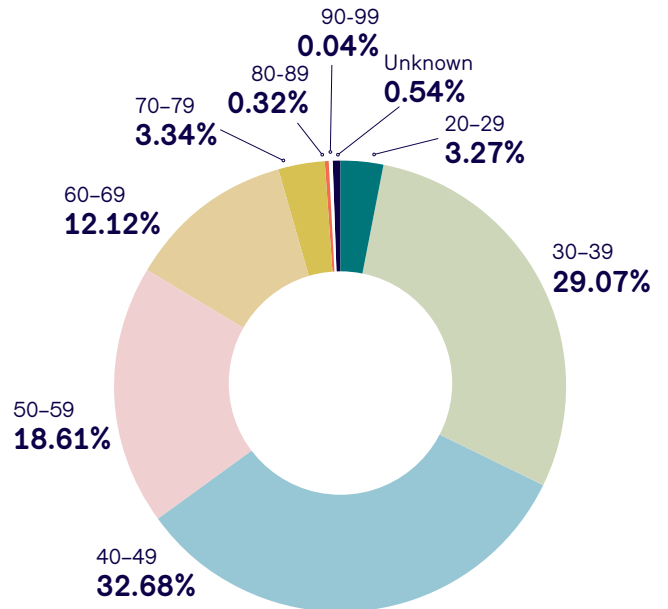
FIRMS BY NUMBER OF SOLICITORS

Solicitors	Firms	%
1 solicitor	1,012	45%
2 solicitors	567	25%
3 solicitors	270	12%
4 solicitors	155	7%
5 solicitors	73	3%
6 to 10 solicitors	115	5%
11 to 15 solicitors	30	1%
16 to 20 solicitors	13	1%
21+ solicitors	33	1%
Total	2,268	100%



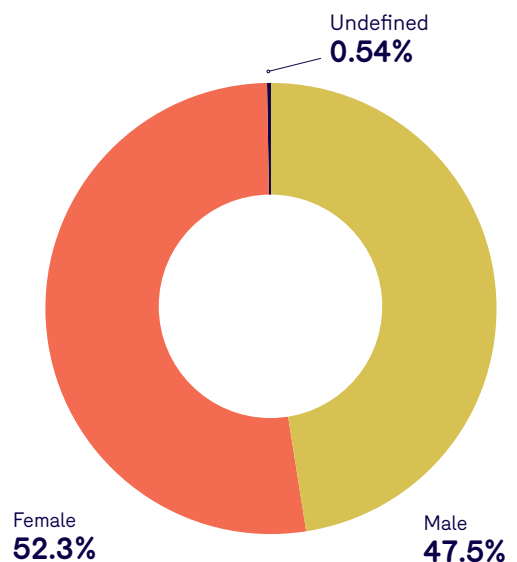
AGE PROFILE | PRACTISING CERT HOLDERS

Age	Amount	%
20-29	373	3.27%
30-39	3,312	29.07%
40-49	3,723	32.68%
50-59	2,120	18.61%
60-69	1,381	12.12%
70-79	380	3.34%
80-89	36	0.32%
90-99	5	0.04%
No DOB on record	62	0.54%
Total	11,392	100%



GENDER BALANCE | PRACTISING CERT HOLDERS

Female	5,960	52.3%
Male	5,410	47.5%
Undefined	22	0.2%
Total	11,392	100.0%





ROSE WALL

Since qualifying as a solicitor in 2008, Rose Wall has consistently advocated for disadvantaged and marginalised groups in society. Now, the CEO of Community Law and Mediation, she and her colleagues have identified how the climate crisis disproportionately affects those most vulnerable in society through issues like energy poverty, poor air quality, and inadequate housing or water facilities.

“The risks won’t be borne equally,” Rose says. “Even environmental groups are starting to join the dots between end-of-the-world issues and end-of-the-month issues.”

Rose strongly believes in the law as a lever to enforce sustainability targets on governments and businesses. In 2021, she founded the Centre for Environmental Justice to campaign for law reform on climate and environmental issues, while empowering communities that have fewer resources to cope, including those with less visibility when it comes to shaping policy responses, such as climate-action plans.

“If you think about innovation, it’s identifying a gap in the market – or in our case, a need in the community – and looking at how we can help,” says Rose.

She would like to see more law firms and the Law Society, as well as other community and social-justice groups, become involved in this area.



ANTI-MONEY-LAUNDERING AND SANCTIONS ACTIVITIES

A key achievement this year was the rapid development of a [Sanctions Resource Hub](#) to help solicitors ensure their compliance with EU sanctions in response to Russia's invasion of Ukraine.

At the same time, the Law Society continues to provide extensive anti-money-laundering (AML) outreach initiatives to solicitors, and remains strongly focused on increasing awareness and understanding of existing and emerging money-laundering and terrorist financing (ML/TF) risk to the legal sector. Likewise, the Society itself has statutory duties with regard to supervising and enforcing solicitor AML compliance. International and European evaluations of effectiveness have become non-stop, with new policy and law-reform initiatives constantly emerging.

While the scale of the challenge may be daunting, the Society has developed a number of measures to aid solicitors' understanding of sanctions, AML, and the ML/TF risk to their firms through outreach, guidance, training, and supervision – while also responding to the evolving landscape for both solicitor and supervisor AML and sanctions.

SANCTIONS OUTREACH

Rapidly responding to the introduction of sanctions on Russia over Ukraine, the Policy and Public Affairs Department launched the new Sanctions Resource Hub on 8 March 2022. The hub (www.lawsociety.ie/sanctions) contains information and helpful resources to assist solicitors in ensuring compliance with sanctions.

The hub is an agile resource that is continuously updated as the situation evolves, new sanctions are enacted, and as guidance and insights emerge. A key resource is a new Law Society 'five-step recommended approach' to ensure compliance – designed with sole practitioners and small/medium firms in mind, given that large firms likely already have systems in place to screen clients via commercial providers.

Engagement with the new hub has been excellent, with over 2,500 page views within the first month. In all, 950 of the visits to the hub were via the dedicated URL. *Gazette* and *eZine* articles have been published to raise awareness of this key resource for solicitors. The Policy and Public Affairs Department presented on the role of bars and law societies in responding to sanctions, showcasing the sanctions resource at a CCBE, European Lawyers

Foundation, and European Commission Webinar for over 650 lawyers across Europe.

AML OUTREACH

The Policy and Public Affairs Department remains especially focused on helping to demystify AML and de-risk firms by increasing awareness of money-laundering vulnerabilities in the legal sector. Throughout the year, email and telephone support continued to be provided to solicitors navigating complex AML duties via the AML Helpline. The AML section built upon risk-awareness work, developing a number of AML resources, including:

- An update to help solicitors transitioning to the *Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2021*,
- The development of a unique 'traffic-light' approach to navigating ML/TF red flags, which incorporates scenarios illustrating different ML risks,
- Free online AML Update Session for small practices (available on demand), and
- Small-practice newsletters with a special focus on ML/TF risk awareness and mitigation.

Working together, the Policy and Public Affairs and Education Departments have provided:

- Free online AML training to approximately 3,700 solicitors since its launch on the LegalEdTalks platform,
- Bespoke AML training for all PPC students,
- AML training at the annual Law Society Professional Training and Dublin Solicitors' Bar Association Practice Regulation Conference, and also for the Tipperary Solicitors' Bar Association.

Tailored AML training has also been developed by the Policy and Public Affairs Department for the Society's Legal Services Excellence Standard.

REPRESENTATION AND LAW REFORM

The Society contributed to the important work of national AML initiatives, including becoming an associate member of the national AML Steering Committee and continued participation in the national [Private Sector Consultative Forum](#) meetings. Our AML activities also included responding to international assessments of solicitor AML, the Society's AML outreach activities, as well as the Society's supervision of solicitor AML during the course of the year by the IMF and ongoing FATF progress reports.



Our active participation in the CCBE's AML Committee ensures solicitor and Law Society contribution to EU-level AML and sanctions-policy development. A significant achievement this year was the Society's participation in the development of the CCBE's position paper with regard to the [EU Commission's AML package](#). Concerns in relation to proposals for national and supranational oversight were also highlighted at national level by the Society to the Department of Finance, as well as the Department of Justice.

SUPERVISION AND ENFORCEMENT

The Regulation Department continues to supervise solicitor AML compliance as part of the Law Society's responsibility for financial regulation of the profession. These activities satisfy EU requirements with regard to 'fit and proper persons'. The Society's 11 investigating accountants examine AML compliance, with approximately 300 firms inspected in the year to June 2022.

The Society continued to monitor solicitors' compliance with their AML duties through a system of desktop reviews throughout 2021. Many restrictions remained in situ; however, investigations have gradually moved from off-site to hybrid reviews and, more recently, to full on-site reviews as the situation improved.

Assessments involve a review of the firms' policies, controls, and procedures, with evidence required of business-risk assessment, client-risk assessments, client due diligence, and staff training. Investigation reports that issue after every inspection contain a dedicated

section examining AML matters. The Society has the power to refer evidence of non-compliance to the Legal Practitioners Disciplinary Tribunal and/or take any other steps necessary.

Some of the referrals during the year included AML issues. In compliance with the statutory duty to report suspicions, the Law Society's Money-Laundering Reporting Committee submitted two reports to Ireland's relevant authorities. For the first time, the Society directed that a solicitor undertake an independent external audit to test the effectiveness of AML internal policies, controls, and procedures.

PRIORITIES FOR THE COMING YEAR

The Law Society's AML priorities for 2022/23 include continuing our:

- AML and sanctions outreach work to ensure we demystify AML and sanctions, while de-risking firms by increasing ML/TF awareness,
- Effective supervision and enforcement of solicitor AML compliance,
- Contribution, at national level, to the work of the national AML Steering Committee,
- Responses to any EU and international assessments of solicitor and Law Society AML effectiveness,
- Engagement and representation activities with key stakeholders as EU AML and sanctions policy evolves in the coming year.

THE YEAR IN REVIEW



NEW DG TAKES THE HELM

The Law Society's new director general, Mark Garrett, took up his post on 4 January 2022, succeeding the Society's first-ever female director general, Mary Keane.

The new DG, who is a passionate Mayo football fan, has extensive experience in leadership and management in the public and private sectors. He has previously worked for the Competition Authority, served as chief-of-staff to then-Tánaiste Eamon Gilmore, and worked in private-sector organisations, including McKinsey.

In March 2022, he told the *Gazette* that his priority was to put in place a strategy that would help solicitors mitigate the challenges and take advantage of the opportunities offered by the rapid changes in how people are now living and working as a result of the pandemic.

SOMETHING ABOUT MARY

After almost 30 years with the Law Society, deputy director general Mary Keane retired at the end of June 2022.

The Mayo woman stepped in to serve as director general after the retirement of Ken Murphy last year, taking over at a difficult time, when COVID restrictions were still in place, and holding the fort until Mark Garrett took over in January this year.

She will have plenty to keep her busy in retirement – she is chair of the board of governors of the National Gallery and is also in the closing stages of a long labour of love: restoring a Norman tower house in Wexford.

We also bid farewell to John Elliot (Registrar of Solicitors and director of regulation), and Cillian Mac Domhnaill (director of finance).



THE YEAR IN REVIEW

DIGNITY MATTERS CALL TO ACTION

In October 2021, the Law Society committed itself to acting on what were described as “troubling” findings from a report on bullying and harassment that was produced on foot of a survey of members and trainees. The *Dignity Matters* report revealed unacceptable levels of bullying, harassment, and sexual harassment in the solicitors’ profession, significant underreporting of incidents, and limited consequences for those who had engaged in such behaviour. The report had its roots in the 2019 International Bar Association Us Too? survey, which revealed high levels of unacceptable behaviour in the profession around the globe.

Among the key findings of *Dignity Matters* were:

- One in two men and one in three women experienced bullying,
- One in two women and one in nine men experienced harassment,
- One in two women and one in eight men experienced sexual harassment,
- A consistent majority did not report their experience of bullying (73%) or harassment (71%), with this figure rising to 91% for experiences of sexual harassment.



Law Society President Michelle Ní Longáin said that the organisation had embarked on “an ambitious, evidence-based programme of change” to tackle the issues raised by the research. This will include acting on the report’s recommendations by revising policies and standards, providing regular and customised training, exploring flexible reporting models, and engaging with younger and diverse members of the profession.

SIX MORE SOLICITOR SCs



Six more solicitors were granted patents of precedence in June 2022, allowing them to use the designation ‘senior counsel’. For the first time, more women solicitors than men (four and two, respectively) were named. The newest solicitor SCs are Deborah Spence, Terence McCrann, Sinéad Kearney, Aisling Gannon, Helen Kelly and Alastair Purdy.

This was the third time in the history of the State that solicitors could apply for patents of precedence. In June 2021, 12 solicitors were granted patents of precedence,

while in September 2020, 17 solicitors were named.

In February 2022, the Law Society called for meaningful action to improve the representation of solicitors, women, and those from diverse backgrounds among those receiving patents of precedence. Director general Mark Garrett said that the Society wished to see more solicitors applying for, and granted use of, the senior counsel title, in recognition of their expertise and contributions to increasing access to justice across the country every day.

HELP FOR FLEEING AFGHAN JUDGES



The legal community acted quickly to help colleagues in Afghanistan who were forced to flee their country following the Taliban's takeover in August 2021.

The Law Society joined forces with other representative bodies to put in place a community support model to help members of the Afghan judiciary and their families who were targeted by the Taliban. An appeal was launched to professionals and bodies across the legal sector, seeking pledges of support to judicial and legal colleagues who had fled Afghanistan.

Female lawyers and judges were targeted particularly, as the Taliban sought to enforce its regime on those who played an active role in the Afghan state. By May 2022, Ireland had offered full refugee status to ten Afghan women judges and their families.

Among those who offered support were three Blackhall Place PPC1 students, who were warmly thanked for the help they gave to the judges. Trainees Charlotte Lyons, Catherine Moloney and Sana Malik all volunteered to help the displaced women with their conversational English, as part of resettlement efforts.

THE FUTURE WAY WE WORK

In October 2021, a survey of solicitors' experiences of work during the pandemic found that an overwhelming majority of the profession would prefer a hybrid working model in future.

The research was an initiative of the Law Society's Younger Members Committee and was carried out by Smith & Williamson. The Future Way We Work report found that just over 90% of solicitors would prefer a mixed system, with only 5% wanting to work at home full-time and 4%

preferring full-time office work. The survey highlighted several concerns that employers will have to consider. While almost 70% of solicitors said that they felt more productive when working at home, the same percentage believed that feelings of isolation presented a challenge for those working remotely. Respondents also expressed concern about the impact of remote working on training, mentoring, and supervising colleagues – particularly in larger organisations.



SOCIETY'S PRIDE AT ROBERTS' APPOINTMENT

In June 2022, Eileen Roberts became only the second woman solicitor to be nominated for appointment as a judge of the High Court, following the appointment of state solicitor Eileen Creedon in May 2017.

Roberts, a partner in A&L Goodbody's disputes-and-investigations practice, who also lectures on the Law Society's

diploma course in commercial litigation, described her appointment as "a great honour and privilege".

Law Society President Michelle Ní Longáin expressed the hope that her appointment would be a catalyst for progress towards a diverse judiciary that more accurately reflected Irish society.

UNITY ON UKRAINE



In February 2022, the Law Society joined numerous other representative bodies in the profession by condemning Russia's invasion of Ukraine and, in April, it hosted a special webinar on Ukraine, entitled 'Upholding the Rule of International Law'.

The online event heard a unique perspective on the invasion from one of Ukraine's leading lawyers, Anna Babych. This was followed by a panel discussion on the rule of law and what lawyers throughout Europe could do to help.

Among the many fundraising events held for Ukraine was a table quiz in Blackhall Place (organised by the EU and International Affairs Committee) and a walk in the Phoenix Park organised by PPC trainees in March. Proceeds from both events went to the Irish Red Cross's Ukraine appeal.

COOL SUMMER FOR TY STUDENTS

The Law Society welcomed 500 transition-year students to participate in its second annual Legal Ambitions Summer School in July and August 2021.

Part of the Society's Public Legal Education Initiative, the free four-week online course is specially designed to offer an introduction to the legal basics and encourage young people to broaden their vision of law – both as a career and in their daily lives.

Richard Hammond SC (chair of the Society's Education Committee) believes that improving early access to legal education has positive benefits for everyone in society, creating a greater understanding of the profession's own obligations, but also opening the door to careers in the profession.

The summer school also reaches students who might not have considered a future in the legal profession – encouraging more young people from diverse backgrounds to pursue a career as a solicitor.



THE BATTLE AGAINST CYBER-CRIME



While the shift to remote working during the pandemic brought advantages for the legal profession, it also opened up more potential opportunities for cyber-criminals.

This issue was in focus in December 2021, when the Practice and Regulation Symposium heard from legal experts in cyber-crime and technology. The conference was the tenth in a series of specialised training events designed to support local solicitors throughout Ireland to upskill.

The event was organised by the Law Society Finuas Skillnet, in association with the Dublin Solicitors' Bar Association. Its president, Diego Gallagher, described how the day-to-day business conducted by solicitors had been "totally transformed" during the pandemic. Urging firms to be mindful of the risk of cyber-crime, he said that it would be vital for solicitors' practices to continue to invest in appropriate cyber-security processes and systems.

In March, the Law Society's Small Practice Support Service also ran a series of three web-based information sessions on cyber-security, organised in conjunction with the Society's Technology Committee.

THE YEAR IN REVIEW



TRIO OF NEW DIRECTORS WELCOMED

Three new directors have joined the Law Society's senior management team, filling the gaps left by the retirement of Mary Keane, John Elliot, and Cillian Mac Domhnaill.

The new director of policy, Dr Geoffrey Shannon SC, is well known to all in the Society, having served as its deputy director of education and as a lecturer in family and child law. A renowned national policy expert with more than 30 books to his name, Dr Shannon was chairperson of the Adoption Authority of Ireland from 2007 to 2020, and Special Rapporteur on Child Protection from 2006 to 2019.

Gillian Cregan is the new director of finance and operations, joining the Society from Business Venture Partners.

The new director of regulation, Dr Niall Connors, joins the Society from the Irish Aviation Authority.

Announcing the appointments, director general Mark Garrett also paid tribute to the retiring directors, describing their contributions to the Society as "enormous".

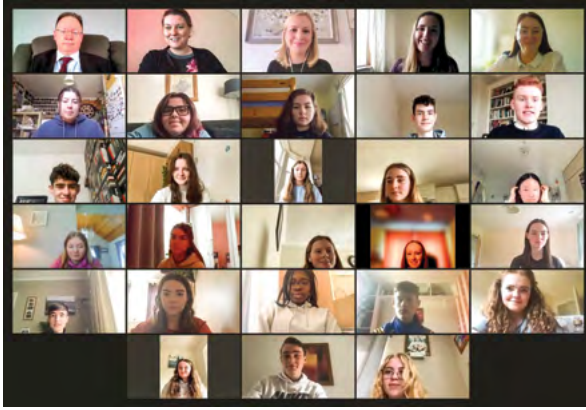
'INSIDE THE DISTRICT COURTS' TAKES TOP GONG AT JMAs

Mary Carolan and Simon Carswell of *The Irish Times* took the overall prize at the Justice Media Awards 2022 for their article 'Inside the District Courts', as the awards ceremony made a welcome return to Blackhall Place after the COVID-induced hiatus.

Highlighting ongoing issues within the Courts Service, the awards' judges said that the piece offered unique insights and access to the judiciary. "To achieve this access, it is clear that trust had been established and that the reputation of the journalists preceded them," they added.

This year saw a record 277 entries across 15 award categories, which included two new classes: podcasts, and environmental/climate justice reporting.





SOLICITORS OF THE FUTURE

The Law Society's annual 'Solicitors of the Future' programme took place in April 2022, allowing 40 transition-year students across Ireland to explore a future career as a solicitor.

The programme aims to show students how the law can be relevant to their daily lives and to promote awareness of the legal processes, constitutional principles, and values that underpin the rule of law in Ireland.

With over 280 schools applying each year, the Solicitors of the Future scheme is highly sought-after and offers spaces through a nationwide lottery system. After a successful switch to online delivery in 2021, the programme retained its virtual format for 2022, making it easier for students throughout the country to participate.



HELPING HAND FOR SMALL PRACTICES

In June 2022, the Law Society announced its latest round of grants aimed at boosting the growth of legal services in local communities throughout Ireland.

Since 2020, the Society has awarded grants worth a total of €250,000 to ten trainee solicitors and small practices. This year, a further five grants worth a total of €125,000 were made available to smaller solicitor practices based outside of the main urban districts of Dublin, Cork, Limerick and Galway.

The Small Practice Traineeship Grant helps to cover the cost of employing a trainee solicitor, and ten have received the grant so far since 2020.

WARNING ON JAC PLANS

While the Law Society welcomed the publication of the *Judicial Appointments Commission Bill* in April 2022, it again expressed concern about the exclusion of solicitors from the commission. Under the proposals, all four lay members of the nine-member commission will be selected and recommended by the Public Appointments Service.

President Michelle Ní Longáin stated that the plan to remove representatives of the legal professions from the commission table would have “an extraordinarily negative impact”. She stated: “Solicitors operate at every level of seniority within the courts’ structure, dealing with every conceivable matter before the law. They have first-hand experience of the impact of the courts on users of the courts system as a result of their close interactions with the public.”



LAW SCHOOL'S INNOVATION AWARD

In January, the Law School was recognised as an Apple Distinguished School for the third time – one of only six educational institutions in Ireland to achieve this status to date.

As a holder of this standard from 2021-2024, the school is recognised as a centre of innovation, leadership, and educational excellence that demonstrates a vision for learning with technology. In 2016, the Law Society became the first professional educator in Europe to receive the Apple award.

TP Kennedy (director of education) described the achievement as “the culmination of an almost decade-long drive to innovate the way we deliver best-in-class legal education to future generations of solicitors in Ireland”.



CALCUTTA RUN 2022

More than 1,000 legal professionals, family, and friends took part in the 24th annual Calcutta Run in May 2022, as it returned to Blackhall Place for the first time since 2019.

In total, €500,000 was raised in 2020 and 2021, which was a remarkable achievement given the pandemic restrictions. This year's event was expected to bring the total amount raised to fight homelessness in Dublin and Kolkata over the €5-million mark.

In November 2021, Law Society President Michelle Ní Longáin met with the organisation's charity partners – the Peter McVery Trust and the Hope Foundation – to hand over the cheque for the money raised from 2021's virtual event.





LISA McKENNA

In 2017, Lisa McKenna moved from a large corporate firm to her own practice, taking no clients. Now, her Dublin-based property law firm has 1,500 clients and employs ten staff.

Perhaps surprisingly, 40% of business comes via the firm's lively social-media presence. "We want to move away from the traditional image of solicitors and show we're on a par with our clients – that we're approachable and friendly," Lisa says.

That helpful ethos extends to collecting house keys for clients when necessary, holding meetings at weekends, or minding their children during meetings. It led to Lisa being a finalist in the 2021 Irish Law Awards, for Excellence and Innovation in Client Services. She was also a finalist for the Network Ireland Businesswoman of the Year awards and the Women in Business Inspiring Awards 2019.

"Innovation, to me, is doing what you truly believe is right to make a difference," she says. When COVID-19 hit, Lisa supported young unemployed professionals with a service called 'Emplawyer', helping them build their CVs and holding mock interviews. She also provided 100 free wills for elderly people and frontline workers during the pandemic.



McKenna
SOLICITORS



INNOVATIVE SOLICITORS


a & Co.
SOLICITORS



COUNCIL OF THE LAW SOCIETY



President: Michelle Ní Longáin

The Law Society of Ireland is governed by a Council, comprising elected and nominated members of the solicitors' profession. It also delegates statutory functions to a range of committees.

The purpose of the Council is identified in the charter of 1852 to act "for the better rule and government of

the Society, and for the better direction and management of the concerns thereof". The statutory functions of the Society, as set out in the *Solicitors Acts 1954-2015*, are exercised by the Council or by committees to which the Council delegates those statutory functions. The Council represents the Society and its members, both in the interests of the public and of the solicitors' profession generally.

The functions performed by the Council can be divided into:

- Representation of the members,
- Education and admission,
- Regulation and discipline, and
- Protection of clients.

President: Michelle Ní Longáin
Senior vice-president: Maura Derivan (2)
Junior vice-president: Eamonn Harrington (3)

Council members
 Christopher Callan (4), Justine Carty (5), Helen Coughlan (6), Brendan Cunningham (7), Maeve Delargy (8), Tara Doyle (9), Paul Egan SC (10), Richard Grogan (11), Richard Hammond SC (12), Áine Hynes SC (13), Bill Holohan SC (14), Siún Hurley (15), Paul Keane (16), Liam A Kennedy SC (17), Morette Kinsella (18), Martin Lawlor (19), Gary Lee (20), Rosemarie Loftus (21), Susan Martin (22), Barry MacCarthy (23), Flor McCarthy (24), Sonia McEntee (25), Daniel O'Connor (26), Valerie Peart (27), Carol Plunkett (28), Imelda Reynolds (29), Brendan J Twomey (30), Keith Walsh SC (31)

Past-presidents: James Cahill (32), Patrick Dorgan (33), Stuart Gilhooly SC (34), Michele O'Boyle (35)

Provincial delegates: Martin Crotty (Leinster) (36), Shane McCarthy (Munster) (37), Garry Clarke (Ulster) (38), David Higgins (Connaught) (39)

Dublin Solicitors Bar Association representatives: Niall Cawley (40), Matthew Kenny (41), Tony O'Sullivan (42)

Southern Law Association representatives: Robert Baker (43), Joan Byrne (44), Veronica Neville (45), Emma Meagher Neville (46), Gerald O'Flynn (47)

Law Society of Northern Ireland representatives: Brigid Napier, Rowan White, Brian Archer, Suzanne Rice, Eileen Ewing



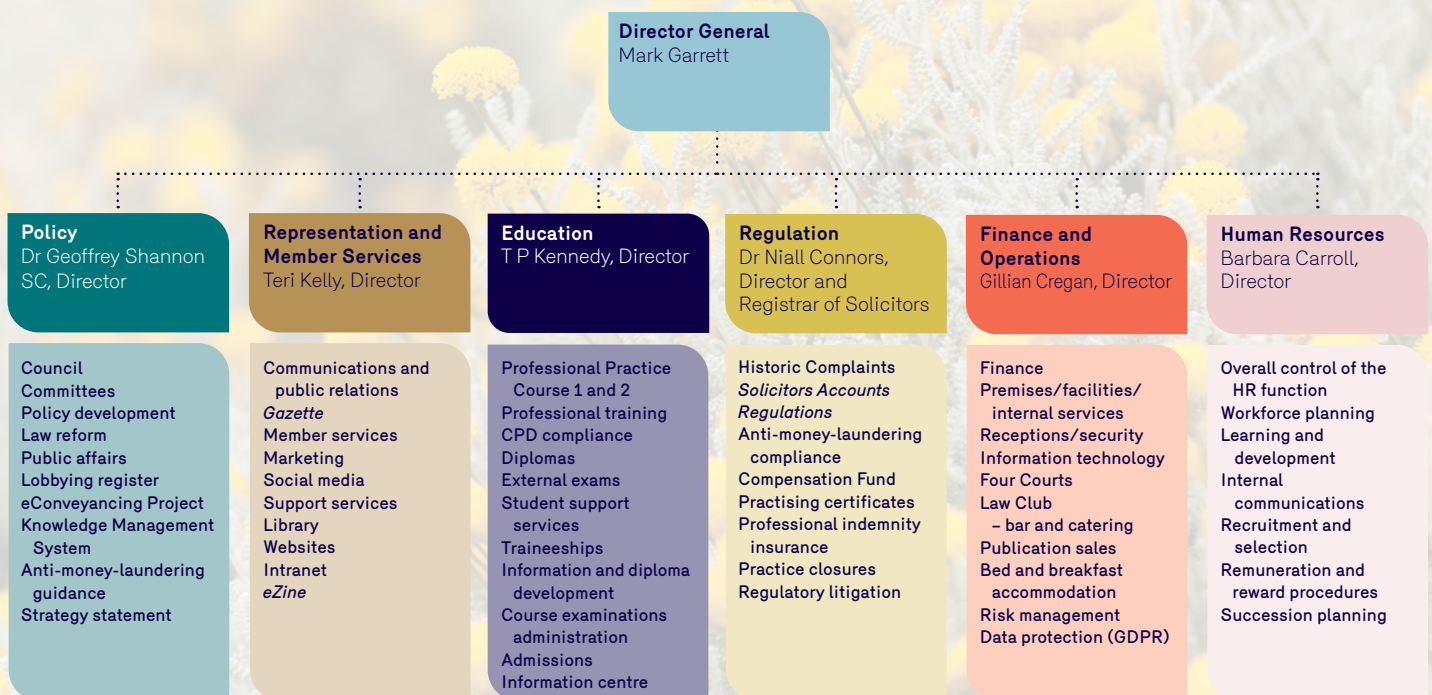


ORGANISATIONAL REVIEW

The Law Society is led on a day-to-day basis by the director general, Mark Garrett, who leads a group of six departmental heads as part of his management team.

The management team meets weekly, overseeing the implementation of the strategic plan, and providing the main conduit between the Council and staff.

The following functional organisational chart provides an overview of the management team and information on the responsibilities of each department.



Senior management team purpose

To provide leadership and management to the Law Society and its staff and to deliver our strategic objectives as we support each other, solve problems and move forward collectively.

SENIOR MANAGEMENT TEAM REPORT

The Law Society's senior management team welcomed three new directors to its number in the second half of 2022, including Gillian Cregan, Dr Niall Connors, and Dr Geoffrey Shannon SC. The current team comprises (below, l to r): Dr Geoffrey Shannon SC (Director of Policy), Barbara Carroll (Director of Human Resources), T P Kennedy (Director of Education), Mark Garrett (Director General), Teri Kelly (Director of Representation and Member Services), Gillian Cregan (Director of Finance and Operations), and Dr Niall Connors (Director of Regulation and Registrar of Solicitors)

The purpose of the senior management team is to provide leadership and management to the Law Society and its staff in order to deliver the strategic objectives as identified by the Council. The team acts to protect and champion the rights of the profession, their clients, and the public interest, while providing a responsive, courteous and efficient service to our members and the public.

At its core, the senior management team works collaboratively, together with members and staff, to help fulfil the vision of the Society, which is to be “the trusted voice of a respected solicitors’ profession”.

The team functions as a senior executive committee, running the day-to-day operations of the Society to the highest professional standards. We meet weekly to consider strategic and operational issues, projects, resourcing and HR issues. In addition, we continually review our systems and processes to ensure that they are fit for purpose and that a consistent approach is adopted across the Society.

We carry out our duties guided by the values of the Law Society, including gender equality, diversity, and inclusion. We act with integrity and fairness, and report on our activities in a transparent manner.

Through the pandemic, the team has worked to provide clear leadership to staff as we maintain all services to the highest possible standards that our members have come to expect. We have done this while maintaining strict control over costs, during what has been a challenging time for many of our members.

Over the past year, much of the senior management team's time has been spent planning for a return to the office, strengthening the organisation's cybersecurity, conducting a Society-wide expenditure review, and supporting our members through the pandemic while preparing for business recovery.



POLICY DEPARTMENT



DR GEOFFREY SHANNON SC | Director

The Policy Department engages with elected representatives and other decision-makers on an ongoing basis in order to advance the Law Society's policy and law reform agenda.

Government affairs

The generosity of the 433 volunteer solicitors who contribute to the work of the 30 committees, working groups, and task forces enables us to provide expertly informed commentary and recommendations to external stakeholders on an incredibly wide range of issues.

During the year, the department coordinated the provision of 35 detailed **submissions** on issues including the *Assisted Decision-Making (Capacity) (Amendment) Bill*, the review of the *Equality Acts*, the *Consumer Rights Bill 2021*, the necessity for a Unified Patent Court in Ireland, and the impact of the European AML package on the legal profession. The Society's internal Knowledge Management System benefited by the addition of 53 new entries.



433

volunteer solicitors contribute to the work of the Law Society's 30 committees, working groups, and task forces



35

submissions to Government departments and State agencies



2,500

page views of the new Sanctions Resource Hub in the first month



41

lobbying returns to the Standards in Public Office Commission

Newsletter

The department produced two *Policy and Law Reform Newsletters* during the relevant period. These are circulated to elected representatives, senior decision-makers, and journalists as a way to communicate issues of interest and the vast range of work undertaken by the Society in the law-reform space.

Lobbying

The department submitted 41 lobbying returns to the Standards in Public Office Commission during the relevant period.

AML support

Throughout the year, email and telephone support continued to be provided via the AML Helpline to solicitors navigating complex AML duties, and the AML section built upon risk-awareness work through best-practice advice, guidance and training.

The Society was invited to become an associate member of the National AML Steering Committee in mid-2021, and participated in the committee's important work during the year. See the AML report on p18.

Sanctions against Russia

The department responded rapidly to the introduction of sanctions against Russia over Ukraine, launching a new Sanctions Resource Hub on 8 March 2022. The hub (www.lawsociety.ie/sanctions) contains information and resources to assist solicitors ensure compliance with sanctions. It is continuously updated as the situation evolves, as new sanctions are introduced, and as guidance and insights emerge. Engagement was excellent, with over 2,500 page views within the first month. The AML section showcased the hub at a joint CCBE, European Lawyers Foundation, and European Commission webinar in June, for a registered audience of over 1,000 lawyers across Europe.

CCBE

As the voice of the European legal profession, the Council of Bars and Law Societies of Europe represents the law societies and bars of 45 countries and more than one million European lawyers. The Irish delegation to CCBE comprises representatives from both the Law Society and the Bar of Ireland.

In addition to attendance at regular CCBE plenary sessions and standing committee meetings during the year (including the May meetings held in Dublin), the department supported the delegation's work to ensure that the interests of Irish lawyers are well-represented at European level.

Issues of particular interest during the year included:

- Providing contact points in each law society and bar for use by people displaced by the war in Ukraine,
- Ongoing work towards a *European Convention on the Profession of Lawyer*,
- The *CCBE Model Code of Conduct for European Lawyers*, and
- The use of artificial intelligence by lawyers and law firms in the EU.

Finally, I wish my former colleague Mary Keane a very happy retirement. Mary has served the Law Society with considerable distinction over the past 30 years – not just in her policy and public affairs role, but also as deputy director general, and as the first woman to serve in the role of director general. We wish her well in all of her new ventures.

REPRESENTATION AND MEMBER SERVICES DEPARTMENT



TERI KELLY | Director

What started as a research project into the mental health and wellbeing of the solicitors' profession in 2018 has now been established as a core way in which the Law Society serves its members. Law Society Psychological Services launched in March 2022 to provide education, communication, and support to trainees, members and firms across the legal life cycle. Central to this work has been the implementation of the recommendations of the *Dignity Matters Report*, discussed in detail in this annual report, which seeks to address bullying, harassment, and sexual harassment in the profession.

The transition to online and digital continues apace. Following overwhelming support from members at both the annual general meeting and the special general meeting, we have been working all year to transition to electronic voting. This year has also seen the launch of the redesigned lawsociety.ie. The new website is the culmination of an extensive research programme, and marks a new approach of continued research to inform user-experience improvements. With 2,747,560 visits and 10,171,202 page views, lawsociety.ie is increasingly the way we inform and serve our members.

International trends

International events and trends are also shaping the way we serve our members. In response to the opportunities presented by Brexit, and working with the Steering Committee, we launched the 'Ireland for Law' survey to all in-house solicitors to examine key issues relating to Ireland's advantages as a venue for international legal work and dispute resolution. The results of this survey will inform our General Counsel Summit in the autumn.

Further important work this year has been in supporting our members in their desire to help displaced Ukrainian lawyers through the Ukraine Information Hub, and at an event with the Bar of Ireland and the Ukraine Ireland Legal Alliance.

We have continued to work closely with the steering committee to progress the implementation of the Legal Services Excellence Standard, including the development of an online portal and business resources.



28%

the year-on-year increase in traffic to lawsociety.ie



17%

the increase in the number of followers on the Law Society's main channels

'Women in Leadership'

Our 'Women in Leadership' mentoring programme received the largest number of applications to date, with 40 successful mentor/mentee matches. We have also supported the Younger Members Committee in implementing the recommendations arising from the profession-wide survey on *The Future Way We Work*.

The Law Society continues to represent and defend the solicitors' profession and interests in the public domain. This work is supported by maintaining key media relationships: responding to 94 media queries, issuing 36 press releases, and organising events like the Justice Media Awards, which attracted a record 277 entries this year.

Key stories over the past 12 months have focused on increasing access to justice in the public interest, including calling for urgent updates to the *Mental Health Act 2001* and *Assisted Decision-Making (Capacity) Act 2015* to safeguard the most vulnerable in society; increasing diversity and inclusion among senior counsel and the judiciary; and reform of the family law and courts system.

Access to legal training

Improving access to the profession also remains a priority for the Society, and communications focused on public legal education initiatives, funding, and grants. Highlights included initiatives such as the Solicitors of the Future Programme, Street Law, the Legal Ambitions Summer School, the Access Scholarship Grant, and the Small Practice Traineeship Grant.

Over the last 12 months, the Society facilitated several member-focused events. This included a 'communications day' in November 2021 (200 attendees), a president-led panel discussion (attracting over 200 members) to mark International Women's Day, and a special webinar to discuss the theme, 'Upholding the Rule of International Law', in the context of the Russian invasion of Ukraine.

The *Law Society Gazette* and its daily online news service *Gazette.ie* delivered strong performances during the year under review. The magazine's print-run grew by 500 copies to 13,500 copies a month. This was supplemented by 10,523 downloads of the magazine in PDF format. *Gazette.ie* continued to attract a significant number of readers, with total page views reaching 1.09 million. The number of unique page views was 742,374 (from 1 July 2021 to 30 June 2022).

The library continues to develop and market its core services to members, trainees, and students on diploma, certificate, and master's courses, offering book loans, the enquiry service, the precedent service, document delivery, and current awareness. In the 12 months ending 30 June 2022, the library dealt with 5,582 queries and loaned 2,864 books. Over 80% of the document delivery requests are filled within one hour. In May 2022, the library unveiled the LexisNexis Library database as a brand-new member service. Members can now freely access case law, journal articles, and precedents when visiting the library.



68%

jump in engagements with Law Society social-media posts

402,775

users of the *Law Society Gazette's* website in the year under review



1.09m

the number of pageviews on *Gazette.ie*

EDUCATION DEPARTMENT



T P KENNEDY | Director

This year has been a period of transition and enormous growth.

Pre- and post-qualification education has moved back on campus, and we have been planning for the start of a new training model, which commenced on 6 September 2022. This represents a once-in-a-generation change to the system of solicitor training in this jurisdiction. The current two-part 'sandwich' course – known as PPC1 and PPC2 – has been combined into a more streamlined, single course. This new PPC is a unitary course that brings together the entire taught elements of the solicitor training into one academic year, thus providing significant logistical and practical advantages to trainees and firms. It is built around our four pillars of professional development, namely legal knowledge and analytical thinking; skills; professional responsibility; and psychological development, and it is designed specifically to equip trainee solicitors with extensive future-focused legal knowledge, innovation and technical skills.



469

students started the new fused PPC, the largest-ever intake on a single course



1,500

trainees in the system, the largest number at any one time

The third hybrid PPC1 started in December with 109 students, a major increase on the 2020 course. This new PPC commenced with 469 students – the largest intake on a single course since 2008.

There are currently over 1,500 trainees at various stages on their qualification journey – the largest number of trainees in the system at one time. In keeping with an emphasis on inclusion, diversity, and student-centred delivery, there has been a positive engagement with those interested in pursuing the solicitor qualification by way of a proactive outreach programme. We encourage candidates from all backgrounds, with different lived experiences and viewpoints, to consider qualifying as a solicitor. There are many avenues to a career in law. The Law Society's *Annual Report on Admission Policies of Legal Professions 2021* highlighted that last year almost one in six trainee solicitors on the Professional Practice Courses are from a non-law background. During the past academic year, the Law School offered a PPC1, two hybrid PPC1s, one PPC2, one hybrid PPC2, and the new 'fused' PPC course. The overlap between these courses has placed unprecedented demands on the Law School's staff, premises, and resources.

The Law School marked over 20 years of its Access Programme, which has provided financial and practical supports to over 300 aspiring solicitors to date. The Access Programme aims to assist students from socio-economically disadvantaged backgrounds to enter professional legal education and be financially supported from the FE1s right through to qualification. The programme helps promote greater diversity within the solicitors' profession, and this is vital to help build a legal profession that reflects the diversity of the society it serves. Since 2001, over 300 students have benefited from the programme, with one in four of these being from countries other than Ireland. Many recipients are now successfully practising in a wide range of legal positions, including as in-house solicitors, within top commercial law firms, and as sole practitioners.

Post-qualification education has also been very busy, with courses being offered in person, in a hybrid format, and online. A variety of free courses has been provided to both solicitors and trainees. The Diploma Centre had its busiest year, with over 5,000 attendees on 33 courses. Professional Training has reintroduced the cluster events, which are taking place in a variety of locations around Ireland.

For the second year in a row, numbers being admitted to the Roll of Solicitors have decreased. In 2021, a total of 876 new solicitors were admitted (down from 906 in 2020), of which 347 were drawn from the UK jurisdictions on foot of new (post-Brexit) reciprocal agreements. Almost 5,000 solicitors from the UK have been admitted since 2016.

REGULATION DEPARTMENT



DR NIALL CONNORS | Director and Registrar of Solicitors

The Law Society continued to perform its regulatory functions throughout the past year with efficiency and vigour.

The practising certificate renewal marked the second consecutive year where all applications were processed exclusively online. The year also witnessed recent innovations becoming fully embedded services, with online query handling, online-chat helpline functionality, and digital practising certificates now a permanent feature of the Law Society's service-delivery model.

There are now 11,765 practising certificate holders in the jurisdiction, of which 53% are female and 47% male. From July 2021 to June 2022, a total of 103 new firms of solicitors opened and 115 firms closed. During that period, three solicitors were struck off the Roll of Solicitors, and three solicitors were suspended.

The Regulation Department continues to engage with the Legal Services Regulatory Authority and, in the past year, the Society made submissions containing 80 recommendations for amendments to the *Solicitors Acts 1954-2015*. There are now over 400 solicitor firms in Ireland that have been authorised to operate as limited liability partnerships. It is anticipated that legal partnerships (partnerships of legal practitioners where at least one partner is a practising barrister) will commence shortly. The Legal Practitioners Disciplinary Tribunal is in the process of launching another significant feature of the new regulatory and disciplinary landscape.

As always, providing comprehensive support to the business of the Regulation of Practice Committee, the Professional Indemnity Insurance Committee, the Money-Laundering Reporting Committee, and the Complaints and Client Relations Committee is a big part of the work of the Regulation Department. The reports of these committees complete the picture of what the department has achieved during the year under review.

There is a common misconception that public protection and fair procedures are in conflict with each other. This is not so, and both have been improved in tandem over the years. The misappropriation of clients' funds is now half of what it once was. During the past two decades,

complaints statistics demonstrate that the propensity of clients to make a complaint about their solicitor has reduced to one-third of what it was.

With that said, I would like to thank all of the staff in the Regulation Department for their hard work, enthusiasm, and professionalism. Our successes are shared efforts. I would also like to express my gratitude to all members of the Society's regulatory committees, which play a fundamental role in the regulatory system.

Finally, I would like to thank my predecessor John Elliot who retired in July 2022 after a period of 18 years at the helm. He has played a significant role in producing a happy and productive working environment in the Regulation Department, and we wish him a happy and fulfilling retirement.



53%

of practising certificate holders are women



11,765

practising certificate holders in the jurisdiction



103

new firms of solicitors opened between July 2021 and June 2022; 115 closed

FINANCE AND OPERATIONS DEPARTMENT



GILLIAN CREGAN | Director

The department has recently been rebranded from 'Finance and Administration' to the 'Finance and Operations' department to better reflect its core activities, which is essentially providing a range of financial and operational supports to the Society's core functional areas of representation, education, and regulation. These departments, in turn, provide services to members, students, and the public.

Much of the department's output over the first three-quarters of the 12 months under review continued to be driven by reacting to the COVID-19 pandemic, which – until March 2022 – continued to put huge demands on our finances, facilities, and information-technology infrastructures. Over 2021 and 2022, the Society has forgone, across all of its activities, €6 million worth of income to ease the impact of the pandemic on practices.

Our IT team continued throughout this period to progress System 360, the new member-management system, while having to support over 200 staff working remotely and move our practising certificate 100% online. The facilities team worked tirelessly to ensure our buildings were safe for whatever activities could continue on site over the latter part of 2021 and early 2022, and put in place robust control measures to support the many false dawns on 'return to office'. The Law School IT team worked relentlessly to provide dedicated support to all courses, PPC, exams, diplomas and LSPT, so as to ensure continued service throughout the pandemic.

The finance section has at its core an obligation to ensure prudent financial management, value for all money spent, and having appropriate financial processes and controls in place to protect the Society's financial and physical assets. As a result of foregoing income of €6 million, mentioned above, all operational spending as well as capital expenditure has been significantly reduced in order to preserve the Society's finances. A detailed expenditure review has been undertaken in relation to all general Law Society spend. This expenditure review, aided by external consultants, has resulted in very significant savings, many of which are recurring.

The finance function was also responsible for oversight on the run-down of the SMDF, and was intrinsically involved in the finalisation of termination terms with R&QI, the purchaser of SMDF. This has resulted, through an earn-out provision, in the cost to the Society being €2.45 million less than expected when the SMDF was sold in 2016. The ultimate cost to members of the SMDF bailout was €11.1 million against a possible, at one stage, €20 million. The Society's general and pension-scheme investments had a very positive year in 2021, but have suffered significantly from market volatility since the beginning of 2022.

The facilities function, which has responsibility for maintaining and protecting the historic building of Blackhall Place and the operation of the overall site and other buildings, continued its work in implementing the Society's conservation plan and took the opportunity with fewer staff and students on site to undertake a number of important projects, including rewiring, fire upgrades, and stonework repairs. The facilities section has just completed a 'carbon-footprint' measure to provide a baseline for achieving an objective of reducing our impact by 50% by 2030.

The IT section's main focus for the last seven years has been the implementation of System 360, which was a very significant investment in a member-management system approved by the AGM in 2015 and 2019, with a budget of €4.15 million. The project was officially completed in March 2022, with all of the functionality anticipated when the system was first specified being delivered and many additional modules as well. Given the seven-year duration of the project, it was inevitable that our business processes would change during that time, and would have to be accommodated. However, the changes far exceeded anything anticipated, including new regulatory requirements, the implementation of the system during COVID-19, as well as significant changes to the implementation module, which ensured that this was a highly complex project to manage and was



€6m

the amount of income the Society has forgone across all of its activities to ease the impact of the pandemic on practices



50%

the Society's baseline target to reduce its carbon footprint by 2030

€265,000

the amount raised by this year's Calcutta Run for the Peter McVerry Trust and The Hope Foundation

described at one stage by the head of IT as “like trying to change a wheel on a moving car”. Now with the project successfully completed, the challenge will be to ensure that we maximise/capitalise on the investment, and the IT section has developed a plan to achieve this. System 360 will ensure that we continue our strategy of ‘digital first’ – for example, PCs online, e-voting, online PII renewal, submission of reporting accountants’ reports, etc.

The protection of our information assets is a priority, and cybersecurity continues to exercise the mind and resources of the IT section. The section has just completed, as part of its cyberstrategy, an external review of the robustness of our IT security. The other key element in our defences is an education/awareness programme for all staff. While cybersecurity has always been a high priority, post the HSE attack, it is even more so. We have a robust security infrastructure that we continue to enhance. However, as we all know, no organisation is immune to such attacks.

The Society’s commitment to data protection has increased significantly over the last number of months, with the implementation of a significant number of new processes and procedures covering areas such as data impact-assessment, data-access requests, data-retention policies, and an ongoing educational programme for all facets of the Society’s operations. The objective is to ensure that data privacy and protection are embedded in the organisation’s culture.

Risk management, which is another function of the department, covers our complex insurance programme, risks policy, and registers. An objective for 2022 is to roll out risk-management training to section heads to facilitate the identification of operational risks and to improve the risk-awareness culture in the Society. Work on feasibility studies on the Benburb Street site remain on hold. As we explore the ‘new way of working’, the department is exploring how remote working can be effectively supported through proper infrastructure, such as collaboration tools, safe home working, PC-based telephones, etc.

The department also manages two important member schemes: the Finance Scheme for tax pensions, PII and PC fees, which is availed of by many firms each year; and the Group Life Scheme, which provides a benefit of €62,500 to families of many solicitors each year.

Happily, in 2022 we have been able to restore many of the normal CSR activities the department is responsible for,

including the opening of Blackhall Place to the public on Heritage Week, Culture Night, Open House, and the Smithfield/Stoneybatter Festival, as well as the provision of facilities to local schools and community groups – all of which were severely curtailed in 2020 and 2021.

The Calcutta Run 2022 was also restored to a live event in May, with the addition of new tag rugby and golf-classic events, which succeeded in raising €265,000, thanks to the generosity of solicitors and their firms. The Peter McVerry Trust and The Hope Foundation share the funds and are very grateful for the profession’s continued support.

Every single person in Finance and Operations plays a very important role in ensuring that the department acts as the ‘oil in the machine’ for all of the other departments. I am proud to report that everyone met all of the challenges presented by the last 12 months with both determination and professionalism.

The year under review also saw the departure of long-standing director Cillian Mac Domhnaill after 29 years at the helm. We wish Cillian well in his retirement and thank him for his many years of dedicated work on behalf of the Law Society and its members.

HUMAN RESOURCES DEPARTMENT



BARBARA CARROLL | Director

The year under review has been a year of significant change. January saw the appointment of a new director general – Mark Garrett – and, following the retirement of three long-serving members of the senior management team in July, the Society appointed three new directors: Gillian Cregan (Finance and Operations), Dr Niall Connors (Regulation), and Dr Geoffrey Shannon SC (Policy).

The way we work continues to shift, as more people communicate online and remotely, and we must continue to look to the future to proactively respond and adapt to this ever-changing environment.

Our absence and retention metrics have continued to score well in a national context: our retention rate was 95.5%, compared with an 85.2% national average; our absence rate was 0.24%, compared with a 3.34% national average; and our voluntary turnover was 4.5%, compared with a 14.78% national average. As we work towards maintaining an inclusive pathway to work, our company-wide gender split is 65.6% female and 34.4% male, while our senior leaders' gender parity is 43% female and 57% male.

Throughout this period of change, our colleagues have found new ways to serve our members and develop their skills, working between their offices and their own homes. We have enabled colleagues to come together, in a collaborative, agile and innovative way – putting in place a number of guiding principles and protocols to provide the required support for our colleagues, representatives, students, trainees and members. This is something we are immensely proud of as we continue to deliver our vision to be ‘The trusted voice of a respected solicitors’ profession’.

Our people are critical to the success of this transformation, so we have been deliberate around the behaviours we need to prioritise and build more sustainable working models for the future. In January, we launched ‘Manager Enablement’ training to navigate challenges such as a successful transition to hybrid, managing performance and productivity in a hybrid world, and the ‘digital mindset’ – using technology for hybrid working. Moreover, responding to insights

from our pulse surveys, we broadened our professional skills programme to include modules on diversity and inclusion and on refining digital skills. More than 130 colleagues participated in training over the year – a 38% increase from 2020/21. Together with improving their technical and professional skills, employees reported that a key benefit was that they forged meaningful connections with colleagues outside of their departments.

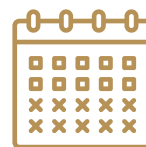
Wellbeing is a central part of our culture, and our ‘Vitality’ strategy incorporates five pillars of wellbeing – physical, mental, financial, career, and community. In a recent survey, 92% of our colleagues confirmed they were satisfied with the level of wellbeing they experienced on an individual level. At the organisational level, we continue to advance our wellbeing agenda by working to integrate the success of our wellbeing practices with our daily ways of working.

Finally, to be fit for the future, we must nurture the leaders of tomorrow, and to protect business continuity, succession planning is paramount. Our new ‘Executive Edge’ programme, launching later this year in partnership with Law Society Finuas Skillnet, is designed to build a pipeline of strong, curious, and agile future leaders who will be equipped to deliver meaningful business performance. This new management-development programme will be open to the profession in the coming months, so that early-in-career managers can be ready to drive the transformation of the future.



95.5%

retention rate of staff compared with an 85.2% national average



0.24%

absence rate compared with 3.34% national average





COMMITTEE REPORTS

The Law Society's committees are appointed by the Council. Their term of office runs from the November Council meeting each year until the November Council meeting the following year. The incoming president selects the chair and members of each committee and places their names before the Council for approval. The Council regulations divide the committees into two categories: 'standing committees' and 'non-standing committees'. In addition, various subcommittees, task forces, and working groups are established to deal with different legislative and operational matters, as they arise.

STANDING COMMITTEES

The *Solicitors Acts* state that the Council exercises the statutory functions of the Society, which are set out in the acts. The Council may delegate the exercise of any of its functions to a committee established for that purpose. This allows the Council to appoint standing committees that exercise statutory functions on its behalf.

NON-STANDING COMMITTEES

The Council appoints non-standing committees where it believes that these can better assist the Society in carrying out its work. These committees do not perform statutory functions.



FLOR McCARTHY
Chair



COMPLAINTS AND CLIENT RELATIONS COMMITTEE

On 7 October 2019, responsibility for the investigation of all complaints against solicitors transferred from the Society to the Legal Services Regulatory Authority.

Throughout 2021/2022, the committee has continued to resolve all complaints made prior to 7 October 2019.

In 2020, the committee's work transferred to remote meetings, and this has continued. The format has improved how the committee carries out its function, and it is how meetings will be conducted until the final committee meeting in September 2022.

Between July 2021 and June 2022, 11 meetings took place remotely. A total of 127 items were considered by the committee during this period. In January 2022, the committee reduced itself from two divisions to one, further reflecting the reduction in the number of outstanding complaints. By way of comparison, in July 2020, there were 43 items before the committee. As of 30 June 2022, there are 14 items under consideration. Such a reduction in complaints is testament to the hard work of both the committee and executive.

The investigation of complaints remains subject to review by the Independent Adjudicator of the Law Society, and by the Office of the Ombudsman.

Notwithstanding that the bulk of the committee's work was anticipated to be concluded by its September meeting, it should be noted that the committee's role will continue in its annual review of applications for practising certificates from solicitors that are the subject of multiple complaints. The committee can direct the Registrar of Solicitors to refuse to issue a certificate, or to issue a certificate with conditions.

11

meetings took place remotely from July 2021 to June 2022

127

items considered during the same period



MICHELLE NÍ LONGÁIN
Chair

As the committee enters the final stage of its winding-up exercise, Michael Carr has notified the committee that he has decided to stand down at this point. I would like to thank Michael in particular for his invaluable service to the committee and the profession over the years. Michael has served since 2009, and his contributions will be missed by his committee colleagues. I would also like to thank the rest of the Society's executive committee team and all committee members for their ongoing hard work and dedication in determining the final live complaints.

COORDINATION COMMITTEE

The Coordination Committee operates as a link between the Society's committees and the Council, with an oversight role for projects undertaken by each of the Society's committees and task forces. In this capacity, it reviews the benefit of committee projects in terms of resources and timelines, and it allocates finances within an overall budget determined by the Finance Committee.

It considers requests to pursue specific proposals or seek expert advices during the course of the year, and ensures that the direction and priority of projects are appropriate to the Society's overall objectives, on behalf of the profession, the rule of law, and the public interest.

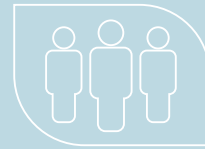
In May 2022, after a postponement due to COVID restrictions, the committee met with the chairs of the Society's standing committees to consider ongoing issues, and to plan for the coming months, and more broadly. At a time of challenge and transition, this forum enables the Coordination Committee and the senior committee chairs to collectively assess the strategic objectives facing the profession and the Society, and to plan the actions needed to support the achievement of those objectives.

The Society has a duty to contribute meaningfully to progress law reform in the pursuit of access to justice to help shape the society in which we live and work. Over the past 12 months, the committee has overseen the Society's response to the *Judicial Appointments Commission Bill*, engagement with the review of legal costs being undertaken by Indecon, the submission to the LSRA on the creation of a new profession of conveyancer, and progress with the recommendations of the Leadership and Council Effectiveness Review.

A strong legal profession with the ability to share expertise, knowledge and experiences on the front lines of the justice system can make valuable contributions to improve access to justice for all in our society. To this end, the committee has also made recommendations to the Council for the appointment of Society representatives on a range of State bodies, including the District Court Rules Committee, the Circuit Court Rules Committee, the Youth Justice Advisory Group, and the Mediation Council.



PAUL KEANE
Chair



FINANCE COMMITTEE

The Law Society's finances have a number of dimensions: 'general activities' (primarily activities financed through practising certificate fees); 'education activities' (activities managed by our Law School); and 'reserve funds' designated for specific purposes – these are the Capital Expenditure Fund to meet costs associated with the upkeep of Blackhall Place, the Litigation Fund to meet costs relating to defending our regulatory processes, the Capital Reserve Fund to fund future developments, and the LSRA Levy Fund to smooth the cost of the Legal Services Regulatory Authority (LSRA) to practitioners. We also have subsidiaries: the Law Club of Ireland, which operates the commercial elements of our Blackhall Place premises, and Benburb Street Property Company Ltd, which owns and manages the Benburb Street site.

The Compensation Fund, which is a separate financial entity, is not covered by this report (see separate report on page 112).

PERFORMANCE AGAINST BUDGET

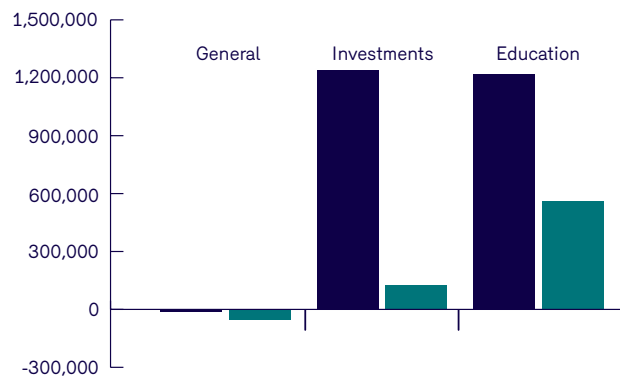
For 2021, given the difficulties experienced by many practitioners in 2020, the practising certificate fee was reduced by €350. While this may not appear to be a significant reduction for individual solicitors, its aggregate effect on the Society's finances was enormous, and resulted in the foregoing of almost €4 million in income.

The general activities budget for 2021 was, accordingly, set to generate an operational loss of €1.7m. However, due to very significant expenditure reductions, the outturn was actually an almost break-even position. The reductions were as a result of a number of factors: COVID-19 continuing to act as a dampener on many Society activities and associated costs; strict control in relation to payroll costs with limited headcount increases and deferring replacements for as long as possible, a freezing of pay increases, and a number of staff on lay-off or part-time; an unutilised provision in relation to support services; an improvement in advertising revenue; and reduced regulatory costs due to the transfer of activities to the LSRA. There was also another tailwind, in that our investments returned gains of €1.2m against a budget of €300k. However, this has to be seen in the context of investments making only a small contribution in 2020.

The Law School also performed much better than budget,

generating a surplus of €1.2m against a budgeted loss of €800k. There were two main factors here: diploma income was €1.2m above budget, the budgeting assumption being that the stellar performance in 2020 driven by COVID-19 would not be repeated in 2021; and general expenditure being €780k below budget due to reduced activities and the continued delivery of most courses and exams online.

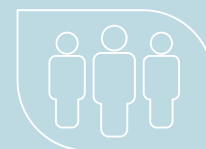
OPERATING SURPLUS 2021



Surplus/deficit	After tax 2021 (€)	After tax 2020 (€)
General	-14,066	-53,912
Investments	1,240,801	127,852
Education	1,216,569	561,911

In relation to the reserve funds, income was reduced to a minimum to facilitate the practising-certificate fee reduction. However, despite this, the funds that were budgeted to show a loss of €51k actually made a surplus of €1.1m. The LSRA Levy Fund contribution had been set to make a loss of €1.2m, but due to the LSRA's costs coming in significantly lower than expected, this loss did not materialise. This saving will be carried forward to reduce the impact of LSRA levy increases over the coming years.

The consequence of all of the above movements was that the Society, in its management accounts, generated an after-tax surplus of €3.5m against a budgeted loss of €2.3m.



AUDITED FINANCIAL STATEMENTS 2021

In the Audited Financial Statements, operational surpluses for the Society are incorporated in 'Group' accounts, which include all of the Society's subsidiaries. The Group accounts give a full picture of the financial performance and financial position of all Society operations, but they can distort the view of the performance of the different elements of our operation, given that inter-entity trading must be eliminated. The overall after-tax operational surplus from general activities, investments, education activities and the funds was €3.5m, but this is shown in the audited accounts as €2.3m.

Overall in the audited accounts, the Society's Group made a surplus of €5.9m (2020: €923k) after tax and exceptional items. The 'overall results' table shows the management accounts results, which are the actual operating outcomes of the various elements of the Society's operations, and also how they are presented in the Audited Financial Statements.

OVERALL RESULTS 2021

ENTITY	MANAGEMENT ACCOUNTS	GROUP STATEMENTS
General activities	-14,066	-670,618
Funds	1,133,283	1,133,283
General activities + funds	1,119,217	462,665
Education activities	1,215,969	777,702
Sundry income	60,400	44,960
Law Club of Ireland	28,338	-55,536
Benburb St Property Co Ltd	-31,870	-31,870
Operating surplus pre tax	2,392,053	1,197,920
Unrealised investment gains	1,240,801	1,240,801
SMDF Levy Fund Income	2,410,526	2,410,526
Surplus before taxation	6,043,380	4,849,247
Group taxation	-115,650	-116,517
SMDF Levy Fund income	5,927,730	4,732,730
FRS 102 pension charge	2,000	1,197,000
Overall surplus	5,929,730	5,929,730

OUR INCOME

The main elements of our general activities income are practising certificates (PCs), memberships, and services income. There may also be income from our investments, although this may not be realised. There is also income from the PC fee allocated to the various reserve funds. Education activities income comes primarily from Professional Practice Course, diploma, and Law Society Professional Training fees. Total income, excluding investment gains, for the year was €29.2m, which was €2m or 7% lower than in 2020.

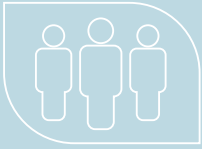
INCOME SOURCES 2021



	2021 (€)	2020 (€)
Fees and subs	12,797,461	14,489,382
Funds	3,666,302	4,976,533
Services and interest	566,808	544,128
Education	12,129,705	11,184,119

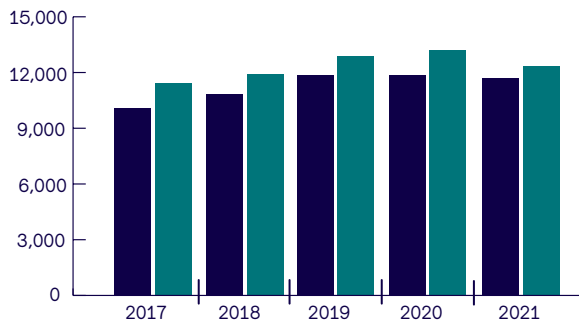
'General activities' income was €16.9m (2020: €19.9m). PC, membership and admission fees were €12.8m (2020: €14.5m) with most of the decrease being attributable to the PC fee reduction and an anticipated fall-off in Brexit PCs and admission fees.

Income from other sources, such as advertising, publications and the Four Courts rooms, at €479k, was marginally higher than the €438k in 2020. This reflected the continuing impact of the public-health emergency on our trading income. In 2021, there were 11,703 (2020: 11,854) PC holders, which was a decrease of 151 on 2020.



While normally there would be an increase of about 400 PCs, this decrease was due to the expected fall-off in Brexit PCs. Membership numbers, at 12,331 (2020: 13,196), decreased by 865. This decline is entirely attributable to a fall in Brexit memberships. Membership numbers include 208 solicitors who avail of free membership on the basis of being over 50 years admitted or being unemployed. Admissions to the Roll during the year, at 887, were in line with 2020, but were, as expected, well below the 2,387 record set in 2019 due to Brexit admissions. Between 2017 and 2021, there were over 4,600 Brexit admissions.

PRACTISING CERTIFICATE HOLDERS AND MEMBERS 2017-2021



	PC HOLDERS	MEMBERS
2021	11,703	12,331
2020	11,854	13,196
2019	11,879	12,906
2018	10,863	11,941
2017	10,080	11,454

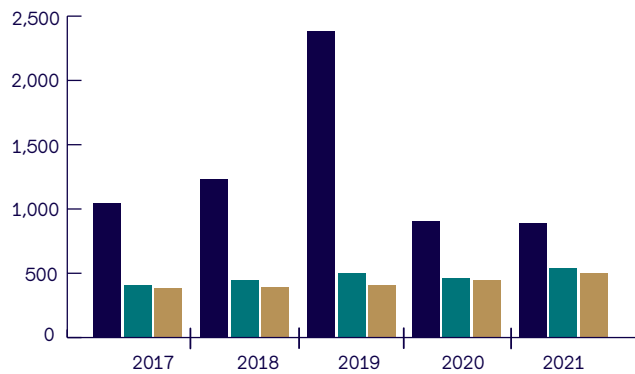
PC fee income totalling €1.1m (2020: €1.6m) was allocated to the Capital Expenditure, Litigation, and Capital Reserve Funds. Income to the LSRA Levy Fund was €2.5m (2020: €3.3m).

Education income at €12.1m increased by 8% from €11.2m. Year-on-year, the income mix across the Law School's income sources was very similar, except for the significant uplift in diploma course income. Professional Practice Courses, exams, etc, accounted for €7.9m (2020: €7.5m). Professional training (LSPT) seminars, diploma courses and grants accounted for €4.2m (2020: €3.6m). Within this, diploma course income, at €3m, was €447k ahead of 2020 (€2.6m) due to increased demand. LSPT with its Skillnet and Finuas programmes had overall income, including grants, of €1.2m (2020: €1.2m).

There were 429 PPC1 students in September 2021 (2020:

418), and 108 students enrolled for the new Hybrid PPC1 that commenced in late 2021. PPC2 numbers were at 456 (2020: 448), and Hybrid PPC2 48 (2020: nil). The FE1 sittings reduction, at 3,151 (2020: 3,869), was due to three sittings in 2020, two of them online.

ADMISSIONS AND COURSES 2017-2021



	ADMISSIONS	PPC1*	PPC2*
2021	887	537	504
2020	906	464	448
2019	2,387	501	412
2018	1,231	448	396
2017	1,050	411	384

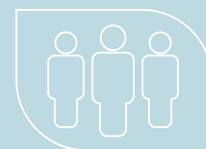
*(Plus Hybrid)

OUR EXPENDITURE

As mentioned above, much of the better-than-budget outturn for 2021 was attributable to expenditure savings against budget. The primary budgetary assumption that the year would be characterised by six months of disrupted activity, and six months of normal activity, did not materialise, with COVID-19 effects lasting for most of the year. Also, the assumption that the benefits experienced by some activities due to COVID-19 in 2020, for example, diploma income, would not be repeated in 2020 proved not to be the case.

General activities

Despite falls and variations across income sources, these were made up by very significant reductions in expenditure. Overall expenditure was €16.5m, which was a decrease of 9% (or €1.7m) on 2020. Pay and related costs were down €216k due to the continuation of a pay freeze and restrictions on new appointments and replacements. While there were variations within administration expenditure, the overall reduction of €181k was mainly attributable to a favourable prior-year creditor adjustment. Premises expenditure was down €90k due to reduced activity. Representation expenditure



was €470k less than 2020 due to savings across most areas, in particular investment in the eContracts Project. Regulation expenditure was down €600k, with savings across all areas, in particular a reduction of €210k in LSRA costs. Expenditure associated with services was down €149k.

Education activities

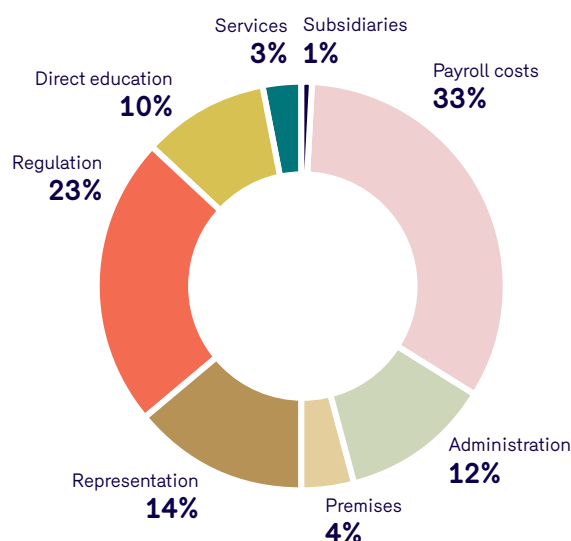
Operating charges, at €11.4m, were €470k or 4% above 2020. The increases were in pay-and-related and administration costs, which reflected increased activity levels and student numbers in both Professional Practice Courses and diplomas.

Other expenditure

These are the costs associated with our subsidiaries, and were €130k (2020: €249k), mainly reflecting reduced activity in the Law Club of Ireland's bed and breakfast, premises hire, catering, and bar operations.

The graph shows the categories of expenditure for 2021. The LSRA cost of €2.5m significantly inflates the regulation cost and, if this is excluded, the spend on representation exceeds the spend on regulation, which was an objective set by the Society in 2014.

AREAS OF EXPENDITURE 2021



SUBSIDIARIES

The Group structure includes a number of subsidiary entities that are effectively run on a break-even basis. The Law Club of Ireland, after subsidies, net of management fees of €25k, made an operational surplus of €28k (2020: €6k). Benburb Street Property Company Limited made an operational deficit of €32k (2020: -€96k). The Benburb Street site value remained at €20m.

REVALUATIONS AND EXCEPTIONAL ITEMS

In the Audited Financial Statements, there are a number of revaluations and exceptional items that must be included, albeit they are outside normal operations. In the 2021 Audited Financial Statements, there are two such adjustments:

SMDF – termination settlement

The agreement for the sale of the SMDF to R&QI in 2016 made provision for a reduction in the capital contributions to be made to R&QI in the event that certain contingencies relating to provision for claims, bad debts, and the settlement of a litigation matter materialised. The agreement terminated in November 2021, and a reduction in contributions of €2.45m (€2.41m after costs) was subsequently agreed with R&QI. This is reflected in the 2021 Financial Statements. The overall cost to the profession of the SMDF financial support has been €11.1m, compared with the original approval by members of €16m.

Staff pension scheme

In accordance with the accounting standard FRS102, the financial performance of the staff pension scheme must be shown in both the income statement and the balance sheet. The results are a function of the assumptions used to calculate future returns and liabilities, and these can vary significantly from year to year. For instance, in 2021, the financial statements show a gain of €1.2m, while in 2020 this was a loss of €592k. These adjustments are primarily driven by the bond rate used in the calculation of the scheme liabilities. However, the Finance Committee and trustees do not manage the scheme on the basis of the FRS102 valuation, as the variables that impact on the valuation are different to those used in our triennial actuarial valuations that are used to manage the scheme. The primary difference being that the assumption underpinning future investment returns reflects the nature of the scheme investments, rather than simply adopting a bond rate. It is unfortunate that the accounting standard creates artificial surpluses and deficits.

OUR BALANCE SHEET

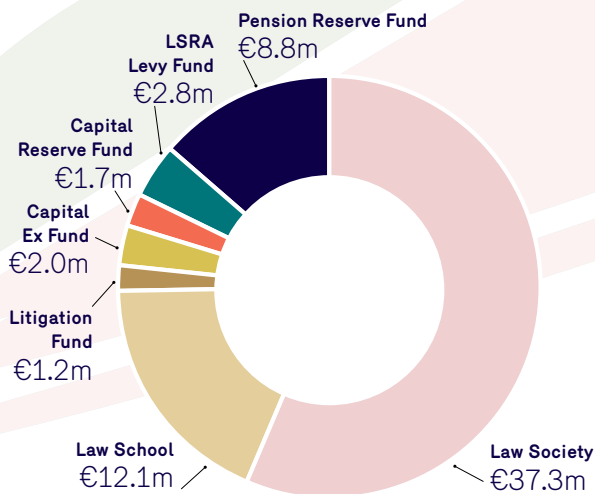
The FRS102 accounting standard requires us to show the pension scheme deficit calculated using the assumptions set by that standard in our balance sheet. In 2021, the deficit on the staff pension scheme (closed to new entrants since 2009), at €8.8m, remained the same as in 2020. This deficit arises from the value of the scheme liabilities based on FRS102 assumptions.

As a consequence of our financial performance in 2021, and the above pension deficit, our net asset position now stands at €54.6m (2020: €48.6m). Of our reserves, €36.9m are accounted for by fixed assets (2020: €37.5m).



Our reserves also include the two contingency funds, the Capital Expenditure Fund (€1.8m) and the Litigation Fund (€872k). Both funds are designed to meet costs in these areas as they arise, and avoid fluctuations in the PC fee. The Capital Reserve Fund amount of €2.6m is to meet future development costs. Additionally, there is a balance of €2.8m in the LSRA Levy Fund, being the balance of money raised for this levy over the last four years since the imposition of the levy, and the amounts ultimately levied by the LSRA. This will be used to smooth the cost of this levy over the coming years, despite anticipated LSRA cost increases.

RESERVES 2021



2022

PC fee reduction

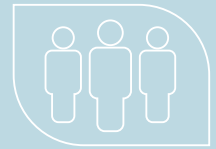
So far, 2022 looks set to be a very different year to 2021 – operationally and financially. Having given a €350 (13%) reduction on the PC fee for 2021, the Finance Committee resolved to continue its commitment to ease the impact of the pandemic on solicitors and firms, and has left €175 or 50% of this reduction in place for 2022. This has had a net impact on overall income of €2m, and again highlights how sensitive the Society’s finances are to any reduction in the PC fee. This has resulted in general activities being budgeted at an operational deficit of €1.1m. The Finance Committee has had to balance the impact of a continued reduction in the fee with its obligation to ensure prudent management of the Society’s finances over the medium term. It is, therefore, unlikely that we will be able to maintain this PC fee level for 2023.

Controlling expenditure

As part of the process of determining the PC fee reduction for 2021 and 2022, the Finance Committee committed to an expenditure review programme, which is ongoing. Significant savings were made in 2021, and most of these will be continued, along with additional savings commencing in 2022.



RICHARD HAMMOND
Chair



EDUCATION COMMITTEE

The committee's main focus was on the introduction of the new fused Professional Practice Course, starting in September 2022, and on continuing to adapt our services to meet the challenges of the ongoing pandemic.

The committee also undertook a thorough review of the CPD regulations and scheme, approved the criteria and approval process for advanced electives provided by the Society and by external providers, and continued our ongoing engagement with the Legal Services Regulatory Authority.

In addition, the committee funded the Access Programme, which currently provides financial assistance to 115 FE1 candidates and 71 PPC students from socio-economically deprived backgrounds. It also approved the small-practice grant scheme for 2022. Five grants will be available to assist rural practices with the cost of employing a trainee solicitor.

The committee also proposed the establishment of a visa scheme for graduates of Irish institutions from non-EEA countries who wish to train as solicitors in Ireland, and it approved a new disability policy, which applies to all education activities and aims to provide an equal-opportunities learning environment that meets the diverse needs of all participants.

Other activities this year included:

- Holding a launch event on 1 June for the new fused PPC, attended by training solicitors, training managers, and members of the associate faculty,
- Reviewing the trainee remote-working policy,
- Continuing to work on implementing the recommendations of the *Peart Report*,
- Contributing to the Society's Professional Wellbeing project by providing training to equip solicitors with the knowledge and skills to address mental-health and wellbeing issues in both their personal and professional lives, and
- Reviewing the work carried out by the Diploma Centre, the Professional Training Section, and the Law School's Psychological Services.



New fused Professional Practice Course



Small practice grant



Disability policy



MARTIN CROTTY
Chair



BILL HOLOHAN
Chair

MONEY-LAUNDERING REPORTING COMMITTEE

The committee, in fulfilling the Society's obligations as a competent authority, has a statutory mandate to report suspected offences relating to money-laundering, financing terrorism, and relevant offences to the authorities. In line with corporate governance best practice, the committee is comprised of solicitors and lay members.

Any suspicion that money-laundering or an offence of financing terrorism has been committed by a practising solicitor (or any other person, who the Society, in the course of monitoring solicitors, suspects has been engaged in such activities) must be reported on by the Society to the relevant authorities – An Garda Síochána and the Revenue Commissioners.

'Suspicious transaction reports' (STRs) are filed with the Financial Intelligence Unit of the Garda National Economic Crime Bureau via goAML, with a copy being sent to the Revenue Commissioners, pursuant to the provisions of section 63 of the *Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010* (as amended). During the past year, the committee directed that two such reports be made.

The Society is also required, pursuant to the provisions of section 19 of the *Criminal Justice Act 2011*, to report to An Garda Síochána, as soon as practicable, information in its possession that it knows or believes might be of material assistance in preventing the commission of a relevant offence or in securing the apprehension, prosecution, or conviction of a person for a relevant offence. Relevant offences are listed in schedule 1 of the act and include fraud-related offences. During the past year, the committee directed that four such reports be made.

I would like to thank my fellow committee members for their work during the year. On behalf of the committee, I would like to pay particular tribute to our committee member John Elliot (director of regulation and Registrar of Solicitors) who retired from the Society during the summer. I would also like to thank committee secretary Tina Beattie and her colleagues in the Regulation Department for their assistance.

PROFESSIONAL INDEMNITY INSURANCE COMMITTEE

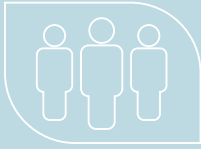
The function of the Professional Indemnity Insurance Committee is to deal with all matters pertaining to the regulation of solicitors' professional indemnity insurance (PII), including monitoring the implementation of the PII regulations and associated documentation, maintenance of a stable PII market, provision of guidance to the profession, and attending to any PII queries arising. The committee reviews drafts and publishes updated PII regulations and associated documentation on an annual basis.

The committee maintains a regular dialogue with insurers participating in the Irish market for solicitors' PII. The committee monitors the management and running of the Special Purpose Fund (the Assigned Risks Pool and the Run-off Fund) through the Special Purpose Fund Management Committee, which comprises representatives of the PII Committee, the Special Purpose Fund manager, and the two participating insurers with the highest market share by premium.

The PII Committee provides information and documentation to the public and the profession through the PII website (www.lawsociety.ie/PII), which contains current and historic information and documentation on PII matters, including news items, regulations, minimum terms and conditions, the common proposal form, participating insurers' agreements, Special Purpose Fund documentation, lists of insurers and brokers, and guidance notes. Information on current insurance details of firms continues to be available through the Society's online firm-insurance details search facility.

The most recent PII renewal saw a stabilisation of the market. While there continued to be increases in premiums, the rate of increase significantly slowed from a 20% increase for the 2020/2021 indemnity period, to an increase of just 5.5% for the 2021/2022 indemnity period.

It should be noted that the increase in premiums over the last few years was not caused by an increase in claims or a poorly performing domestic market, but rather due to an increase in base rate across all books of insurance arising from global-insurer losses and solvency requirements. This stabilisation of the market was brought about by leveraging our strong relationships with the insurers to gain a comprehensive understanding of the market, and making clarifying changes to the minimum terms and



IMELDA REYNOLDS
Chair

conditions, without reducing cover for the profession or the public.

This year also saw the welcome return of a former participating insurer, with an interest in small firms, to the market, which stabilised the market even further. No significant increase was seen in the number of firms closing or entering the Run-off Fund, and the number of firms in the Assigned Risks Pool was reduced from the previous indemnity period.

Following an in-depth review, the committee also confirmed that acting as a decision-making representative (DMR) under the *Assisted Decision Making (Capacity) Act 2015* does properly fall under the definition of 'legal services' for solicitors' professional indemnity insurance, and so should be covered under existing minimum terms and conditions. The definition of 'legal services' under the minimum terms and conditions is sufficiently broad to incorporate the provision of legal services as a DMR within the meaning of the 2015 act by a solicitor in the course of practise as a solicitor. Acting as a DMR would be considered services of a legal nature, as solicitors are being appointed to the panel on the basis of their legal expertise, and on the grounds that they are regulated by the Society as an appropriate regulatory body. The role of DMR is analogous to other roles listed in the non-exhaustive list of services under the definition of legal services in the minimum terms and conditions.

I would like to thank my fellow committee members for their interest and contributions. In particular, I would like to express my gratitude to Sorcha Hayes (committee secretary) for her hard work, invaluable assistance and support to me as chair, her immense knowledge and expertise, and her invaluable input.

REGULATION OF PRACTICE COMMITTEE

The Regulation of Practice Committee administers the Compensation Fund, maintained in order to compensate clients for losses due to dishonesty by solicitors or their employees. The committee also polices the profession's compliance with regulations regarding accounts, anti-money-laundering, and regulatory requirements under the *Solicitors Acts 1954-2015* not assigned to other regulatory committees.

OVERALL FINANCIAL PERFORMANCE

The income and expenditure account of the Compensation Fund reflects a surplus (representing an excess of income over expenditure after taxation) of €2,917,602 for the year ended 31 December 2021, as compared with a surplus of €1,996,914 for the year ended 31 December 2020. The increase of €920,688 in the surplus for 2021 as compared with 2020 is attributable to a decrease in 2021 of €2,726,895 in income, a decrease of €1,025,920 in expenditure, as compared with 2020, and an increased adjustment of €2,828,389 in the fair value movements arising on revaluation of investments, together with an increased taxation charge of €206,726.

INCOME STREAMS

The decrease of €2,726,895 in income in 2021 is attributed mainly to a decrease of €1,143,010 in income and return on investments, together with a decrease of contributions receivable of €1,503,785.

EXPENDITURE

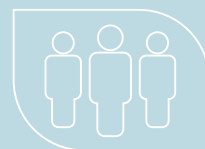
The decrease of €1,025,920 in expenditure as between the two years is attributable to a decrease in the provision for claims of €1,184,904.

BALANCE SHEET

The net assets of the fund, as at 31 December 2021, stood at €28,210,855, as compared with €25,293,253 at 31 December 2020. The increase of €2,917,602 in the net asset position of the fund as between the two year-ends is reflected in an increase of €1,117,326 in revenue reserves, together with a decrease of €1,800,276 in the unrealised profit on the investment portfolio.

DEVELOPMENTS SINCE DECEMBER 2021

In the six months ended 30 June 2022, 35 claims were received. Excluding invalid claims refused, these claims amounted to €864,108. Payments were made in the sum of €8,942 in respect of claims, and claims amounting to €855,616 are still under consideration.



The net assets of the fund are valued at €27 million, as at 30 June 2022. The annual contribution to the fund was €650 per solicitor for 2022. Insurance cover for €50 million in excess of €5 million is in place for the year ending 31 December 2022.

COMMITTEE ACTIVITIES

The committee met 44 times for scheduled, special, and emergency meetings. Due to the committee's wide statutory remit and considerable workload, it sits in five divisions (four dealing with regular matters, and one dealing with claims). It also subdivides into specialist subcommittees for work on investments, audit, and *Solicitors Accounts Regulations*. Meetings continued to be held in a virtual setting.

Arising from these meetings, the committee decided to:

- Levy contributions amounting to €4,000 towards the cost of investigations,
- Refer 18 solicitors to the Legal Practitioners Disciplinary Tribunal (15 of these cases related to late filing of accountants' reports),
- Apply to the High Court pursuant to the *Solicitors Acts* in seven cases,
- Direct that a formal complaint of professional misconduct be made to the Legal Services Regulatory Authority pursuant to section 51(2) of the *Legal Services Regulation Act 2015* in two cases,
- Direct that a solicitor undertake an independent external audit to test the effectiveness of AML internal policies, controls, and procedures, pursuant to the *Criminal Justice (Money Laundering and Terrorist Financing) Act 2010* (as amended).

In 2020, the pandemic and its resultant restrictions saw the introduction of off-site 'desktop reviews' by the Law Society as a means of continuing to protect client moneys. Desktop reviews continued throughout the subsequent year, as many restrictions remained in situ; however, investigations have gradually moved from off-site to hybrid reviews and, more recently, to full on-site reviews as the situation improved. The profession was receptive to these adapted approaches, allowing the team of investigating accountants to conduct approximately 300 investigations in the year to June 2022. Procedures in relation to reporting accountants' reports have also returned to the pre-pandemic norm. Committee meetings continued via a virtual meeting platform, which has proved effective in continuing work during

the restrictions. It is anticipated that regulatory sittings of the committee will revert to in-person meetings in the near future. The committee also sits in respect of other matters where attendance by solicitors is not required, and it is expected that these meetings will continue virtually.

The *Solicitors Accounts (Amendment) Regulations 2021* were passed into law on 1 October 2021. These regulations provide clarity and certainty regarding the obligations of solicitors where interest is charged on client bank accounts. The Society is currently engaged in a review of the *Solicitors Accounts Regulations*. The review is considered necessary to take account of the changed environment in which solicitors now operate, recent changes to legislation, and as a result of the experience of the committee in dealing with cases that come before it. Consultation with representatives of the Consultative Committee of Accounting Bodies has taken place, and the proposed updated regulations have been furnished to bar associations and placed before Council.

The obligation of solicitors to adopt internal policies, controls, and procedures to prevent and detect the commission of money-laundering and terrorist-financing has been significantly affected by amendments to the *Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010-2018* and the *Solicitors Money Laundering and Terrorist Financing Regulations 2020*. Monitoring compliance with anti-money-laundering obligations now forms a significant part of the role of the committee.

Committee members participated in a dedicated working group on cybersecurity to investigate how the Society could help the profession mitigate the risk of a successful cyberattack, with particular consideration given to the changing work environment and procedures as a result of the pandemic. The report of the working group and its recommendations are currently being considered and, in some cases, are in the process of implementation by the Society.

I would like to thank the committee vice-chairs, the lay members, all other committee members, and John Elliot as the Registrar of Solicitors and director of regulation and committee secretary, who has retired after 18 years of service, and his team in Regulation for their highly valued participation in the work of the committee.



JP McDOWELL

Solicitor JP McDowell led the merger of his firm McDowell Purcell with Fieldfisher in May 2019, after taking note of the growing trend towards globalisation in Dublin’s legal market.

The original Dublin-based firm was founded by JP’s father, Denis McDowell, who died in October 2021 at the age of 85. In 1998, JP, along with fellow solicitor Breen Purcell, joined the practice: “We grew from there. In 2015, we had maybe 40 solicitors. We were a mid-tier Dublin practice, but where were we going?”

With views to expansion, he went to London, met with several firms there, and identified Fieldfisher, with whom the Dublin practice had done some work. “Roll forward to 2019 and we completed the merger. We are now a fully integrated firm with Fieldfisher, and the partners in the firm are partners globally. We haven’t looked back,” says JP, who is managing partner in the Dublin office.

Revenues have grown by one-fifth and the firm employs 56 solicitors, with a total staff of 130. The Dublin office now has 13 partners.

The firm has corporate, employment, and litigation departments, with a very significant regulatory practice. JP foresees an oversight landscape that will continue to expand, with regulatory scope set to extend shortly to digital media and online gambling.

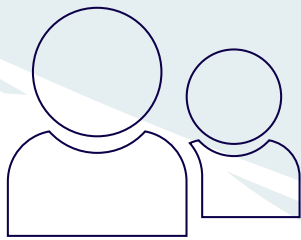
The Fieldfisher brand brings with it significant advantages, JP believes: “We now have IT solutions that we wouldn’t have been able to afford as a mid-tier Dublin firm, such as case-management systems and e-discovery software, which have been transformative.”

Access to the Fieldfisher Belfast hub of solicitors and paralegals, for term-limited project work, offers a successful outsourcing solution for due diligence or e-discovery work, without the costs of creating permanent jobs. “That allows us to upscale very quickly,” JP says.

The firm will soon move to bigger city-centre offices to allow scope for planned expansion of 25% by 2025.



ALISON KELLEHER
Chair



NON-STANDING COMMITTEES

ALTERNATIVE DISPUTE RESOLUTION COMMITTEE

Alternative dispute resolution (ADR) has certainly had a boost during the pandemic, and the members of the ADR committee have certainly been kept busy. Across the profession, colleagues have seen a notable increase in the effective use of ADR for resolving disputes, a trend that we are pleased to note has lasted well beyond the lockdowns.

A key goal of the committee is to promote ADR (including mediation and arbitration) and, in that regard, the committee continues to look for seminars and speaking opportunities to promote mediation. This year, committee members contributed to a wide range of mediation information/education seminars, educating both the profession and the wider public.

Some highlights include:

- Presenting an online 'learn more about mediation' seminar for the Practice Support Information Session series organised by the Law Society (April 2022),
- Contributing to the Commonwealth Lawyers' Association mediation conference in Belfast on the topic of the Irish experience of the *Mediation Act 2017* (May 2022), and
- Collaborating with the DSBA on a round-table discussion to explore how mediation has evolved to meet parties' changing needs, and exploring what practitioners need to know so as to best serve their clients' interests (June 2022).

While we have seen a welcome return to in-person ADR hearings and mediations, the committee was particularly pleased to hold a very successful in-person event for arbitrators at Blackhall Place in March 2022. Led by committee vice-chair Eamon Conlon and in collaboration with Law Society President Michelle Ní Longáin, the committee organised a well-received hybrid round-table discussion for members of the Law Society's Arbitration Panel.

Committee members have also collaborated with Law Society Skillet, Arbitration Ireland, and the Bar of Ireland on an online seminar series focused on international arbitration issues. The committee continues to work with Arbitration Ireland, the Chartered Institute of Arbitrators (Irish Branch), and others to support the development



MAIRE CUNNINGHAM
Chair

of arbitration and adjudication practice in Ireland for domestic and international dispute resolution.

The committee's appointees to the ICC National Committee and to the ICC Court of Arbitration Commission continue to represent the profession's interests at an international level.

Finally, I wish to sincerely thank all committee members for their contributions this year, with special thanks to vice-chair Eamonn Conlon and our ever-patient committee secretary, John Lunney.

BUSINESS LAW COMMITTEE

The Business Law Committee continues to be responsible for representing, informing, and assisting the profession on a broad range of business legal topics. It also reviews practical issues arising for solicitors in advising on corporate and commercial matters.

During the past year, the committee reviewed the *Competition (Amendment) Bill 2022* and associated draft guidelines published by the Competition and Consumer Protection Commission (CCPC).

In addition, it:

- Produced a guidance note on the CCPC's choice of enforcement regime for breaches of competition law,
- Made a submission on administrative leniency policy for cartels,
- Produced a guidance note on the interaction between the cartel immunity programme and the administrative leniency policy for cartels,
- Commenced a review of the *Consumer Rights Bill 2022*, including its potential application to solicitors dealing with consumers,
- Established a line of communication with the Companies Registration Office and raised issues that have arisen for the profession in dealing with it,
- In response to issues raised by solicitors, prepared a practice note on how to deal with requests to certify beneficial ownership of corporate clients, which will be published in due course.

During the year under review, the committee reviewed and updated its guidance note on electronic signatures, electronic contracts, and other electronic transactions. This guidance note continues to be a useful reference point for practitioners.

We held a half-day business law conference in September 2021, with topics covering both legal developments and practical issues for practitioners. The conference was well attended and feedback from attendees was very positive. We continue to represent the profession on the CLRG, CRO Fora, and the CCBE Private Law and Company Law Committees.



MICHAEL WALSH
Chair

I wish to thank committee vice-chair Eleanor Daly and our secretary Joanne Cox for their continuing and unstinting work and support on behalf of the committee. I also wish to thank all of my committee colleagues for so generously sharing their expertise with the wider profession.

CONVEYANCING COMMITTEE

The Conveyancing Committee has had another very busy year in difficult circumstances. During the period, it has hosted online meetings and hybrid meetings (in person and online). On occasion, the committee has been unable to meet formally in the absence of an executive performing the role of secretary to the committee.

The committee invested a lot of time this year on conveyancing practice reform. It submitted a letter to the Local Government Management Agency seeking an improvement to the system by which 'roads and services' are proven to be 'in charge' of the public authorities (October 2022). The committee wrote in detail to the president of the Law Society seeking a Law Society submission to Government on the reform of the Statute of Limitations in light of the High Court case *Smith v Cunningham* (February 2022).

The committee also made a formal submission to the Department of Justice seeking reform of the Statutory Declarations Act 1938 to allow for statutory statements of truth in conveyancing transactions to decrease costs and increase efficiency concerning certain completion proofs (January 2022). We are currently liaising with the Society of Chartered Surveyors with a view to publishing a joint guide to selling a home, with a view to encouraging early instructions to solicitors by consumers to improve the readiness of sellers to issue land contracts. We also made submissions on the *Seller's Legal Pack for Property Buyers Bill 2021*, sponsored by IPAV. The committee has published its clear view that the proposed legislation is flawed and will have unintended adverse consequence on the housing market.

A key area for reform also relates to the role of lenders in the conveyancing timeline. The committee has commenced preparations for engagement with lenders to tackle the significant logjams and delays being experienced by members in relation to obtaining title deeds and documents from outgoing lenders. Significant delays and issues are also being experienced by members in relation to delays in drawdown and attempts to push additional, often non-legal, requirements on the borrower's solicitors as part of the process. In this context, we continue to monitor the residential certificate-of-title system in operation since 2010, amid growing concerns that some lenders are not complying with its terms,



which is having a serious impact on the conveyancing transaction timeline.

In 2022, the committee established a task force that has undertaken a full review of the building agreement for new homes. This work included hosting a meeting with key members of the Construction Industry Federation.

The committee has commenced a review of the 2019 *General Conditions of Sale* to allow for the inclusion of provisions for digital execution and digital exchange of land contracts. During the year, it published sample special conditions for contracts for sale to deal with negative interest rates that applied to solicitors' client accounts.

We published an easements best-practice note following on from the *Land and Conveyancing Law Reform Act 2021*, which repealed sections 33-39 of the 2009 act regarding the acquisition of prescriptive easements and profits.

The committee was disappointed that funding was not approved for a survey of the profession concerning conveyancing matters. It considers that this information would have been of assistance to it in a number of endeavours, including in regard to the submission it made to the Legal Services Regulatory Authority (January 2022) concerning the proposed profession of conveyancer. The committee attended a meeting with Indecon, on behalf of the LSRA, in July 2022, to discuss its submission. It is noted that Indecon, on behalf of the LSRA, proposes to carry out a focused survey of the profession and has asked the Law Society to support it.

Following a recent meeting by the president and director general of the Law Society with the Minister for Justice and her officials, at which various areas for legal reform were discussed, the committee plans to meet with department officials to continue the Society's calls for a number of reforms.

We advanced a number of landlord and tenant matters, led by its task force of the same name. Key work included reviewing green lease clauses, working alongside the Chancery Lane group – the output from this work will be published shortly. The committee published specimen rent review provisions in a lease; this is a very significant know-how publication.

The committee continues to be concerned about the continuing delays being experienced by members with registrations in the Land Registry. Approximately 50% of the fee revenue of the Land Registry is retained by central government. With some registration dealings not completing within a period of five or more years, there is strong evidence that there is insufficient investment by the Land Registry in its core dealings, including technology and human resources. These long delays are prolonging the conveyancing transaction timeline to an extraordinary degree, adding unnecessarily to the costs and risks associated with conveyancing, and must be addressed as a matter of urgency. The committee noted the regulations made in 2022 to the *Electronic Commerce Act 2000*, which extended the reach of this act to deeds for registered land. However, the Land Registry published a note to say that it is not ready to accept deeds entered into by electronic means.

After many years of lobbying by the committee for a change to the Land Registry Form 3, a revised form was published by the Land Registry in February 2022.

The committee's task forces issued guidance to the profession on various matters throughout the year, some of which are detailed above. Alongside the above activities, the committee continued to deal with a high volume of day-to-day practice queries from conveyancing solicitors. The committee's telephone and email helpline, run by the secretary, dealt with approximately four queries each day.

There were 103 new written queries for consideration at the committee's monthly meetings, along with a rolling agenda of about 30 ongoing topics. A considerable effort was made to move many agenda items to a separate log of issues for monitoring.

The committee issued 12 new practice notes (www.lawsociety.ie/practicenotes) on a variety of topics, including LPT and funds and documents held on trust.

Renewed thanks are due to all committee members and consultants, vice-chair Eleanor McKiernan, and the executives who supported the work of the committee including Catherine O'Flaherty, who deserves special mention.



JOHN O'DOHERTY
Chair

Highlights included:

- A significant focus on conveyancing practice reform,
- A formal submission to the Department of Justice seeking reform of the *Statutory Declarations Act 1938*,
- Commencing preparations for engagement with lenders to tackle the significant log jams and delays in the conveyancing timeline,
- Establishing a task force that has undertaken a full review of the building agreement for new homes,
- Publishing sample special conditions for contracts for sale to deal with negative interest rates, which applied to solicitors' client accounts, and
- After many years of lobbying by the committee for a change to the Land Registry Form 3, a revised form was published by the Land Registry in February 2022.

CRIMINAL LAW COMMITTEE

The committee has continued to engage with the Department of Justice and Equality in relation to the restoration of fees for legal aid. Members met with the department in relation to payment of fees for review of disclosure in what was a very successful engagement, as the department has sanctioned legal-aid fees for review of disclosure.

The committee has continued its programme of liaison meetings with the Irish Prison Services and the Courts Service to ensure that solicitors gain access to their clients in prisons. In addition, it has engaged with the Courts Service so that practitioners are aware of courts sittings and any COVID-related changes.

We provided contributions to the Oireachtas and the Department of Justice and Equality, with submissions made to inform decision-making on part 6 of the *Garda Síochána (Powers) Bill* and the *Criminal Justice (Amendment) Bill 2022* (to amend the *Civil Legal Aid Act 1995* and to provide for related matters).

The chair, as a member of Criminal Law Committee, is part of a high-level review group on the role of An Garda Síochána in the public-prosecution system.

Regarding the Law Society website's 'Find a Solicitor' section, An Garda Síochána has received leaflets to install in garda stations around the country, which inform detained persons about how they can get access to a solicitor.



MARTIN CROTTY
Chair



BARRY WALSH
Chair

CURRICULUM DEVELOPMENT UNIT

The mission of the Society’s Law School and Diploma Centre is to enable solicitors to provide excellence in legal services to the public. The CDU oversees that objective. It meets with the teams running the Professional Practice Courses, as well as those providing diplomas, certificates, and continuing professional development. It reviews curricula and materials furnished to students of the Law School to ensure that the courses offered at every level are at the highest possible standard. The CDU suggests improvements for existing courses and topics for new courses and, if considered appropriate, adoption by the Law School through the Education Committee.

This year, we reviewed courses that included Applied Land Law, Business Law, and Employment Law, as well as considering reports on the PPC Hybrid course. We monitored developments in England and Wales in the context of the Solicitors Qualifying Examination. We also reviewed PPC2 electives, including Commercial Contracts and Corporate Transactions.

In addition, work has been continuing apace in relation to the new fused PPC. The CDU reviewed the new fused PPC brochure, and has been updated in relation to the criteria and approval process in respect of the fused PPC advanced electives. We have also considered proposals in relation to the following courses, which will feature on the new fused PPC: Applied Land Law, Professional Responsibility, Negotiation, Skills, Business Law, and Probate.

We continue to keep the recommendations of the *Pearl Commission Report on Solicitor Education* under review.

Thanks to each committee member from a wide range of firms, and to Dr Geoffrey Shannon SC (the deputy director of education) for his dedicated support as our secretary until the end of 2021, and to all the managers and tutors of the Law Society’s Law School, CPD, and Diploma Centre.

EMPLOYMENT AND EQUALITY LAW COMMITTEE

The Employment and Equality Law Committee has provided a strong voice in policy debate in order to inform decision-making – for example, by providing observations on the need for further clarity on the *Protected Disclosures (Amendment) Bill 2022* prior to both its initiation in Dáil Éireann, and again at the committee stage in the Seanad.

The committee kept the experiences of practitioners attending before the Workplace Relations Commission (WRC) under review for this period. A stakeholder meeting was held with senior representatives from the WRC in March 2022. This was a positive and productive meeting, where the committee put forward issues identified by practitioners in their engagements with the commission. The WRC also updated the committee on upcoming developments in the area. An open line of communication was established to discuss any issues that arise going forward, which was welcomed by the committee. The possibility of a practice note to practitioners is under consideration.

A constructive meeting was held with personnel from the Labour Court in May 2022. This engagement enabled the committee to give feedback on issues that arise for practitioners in this forum. It also allowed for a mutual exchange of ideas, and established a channel of communication, which was agreed was mutually beneficial.

Other developments included a seminar on remote working and the return to the workplace in November 2021, and the commencement of a consultation with the Human Rights Committee on a joint submission on a code of practice on reasonable accommodation.

Some highlights of the year include:

- A constructive stakeholder meeting with the Workplace Relations Commission in March 2022,
- Observations to the Dáil and Seanad on the need for further clarity on the *Protected Disclosures (Amendment) Bill 2022* prior to its initiation, and
- Committee members presenting at the Law Society MOOC on remote working.



CORMAC LITTLE
Chair



HELEN COUGHLAN
Chair

EU AND INTERNATIONAL AFFAIRS COMMITTEE

In line with the Society’s strategic objective of representing the profession, the EU and International Affairs Committee has continued to foster links with professional bodies, both inside and outside Europe. These relationships facilitate engagement on recent legal developments.

Mindful of the humanitarian crisis caused by Russia’s invasion of Ukraine, allied with recently established links with the legal profession in the latter, the committee organised a fundraising quiz in aid of the Irish Red Cross Ukraine Crisis Appeal. The event raised €22,000.

The committee provides the Society’s representative to the Council of Bars and Law Societies in Europe (CCBE). The CCBE’s May 2022 plenary session in Dublin saw attendees from over 40 bar associations. The committee has continued to liaise with its counterparts of the Paris Bar in relation to the *Paris Stage*, which will be relaunching next year following the disruption arising from COVID. Relations with the legal profession in other EU member states are also maintained through annual engagement with the Brussels-based representatives of other European bar associations. The most recent of these ‘round tables’ occurred in October 2021.

In 2020, the committee established a formal relationship with the International Law Section of the California Lawyers’ Association (CLA). The committee and the CLA organised a well-attended webinar in November 2021 regarding the EU’s new rules regulating digital services.

In November 2021, the committee launched, in conjunction with the Council of Europe HELP (Human-rights Education for Legal Professionals) programme, a free online course on European rules on human rights.

Throughout the year, the committee organised successful webinars regarding sanctions imposed on Russia/Russian entities, and on the *Northern Ireland Protocol*; while committee members contributed articles to the *Eurlegal* section of the *Gazette* on various topics.

I wish to express my sincere thanks to all members of the committee for their hard work and valuable contributions, and to our secretary Deirdre Flynn for her excellent support.

FAMILY AND CHILD LAW COMMITTEE

The Family and Child Law Committee has enjoyed another busy year in 2021/2022.

We provided a strong voice in the policy debate in order to inform decision-making in the area of family law reform, as follows:

- The committee engaged with the Courts Service and judiciary to ensure access to justice in the context of family-law proceedings,
- It liaised with the Courts Service and advocated for the increased use of remote hearings for procedural court applications, and
- It highlighted the paltry level of legal-aid fees for solicitors on the private practitioner panel, and advocated for an increase in rates to ensure representation for vulnerable clients.

The committee’s educational role has been facilitated through our annual conference (which was held online last November), as well as a number of articles, practice notes, and guidance in the *Gazette*. Members have also contributed to CPD seminars and Law School programmes.

Meetings continued to be held online for much of 2021/22. We have now adapted a hybrid model that mixes in-person and online meetings. This format has worked well for the committee and will be retained.

Our committee comprises family-law practitioners from every region of the country, and we will continue to ensure diversity and geographic representation.

It has been a privilege to chair the Family and Child Law Committee during what has been an extremely busy year. I have the good fortune of having exceptionally hard-working and enthusiastic members who volunteer their time and expertise so generously to the committee. I wish to sincerely thank each and every member for their unstinting support, commitment, and hard work throughout the year, and in particular Dr Geoffrey Shannon SC, my predecessor Keith Walsh SC, my vice-chair Aidan Reynolds, and our outgoing secretary Fergal Mawe.



MICHAEL KEALEY
Chair



GAZETTE EDITORIAL BOARD

The monthly *Gazette* magazine, the daily online news service *Gazette.ie* (launched four years ago), and the weekly *Gazette Digest* are among the most important media channels for members of the legal profession. All of our news channels allow our readers to stay informed about the most significant legal news and analysis, including:

- Informative news and ‘long-read’ analysis articles on the latest legal developments and cases, of high relevance to the legal profession,
- The must-read ‘Briefing’ section that focuses on Council reports, practice notes, guidance notes, and regulatory matters,
- The ongoing series of profiles on solicitors from a variety of interesting backgrounds, focusing on gender equality, diversity and inclusion,
- Daily news updates (Monday to Friday) on *Gazette.ie*, including breaking news,
- The weekly *Gazette Digest*, and
- Dedicated social-media channels.

The multi-award-winning magazine and online news service not only match, but on many occasions surpass, national media outlets with their timely and comprehensive coverage of the most significant legal news. Their strong focus on legislative change is regarded as a priority information service, and our media continue to focus strongly on this vital support service.

STATISTICS

The *Gazette* and *Gazette.ie* delivered strong performances during the year under review (1 July 2021 to 30 June 2022). The magazine has a monthly print-run of approximately 13,000 copies and is produced to the highest ecological standards, using carbon-balanced paper, eco-friendly inks, and compostable bio-wraps.

The hard-copy magazine was supplemented by 10,523 downloads of the soft-copy magazine in PDF format during the year under review. In all, 402,775 users visited the *Gazette*’s website.

Gazette.ie continued to attract a significant number of readers, with total page views reaching 1.09 million readers. The number of unique page views was 742,374.

The ‘Top 5 countries’ visiting the *Gazette*’s website (in percentage terms) were:

- Ireland (64.74%),
- United Kingdom (7.66%),
- United States (5.79%),
- India (3.08%),
- Philippines (1.33%).

SIGNIFICANT PROJECTS

During the year under review, the *Gazette* team:

- Redesigned the magazine, to make it more attractive, user-friendly, cheaper to produce (using lighter paper, thus reducing printing costs), and cheaper to distribute (due to its lighter weight).
- Continued to develop *Gazette.ie* (the daily news service).
- Redesigned the weekly *Gazette Digest* (which highlights the most interesting articles published on *Gazette.ie* each week). This e-zine gives busy practitioners the most relevant snapshots of *Gazette.ie* articles, each week.
- We are investigating how to migrate some of our more popular content to smart-speaker devices, such as Amazon Echo (‘Alexa’) and Google Nest.

The *Gazette* team has moved from producing the magazine remotely during the past 18 months to on-site production at Blackhall Place during the second week of production. Advertising revenue continues to pose a challenge, but has been holding relatively steady since the start of 2022. The *Gazette* continues to develop ideas to boost magazine and online revenue, and regards this as one of its main targets during 2023.

Access to daily news articles on *Gazette.ie* is available to solicitor members and the general public alike; however, the weekly *Gazette Digest* and soft-copy interactive *Gazette* is available solely to members and subscribers.

I am most grateful to my Editorial Board colleagues for their dedication, commitment, and valuable contributions throughout the year. I congratulate the *Gazette* team on its redesign of both the magazine and the *Gazette Digest* during the year – with its constant emphasis on production excellence. Finally, I would strongly encourage all of our members to utilise all that the magazine, the website, and daily news service have to offer. You will find unique legal content there that is specifically tailored to your needs.



JUSTINE CARTY
Chair



GARY LEE
Chair

GUIDANCE AND ETHICS COMMITTEE

This has proved to be a productive year for the committee, and all members show great enthusiasm for the various endeavours undertaken, which include guidance to assist with matters of conduct and ethics, as well as practice-management guidance that aims to assist solicitors in achieving a successful business.

During the year, the committee produced a number of practice notes and articles for the benefit of the profession, and has recently completed the updated fourth edition of the *Solicitor's Guide to Professional Conduct*. This provides best-practice guidance to members of the profession on matters of ethics and conduct.

The committee continues to support the profession through the Guidance and Ethics Helpline, where members of the profession can seek guidance on a matter of conduct or ethics, either by phone or in writing.

The 'Ten Steps Project' continued this year. Four 'ten-steps' practice notes were published this year, providing concise, easily accessible articles in the *Gazette* and on the Law Society's website. Recent topics have included legal professional privilege, planning for emergencies, using social media (in collaboration with the Younger Members' Committee), and strengthening your firm in a crisis.

In September 2021, two committee members (Susan Martin and chair Justine Carty) collaborated to produce an article for the *Gazette* titled 'Sticky wicket', which took a look at the most common ethical problems faced by solicitors, and examined how solicitors could avoid these scenarios.

In October 2021, Justine Carty and Cian Moriarty provided a lunchtime information session for solicitors on legal ethics, focusing on making ethical decisions in practice, as well as ethics for younger professionals.

The committee also continues to support the work of the Panel to Assist Solicitors in Regulatory Difficulty (details of which are available on the website), and to maintain and update the online 'Get a Quote' forum, which gives members of the public access to a list of participating solicitors through an online platform on the Society's website. There are currently 406 firms participating in this forum.

HUMAN RIGHTS AND EQUALITY COMMITTEE

Over the last year, the committee continued its work in promoting human rights, access to justice, and the rule of law among members of the profession and the public. It intends to increase its outreach with the reintroduction of the Human Rights Student Competition, and by hosting an entirely in-person Human Rights Conference in November 2022. The Law Society maintains representation at the Access to Justice Committee and the Human Rights Committee of the CCBE through committee member Alma Clissmann. The committee regularly provides submissions to the CCBE on issues affecting members of the legal profession in Ireland.

The 19th Annual Human Rights Conference took place online in November 2021, hosting renowned speakers from across the globe to explore issues around environmental justice, democracy, and human rights. In April 2022, committee chair Gary Lee participated in the webinar 'Upholding the rule of law in Ukraine'. The 17th Annual Human Rights Lecture was held in May 2022.

The committee worked on a number of submissions on a range of issues, including the review of the *Equality Acts*, the General Scheme of the *Assisted Decision-Making Capacity (Amendment) Bill 2021*, the General Scheme of the *Housing and Planning and Development Bill 2019*, and on an individual complaints mechanism in the *Online Safety and Media Regulation Bill*.

In September 2021, committee vice-chair Stephen Kirwan appeared before the Joint Committee on Public Petitions regarding the *White Paper on Direct Provision* to voice concerns regarding the Government's proposed plan to abolish direct provision by 2024.

At the beginning of 2022, the chair and vice-chair engaged in a constructive meeting with the European Commission representation in Ireland to provide valuable input for the commission's *2022 Rule of Law Report*.

Highlights include:

- The 19th Annual Human Rights Conference,
- A statement to the Joint Committee on Public Petitions regarding the *White Paper on Direct Provision*, and
- A submission on the review of the *Equality Acts*.



CAROLINE DEE BROWN
Chair



DEIRDRE KILROY
Chair

IN-HOUSE AND PUBLIC SECTOR COMMITTEE

On 14 October 2021, the committee held its annual conference, titled 'Hybrid Working, the New Normal; and Ireland as a Choice of Law/Ireland for Law' (covered in the [December 2021 Gazette](#)). On 19 May 2022, the committee held its panel discussion, 'ESG and the in-house solicitor' (covered in the [July 2022 Gazette](#)).

The committee continued to liaise with the *Gazette* regarding the inclusion of content relevant to in-house solicitors. Michael Barrett is the committee's liaison on the *Gazette* Editorial Board. The monthly [in-house update](#) continued to be published on the Society's website and in the members' *eZine*. The committee is liaising with representatives from the Business Law, Guidance and Ethics, Criminal Law, and Employment Law Committees, considering whether further guidance should issue on section 19 of the *Criminal Justice Act 2011*. I continued to represent the Society at general assemblies of the European Company Lawyers' Association.

The committee (with one member abstaining) outlined its position and provided observations to the Society regarding a [submission](#) then made by the Society, in December 2021, on the General Scheme of the *Central Bank (Individual Accountability Framework) Bill 2021*.

On 12 October 2022, the committee held its annual conference. Topics under consideration included ESG, sustainability, and the post-pandemic employment shift for in-house solicitors in the private and public sectors.

The committee continued to provide guidance on queries received. [A Guide for In-house Solicitors Employed in the Corporate and Public Sectors](#) provides prospective and existing in-house solicitors with key information. The committee is in the process of reviewing the guide, with the aim of publishing an updated version later in 2022.

Highlights included:

- Training events such as the annual conferences and the May 2022 panel discussion, and the
- Review of the [Guide for In-house Solicitors Employed in the Corporate and Public Sectors](#).

I would like to thank all committee members for their contribution this year, with special thanks to vice-chair Alison Bradshaw and secretary Louise Campbell.

INTELLECTUAL PROPERTY AND DATA PROTECTION LAW COMMITTEE

The committee has been involved in many activities relating to data protection, digital services, technology, and IP law. One major area of focus has been the Unified Patent Court and potential divisional court in Ireland. In this context, the committee had productive meetings with the IP units of IBEC and the Department of Enterprise, Trade and Employment (DETE), and was invited to make a written submission to the Oireachtas Joint Committee on Enterprise, Trade and Employment.

A second major focus was on the progress of the implementation of the *EU Directive on Copyright in the Digital Single Market*. This was discussed at the meeting with the DETE, and a committee member chaired the annual IMRO/Law Society lecture on the implications of article 17 of the directive.

Interactions with other organisations of interest included constructive meetings with:

- The Department of Enterprise, Trade and Employment on topics that included the reform of intellectual property laws,
- The Company Law Reform Group on trademarks and company names,
- The Ireland for Law Group on a range of topics concerning law reform,
- The Department of Tourism, Culture, Arts, Gaeltacht, Sports and Media to discuss the *Digital Services Act* and the *Online Media Regulation Bill*,
- The Data Protection Commission to discuss a range of data issues, including international transfers and children's data,
- The Intellectual Property Office of Ireland on a range of IP topics,
- The Revenue Commissioners to discuss issues involving the import of counterfeit goods, and
- The DPO from An Garda Síochána to discuss data-protection issues affecting the profession.

The committee continues to assist the profession in dealing with data-protection compliance topics, including by liaising with other committees and contributing to guidance. The data-protection pages of the Law Society's website continue to be reviewed and updated, and committee members have written articles for the *Gazette*, and guidance notes on children's data and international transfers.



LISA CARTY
Chair

Committee members are currently working with Law Society Skillnet to offer a CPD seminar on emerging technologies.

Highlights include:

- The written submission to the Oireachtas Joint Committee on Enterprise, Trade and Employment on the Unified Patent Court, and potential divisional court in Ireland, and
- Productive engagement with third parties, including the Department of Enterprise, Trade and Employment, and the Department of Tourism, Culture, Arts, Gaeltacht, Sports and Media.

I would like to thank the committee members for their collaboration, good humour, support and hard work throughout the year.

LITIGATION COMMITTEE

The Litigation Committee had another busy year. Notwithstanding the lifting of public restrictions, much of the committee's time during this year was taken up with COVID-19 related issues – such as remote hearings, continuity of courts services, and access to justice – and liaising with the President of the High Court in relation to remote and physical hearings, and the situation in different courts around the country.

We have continued to engage on other significant issues, including participating in various user groups (particularly the Superior Courts User Group and the Modernisation of the Courts User Group), as well as updating the profession through notices on the Law Society's website, *Gazette* articles, and participating in bar-association Zoom meetings nationwide. The committee also had continued engagement with external bodies, such as VHI and PIAB, and with the Accountant's Office in relation to negative interest rates.

Other activities included:

- Working with other committees on data protection and on consumer insurance contracts,
- Supporting the profession through, for example, preparing letters of support in the context of complaints of misconduct made by non-clients to the LSRA,
- Looking at the resourcing requirements within the Courts Service in the context of the *Assisted Decision-Making Capacity Act*,
- Considering incoming legislation, such as the *Courts in Civil Law (Miscellaneous Provisions) Bill* and proposed reforms to defamation legislation, as well as the reforms and proposed implementation plan recommended in the *Review of the Administration of Civil Justice: Review Group Report*, and
- Considering issues in relation to access to justice in the context of personal injuries.

We are delighted to note the appointments of committee members Ann McGarry as the Law Society's representative to the District Court Rules Committee, and Gerald O'Flynn as president and Emma Neville as vice-president of the Southern Law Association.



ANNE STEPHENSON
Chair

The committee's annual seminar took place remotely on 4 November 2021. The event was chaired by me and included excellent speakers from the committee: Rowena McCormack, Áine Hynes SC, Joe O'Malley, and Stuart Gilhooly SC.

I would like to thank every member of the committee for their generous contribution this year. In particular, I would like to express my gratitude to our vice-chair Joe O'Malley, who has made an enormous contribution to the committee's work this year, and Riona Leahy, our secretary, who has ensured that we met our objectives and our deadlines, and provided excellent assistance throughout the year. I would also like to give particular thanks to Colette Reid, who has tirelessly worked on a number of subcommittees this year.

Highlights of the year include:

- Continued engagement on a number of COVID-related issues,
- Working on providing balance to reporting on personal-injuries matters, and trying to amplify the victims' perspective, and the
- Formation of a subgroup to look into the effect of negative interest rates, and other deductions on the investment of minors' funds in court.

PROBATE, ADMINISTRATION AND TRUSTS COMMITTEE

The PAT Committee had a busy year dealing with Revenue, the Probate Office, and others on behalf of the profession.

With regard to Revenue, issues included highlighting technical and other issues arising from Form SA2 – in particular, securing a change in policy whereby the applicant does not have to include non-aggregable prior benefits of beneficiaries. The committee also engaged with Revenue on securing reform of the CAT treatment when trustees pay the CAT due by the life tenant; and on securing long-awaited reform of procedures surrounding the obtaining of Revenue clearance in death cases.

With the Probate Office, the committee ran a joint masterclass outlining common errors in applications for grants; worked with the office to highlight changes to practice and procedure; and sought a reopening of the public office and the Seat Office of the Probate Office.

The committee also engaged with the Registrar of the Central Registry of the Beneficial Ownership of Trusts, leading to the successful implementation of same by clarifying when a trust needs to be registered, and by whom, and ensuring that the privacy of minors and other vulnerable beneficiaries is protected.

Other work the committee undertook during the year included:

- Engaging with the Wills Register Working Group, and making a detailed submission setting out the Society's fundamental opposition to the proposed compulsory register of wills, on the grounds that the proposal is unnecessary and potentially harmful, and
- Engaging with the Director of the Decision Support Service and the Joint Committee on Children, Equality, Disability, Integration and Youth in relation to the General Scheme of the Assisted Decision-Making (Capacity) (Amendment) Bill 2021, setting out our profound concerns in relation to the radical changes to the administration of enduring powers of attorney provided for in the legislation.

The committee provided specific guidance in relation to best practice, both through the *eZine* and to colleagues individually; and committee members spoke at Law Society Professional Training, the Dublin Solicitors' Bar Association, and other seminars and events.



SONIA MCENTEE
Chair

PUBLIC RELATIONS COMMITTEE

Other matters the committee is reviewing include:

- The Charities Regulatory Authority online PAS 3 Charitable Bequest Form,
- The possibility of solicitors availing of the dormant accounts legislation for relatively small sums languishing in client accounts,
- Further reform of the Probate Office to include an increase in staff, the continuation of the District Probate Registries, and greater technical support for the Probate Office, and
- GDPR and joint accounts not forming part of the estate.

My thanks to my predecessor as chair, Pat Bradley, and to committee secretary Padraic Courtney and all the committee members for their hard work over the year.

The Public Relations Committee works with the Department of Representation and Member Services and its director, Teri Kelly, on key communications projects for the benefit of the profession and the public.

JUSTICE MEDIA AWARDS

The committee was delighted that the 2022 Justice Media Awards could take place in person in Blackhall Place for the first time since 2019. The event is a highlight of the Law Society's year and recognises outstanding print, broadcast, and online journalism that contributes to the public's understanding of justice, the legal system, and legal issues.

This was a record-breaking year for the awards, with 277 entries across 15 categories, including two new categories: 'Broadcast journalism (podcast)' and 'Environmental/ climate justice reporting'. These new categories recognise the growing influence of podcasts as a storytelling medium, the importance of climate reporting, and indeed the ongoing evolution of the awards.

This year, for the first time, the Law Society published an awards shortlist. In all, 106 entries made the grade, which resulted in significant coverage across national and local media outlets. This demonstrates the high regard the media has for the awards – the longest-running event of its type in Ireland.

A record number of 130 of Ireland's leading journalists attended the awards ceremony in Blackhall Place in June – 15 awards, 35 merits, and one overall prize were presented. The overall award was presented to Mary Carolan and Simon Carswell for their Irish Times article 'Inside the District Courts'.

COMMUNICATIONS DAY

The annual Communications Day took place on 10 November 2021. This event offers free CPD for members and an opportunity to learn effective communications skills, with a particular focus on media and digital skills. The event was hosted online for the first time, and was well received by members. We were pleased to report a record attendance, with over 200 members taking part. This is encouraging, as more solicitors continue to share their expertise with the media on legal matters of local interest and for the benefit of the public in their local communities.



JOHN CUDDIGAN
Chair



JANE BOURKE,
Chair

TAXATION COMMITTEE

The Taxation Committee has had another busy year, representing the Society and its members in its engagement with the Revenue Commissioners and other stakeholders. Committee members actively participate in the Tax Administration Liaison Committee (TALC) and its relevant subcommittees, which deal with direct taxes, indirect taxes, capital taxes, audit, tax technical, collection tax issues, base erosion and profit-shifting (BEPS), KDB, R&D, and the Leasing Working Group. The committee is also represented on the CCBE Taxation Group, and the Letters of No Audit (LONA) Subgroup.

The committee also reviewed (to the extent appropriate) and commented on the provisions of the *Finance Act 2021* as it passed through the legislative process, and summarised its relevant consequences in the annual *Tax Guide*, published and distributed to members.

The committee made numerous submissions to Revenue, both via the TALC forum and directly to Revenue/ Department of Finance in respect of issues concerning practitioners. The committee prepared a pre-budget submission, submitted to the Minister for Finance and other relevant departments. The commitment of committee members in this regard is acknowledged, as the time commitment has been considerable in light of the continually changing fiscal environment.

The committee continues to provide updates to the profession via practice notes and CPD on changes to tax legislation, and Revenue practice and procedures. The committee also responds to queries raised by members throughout the year.

I have been ably assisted in my role by the committee's secretary, Dr Rachael Hession, and I thank her for her support and assistance throughout the year. My thanks also to vice-chair Andrew Quinn and the committee members for their commitment and contributions throughout the year.

TECHNOLOGY COMMITTEE

The Technology Committee monitors the use and potential of technology for the benefit of the profession. It responds to queries from colleagues and represents the profession in interactions with the Courts Service, Revenue Commissioners, Property Registration Authority, and other Government agencies.

A committee representative forms part of the recently formed Courts Service User Group, which meets regularly to discuss issues affecting the profession. Meanwhile, the committee as a whole provided constructive feedback to the Courts Service's online development team on proposed updates to its online tools.

In addition to this representative mandate, the committee works to raise cybersecurity awareness across the profession, and organised four information sessions on this issue. These are available to view on the Society's [business hub](#). Members of the committee also work closely with Law Society staff to update the Society's [cybersecurity area](#).

Separately, the committee has championed the adoption of electronic voting for Council elections, giving members a more convenient way to have their say in the profession's future, while also saving a substantial amount of money for the Society. Committee members continue to engage with the implementation team to provide feedback and support on the project. The committee has also taken an active interest in how technology can enable greater inclusion, particularly in facilitating clients and colleagues with disabilities. An informative article, '[Assistive technology in the legal profession](#)', provides a useful example of this work.

More recently, committee members have contributed their expertise on applying technology to modern legal practice in the PPC2 course, and we look forward to continuing this collaboration with the Law School.

As I prepare to make way for my vice-chair Peter McKenna, I would like to thank all the hard-working committee members and Law Society staff who have made the past two years as committee chair such a pleasure.



BRENDAN HAYES
Chair



YOUNGER MEMBERS' COMMITTEE

The Younger Members Committee represents members of the profession who are in their first seven years of practice. The past year has included a number of highlights.

The results of The Future Way We Work Survey were launched in October 2021, and the findings garnered national media coverage. We are reviewing the survey recommendations, including a survey of managing partners, to see how hybrid working is now being managed nationally.

Our conference in October 2021 considered what the life and work of a lawyer might look like in the year 2050. Panellists included Chief Justice Catherine Guy (and Daniel Davey (performance nutritionist advisor).

With sincere thanks to our colleagues in Law Society Professional Training, our Spring Series ran over eight weeks, covering diverse topics relevant to younger members. In light of the Dignity Matters Project, two of the sessions focused on workplace bullying, from both awareness and prevention perspectives.

Committee members continue to be involved as Law School Ambassadors, and we were delighted to join the trainees in person at this year's PPC Open Day in May.

In 2021, we joined Legal Services Regulatory Authority (LSRA) working groups on barriers to accessing the profession, and promoted the LSRA's survey on access to the profession, which took place in late 2021.

The committee became a member of the European Young Bar Association. One of our former members (Jennifer O'Sullivan) was appointed to the association's Research Committee, and current chair Brendan Hayes was appointed to its Audit Committee.

We were invited to join a panel discussion hosted by the Canadian Bar Association (Young Lawyers), and we have also fostered connections in Northern Ireland, Scotland, England, Wales, and the USA.

We are finalising plans to collaborate with other groups, such as OUTLaw, the Irish Woman Lawyers' Association, and the Bar of Ireland's Young Bar Committee.

INNOVATIVE SOLICITORS

JASON O’SULLIVAN

Sometimes, innovation is a question of focus. When Jason O’Sullivan founded JOS Solicitors in 2015, he turned down conveyancing and probate work, preferring to concentrate on specific niches that combined his expertise and interest in law and politics.

“One side of innovation is being selective in the service offering, so that it’s more client-focused, and more efficient from a cost and time perspective, because we’re not distracted by other areas,” he says.

His practice offers legal and consultancy services for businesses, including public affairs and lobbying, as well as personal injury,

medical negligence, and employment law for individuals.

Jason was awarded ‘Connacht/Ulster Sole Practitioner of the Year’ at the Irish Law Awards 2021 and previously won ‘Connacht/Ulster Sole Practitioner/Sole Principal of the Year’ at the Clinch Wealth Management Irish Law Awards 2018.

“It’s so important from the outset to find out what the clients want and deliver that – and be able to challenge that if needs be. I place a lot of store in forming strong interpersonal relationships with clients, based on trust and good communication,” he says.



COMMITTEE MEMBERSHIP 2021/2022

STANDING COMMITTEES

COMPLAINTS AND CLIENT RELATIONS

Chair: Flor McCarthy
Vice-chairs: Joyce Good Hammond
Solicitor members:
Elaine Given
Peter Groarke
Lay members:
Chair: Dan Murphy
Brian Callanan
Michael Carr
Ultan Courtney
Chris Rowland
Lay members (reserve panel):
Frank Cunneen
Tom O'Sullivan
Secretary: Eamonn Maguire

COORDINATION

Chair: Michelle Ní Longáin
Members:
Maura Derivan
Eamon Harrington
James Cahill
Dan O'Connor
Barry MacCarthy
Mary Keane
Secretary: Mary Keane

EDUCATION

Chair: Richard Hammond
Vice-chair: Brendan Cunningham
Members:
Justine Carty
Martin Crotty
Alison Egan
Barbara Galvin
Áine Hynes
James Murphy
Gerard O'Connell
Ex officio:
Michelle Ní Longáin
Maura Derivan
Eamon Harrington
Consultants:
Colm Costello
John O'Connor
Michael V O'Mahony
Michael Peart
Valerie Peart
Carol Plunkett
Brendan Twomey
Secretary: Paula Sheedy

FINANCE

Chair: Paul Keane
Vice-chair: Rosemarie Loftus
Members:
James Cahill
Chris Callan
Patrick Dorgan
Tara Doyle
Paul Egan
Stuart Gilhooly
Richard Hammond
Julie Herlihy
Liam Kennedy
Eugene McCague
Barry MacCarthy
Dan O'Connor
Michele O'Boyle
Michael Quinlan
Imelda Reynolds
Austin Slattery
Brendan Twomey

Ex officio:

Michelle Ní Longáin
Maura Derivan
Eamon Harrington
Secretary: Cillian MacDomhnaill

MONEY-LAUNDERING REPORTING

Chair: Martin Crotty
Frank Bowen
Chris Callan
Deborah Crowley
Tara Doyle
John Elliot
Frank Mee
James Murphy
Juli Rea
Dara Robinson
Secretary: Tina Beattie

PROFESSIONAL INDEMNITY INSURANCE

Chair: Bill Holohan
Vice-chair: Flor McCarthy
Members:
John Elliot
Derek Gately
María Lakes
Nuala McAnally
Lorna McAuliffe
Shane Neville
Louise O'Reilly
Lorraine Rowland
Adrian Shanley
Brendan Twomey
Lay member: Jim O'Mahoney
Consultant: David Curran
Secretary: Sorcha Hayes

REGULATION OF PRACTICE

Chair: Imelda Reynolds
Vice-chairs: Garry Clarke
Martin Crotty
Áine Hynes
Terry Leggett
Dara Robinson
Members:
Chris Callan
Gerard Carroll
Barbara Ceillier
Helen Coughlan
Deborah Crowley
Anne-Marie Dermody
Leonora Doyle
Tara Doyle
Theresa Ham
David Higgins
Anne Horgan
Siún Hurley
Deirdre Kiely
David Lavelle
Rosemarie Loftus
Mary McAveety
Shane McCarthy
Katherine McMahon
Patrick McNeice
James Murphy
Juli Rea
Noeleen Redmond
Claire Ryan
Eamonn Shannon
James Ward
Lay members:
Frank Bowen
Richard George
Deirdre Kiely
Frank Mee
Secretary: John Elliot

NON-STANDING COMMITTEES

ALTERNATIVE DISPUTE RESOLUTION

Chair: Alison Kelleher
Vice-chair: Eamonn Conlon
Members:
Michael Carrigan
Liam Guidera
Deirdre Hennessy
Bill Holohan
Karen Killoran
Helen Kilroy
James Kinch
Brian McMullin
Hannah Shaw
Barry Sheehan
Keith Walsh
Secretary: John Lunney

BUSINESS LAW

Chair: Maire Cunningham
Vice-chair: Eleanor Daly
Members:
Philip Andrews
Cillian Balfe
Joy Compton
Niamh Counihan
Philip Daly
JP Gilmartin
Richard Grey
Michael Hanley
Patricia Heavey
Daniel Holohan
Suzanne Kearney
Neil Keenan
Justin McKenna
Seán Nolan
Fiona O'Connell
Gavin O'Flaherty
John Olden
Morgan Pierse
Alvin Price
Paul Ryan
Eamonn Shannon
Lorcan Tiernan
Secretary: Joanne Cox

CONVEYANCING

Chair: Michael Walsh
Vice-chair: Eleanor McKiernan
Members:
Suzanne Bainton
Mark Barr
Joan Byrne
Mairead Cashman
Orla Coyne
Tom Davy
Majella Egan
Deirdre Fox
Joyce Good Hammond
Ann Marie Keane
Geraldine Kelly
Niamh Mahon
Keith McConnell
Jason McGoey
Leona McMahon
Peter O'Dea
Dermot O'Dwyer
Tony O'Sullivan
Michael P. Quinlan
Patrick Sweetman
Joseph Thomas
Consultant: Sandra Murphy
Rory O'Donnell
Secretary: Fergal Mawe

CRIMINAL LAW

Chair: John O'Doherty
Vice-chair: Vincent Deane
Members:
Yvonne Bambury
Amanda Connolly
Aoife Corridan
Carina Davidson
Jonathan Dunphy
Alan Gannon
Helena Kiely
Shane McCarthy
Margaret McEvilly
Fergus Mullen
Joan O'Brien
Michael O'Connor
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Brendan Twomey
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(with responsibility also for civil legal aid)

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(with responsibility also for guidance on practice management)

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Gemma Neylon
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Thomas Reilly
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Tara Smith
Gráinne Whelan
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Simon Carty
Maureen Daly
Ann Henry
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Gerard Kelly
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Elaine Morrissey
Olivia Mullen
Aoife Murphy
Fiona O'Beirne
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Barry Scannell
Laura Scott
Consultant: Tara MacMahon
Secretary: Katherine Kane

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Attracta O'Regan
Carol Plunkett
Paula Reid
Brendan Twomey
Network manager and secretary:
Anne Tuite

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Chair: Lisa Carty
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Conor Minogue
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Niamh Caffrey
Caroline Devlin
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Sonya Manzor
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Patricia McCarvill
Ruairi Mulrean
Tracey O'Donnell
Suzanne Parker
James Somerville
Secretary: Rachael Hession

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John Furlong
Jim Heney
Brian Horkan
Eamonn Keenan
Jeanne Kelly
Nicola Kiely
Daniel Lucey
Flor McCarthy

Kate McKenna
Tanya Moeller
Labhaoise Ní Fhaoláin
Greg Ryan
Reamonn Smith
Secretary: Derek Owens

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Junior Vice-chair: Maeve Delargy
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Máille Brady Bates
Tarisai May Chidawanyika
Avril Flannery
Amy Grant
Daniel Griffin
Frank McNamara
Michael Quinlan
Hannah Shaw
Aisling Woods
Observer: current auditor of SADS
Secretary: Michelle Nolan

SOCIETY WORKING GROUPS AND TASK FORCES

AML TASK FORCE

Chair: James MacGuill
Members:
Brian Bohan
David Brangam
Chris Callan
John Elliot
Mary Keane
Paul Keane
Martin Lawlor
Cormac Little
Paraic Madigan
John Olden
Secretary: Emma-Jane Williams

BENBURB STREET DEVELOPMENT TASK FORCE

Chair: Patrick Dorgan
Vice-chair: Tim Bouchier-Hayes
Members:
James Cahill
Maura Derivan
Cillian Mac Domhnaill
Norman Craig
Padraic Halligan
Secretary: Glen Newman

eCONVEYANCING TASK FORCE

Chair: Eamonn Keenan
Vice-chair: Neil Butler
Members:
Gabriel Brennan
Patrick Dorgan
Majella Egan
Deirdre Fox
Sonia McEntee
Clodagh O'Hagan
Martina Ward-Clancy
Secretary: Liam Barrett

MENTAL HEALTH AND CAPACITY TASK FORCE

Chair: Áine Hynes
Vice-chair: Joan Doran
Members:
Helen Coughlan
Padraic Courtney
Maria Dillon
Olive Doyle
Mark Felton
Richard Hammond
Patricia Hickey
Katharine Kelleher
Morette Kinsella
Shane McCarthy
Anne Stephenson
Gabriel Toolan
Keith Walsh
Margaret Walsh
Secretary: Cian Monahan

PRACTICE SUPPORT TASK FORCE

Chair: Shane McCarthy
Vice-chair: Sonia McEntee
Members:
Richard Grogan
Richard Hammond
David Higgins
Morette Kinsella
Brendan Twomey
Secretary: Justin Purcell

TASK FORCE TO DEVISE A STRATEGY IN RELATION TO BANKING CHARGES ON DEPOSITS

Chair: Maura Derivan
Members:
James Cahill
Paul Egan
John Elliot
Richard Hammond
Paul Keane
Teri Kelly
Liam Kennedy
Imelda Reynolds
Joint secretary: Michael O'Connor (regulation), Derek Owens (communications)

STAFF LIST

2021/2022

DIRECTOR GENERAL

Mark Garrett

HUMAN RESOURCES

Barbara Carroll, director of human resources

Marianne McSharry, senior human resources executive

Mia O'Malley, senior human resources executive

Emily Rockwood, human resources administrator

Katherine Rous, human resources administrator

POLICY

Dr Geoffrey Shannon SC, director of policy

Patricia Doolan, personal secretary to the director general

Jessica Fay, secretary to the president and DDG

Gayle Ralph, Council support

Policy Development

Emma-Jane Williams-Flynn, AML policy manager

Louise Campbell, policy development executive

Nadia Quinn Sciascia, policy development executive

Public Affairs

Fiona Cullen, public and government affairs manager

REPRESENTATION AND MEMBER SERVICES

Teri Kelly, director of representation and member services

Miriam Taber, senior public relations executive

Siobhan Masterson, public relations executive

Julie Breen, professional wellbeing executive (*maternity leave*)

Mary Duffy, professional wellbeing executive

Andrew Nolan, member engagement executive

Deirdre Nugent, Legal Services Excellence project manager

Lorenzo Vodani, events administrator

Law Society Gazette

Mark McDermott, *Gazette* editor

Catherine Kearney, administrator

Mary Hallissey, journalist, *Gazette.ie*

Digital Media

Carmel Kelly, head of web and digital media (*career break*)

Alana Fearon, interim head of web and digital media (*maternity leave*)

Derek Owens, interim head of web and digital media

Louise Stanley, UX/UI designer

Sarah Baird, digital content and social media executive

Elizabeth Flynn, helpdesk and content administrator

Web

Peter Maxwell, head of web development

Brian O'Donoghue, senior web developer

Gurkaran Saluja, senior web developer

Kathy Terblanche, senior web developer

Scott Durkin, web developer

Enda Monnelly, web developer

Luiz Guilherme Vianna Batista, web developer

Support Services

Michelle Nolan, head of member services

Justin Purcell, practice support executive

Shane Farrell, practitioner support services administrator

Malgorzata Rola-Tierney, employer support administrator

Library

Mairead O'Sullivan, head of library and information services

Paula Murphy, deputy librarian

Edward Mackey, executive assistant librarian

Clare Tarpey, assistant librarian

Victoria Archer, library assistant

Anthony Lambe, library assistant

REGULATION

Dr Niall Connors, director of regulation and Registrar of Solicitors

Lesley Butler, personal secretary to the director of regulation

Practice Regulation

Sorcha Hayes, head of practice regulation

Simon Treanor, legal services regulation executive

Pamela Connolly, practice regulation executive

Lorraine O'Donoghue, practice regulation executive

Liam Barrett, solicitor

Nicola Kelly, practice regulation administrator

Mary Ann McDermott, practice regulation administrator

Brigid Pender, reconciliation and systems administrator

Wendy Clarke, practice regulation administrator

Colette Higginbotham, practice regulation administrator

Jessica Roberts, records administrator

Financial Regulation

Seamus McGrath, head of financial regulation

Tina Beattie, financial regulation manager

Kara Groarke, financial regulation executive

Uche Oparaji, financial regulation executive

Damien Colton, investigating accountant

Michael Costello, investigating accountant

Colm Dunne, investigating accountant

Stephanie Furey, investigating accountant

Noreen Mac Carthy, investigating accountant

Niamh O'Connell, investigating accountant

Michael O'Connor, investigating accountant

Karen O'Driscoll, investigating accountant

Jim Ryan, investigating accountant
Fiona Stanley, investigating accountant
Sarah Moore, office manager
Clair Dale, financial regulation assistant

Compensation Fund Claims

Rory O'Neill, financial controller – compensation fund
Andrew O'Brien, claims administration supervisor
Irene Fenelon, claims accountant
Yvonne McMahon, financial regulation administrator

Complaints and Client Relations

Eamonn Maguire, complaints/regulation compliance manager
Doreen Fitzsimons, complaints and client relations administrator
Ursula Lynch, complaints and client relations administrator

Practice Closures

David Mulvihill, practice closures manager
Niamh Kirk, solicitor
Petrina Lonergan, solicitor
Frances Murtagh, solicitor
Suzanne Chesney, office manager
Carol Gray, practice closures administrator
Audrey Manning, practice closures administrator
Amanda Duffy, administrative assistant
Gerard Gill, administrative assistant
Clare Meehan, administrative assistant
David Farrell, practice closures administrator

Regulatory Legal Services

Shane Dwyer, head of regulatory legal services
Jonathan White, regulatory solicitor
Mary Fenelon, solicitor
David Irwin, solicitor
Jean Ó Cuilinn, regulatory legal services administrator
Áine Skelly, regulatory legal services administrator
Edel Vaughan, regulatory legal services administrator

EDUCATION

T P Kennedy, director of education
Lynda Sheane, personal secretary to the director of education
Rebecca Raftery, outreach executive
Anne Burke, central operations manager
Philomena Whyte, admissions administrator
Louise Butler, admissions administrator
Emma Cooper, student advisor
Deirdre Gilhooly, receptionist
Joan Dunne, receptionist
Donna O'Reilly, receptionist

Exams

Maritta Moran, administrator
Paula Sheedy, education officer
Fiona O'Flaherty, education administrator
Carmel Kearney, administrator
Marie Henry, exams administrator
Megan Conery, exams administrator
Yvonne Ussher, exams administrator
Eoin Rafter, communications administrator

CPD Scheme

Anthea Coll, CPD scheme executive
Dana Humphrey, CPD scheme administrator

Diplomas

Claire O'Mahony, head of Diploma Centre
Deirdre Flynn, diploma manager
Suzanne Crilly, diploma executive
Patricia Harvey, diploma executive
Riona Leahy, diploma executive
Geraldine Rafferty, diploma executive
Odette O'Reilly, marketing and communications executive
Hazel Bradley, administration team leader
Aedin Twamley, diploma applications/payments administrator
Stephen Collender, multimedia coordinator and diploma course administrator
Barry Whelan, diploma course exams administrator
Linda Byrne, diploma course administrator
Dylan Flynn, diploma course administrator
Joanne Martin, diploma course administrator
Emma O'Flynn, diploma course administrator

Law Society Professional Training

Attracta O'Regan, head of professional training
Katherine Kane, acting head of professional training
Anne Tuite, professional training course manager
Gayle McNally, professional training administrator
Emma Snedker, professional training administrator
Jessica Smith, professional training administrator

Professional Practice Courses

Antoinette Moriarty, head of psychological services
Rory O'Boyle, education standards manager/head of PPC Hybrid
Gabriel Brennan, course manager
Padraic Courtney, course manager
Joanne Cox, course manager
Rachael Hession, course manager
John Lunney, course manager
Colette Reid, course manager
Aisling Byrne, course executive
Cian Monahan, PPC Hybrid executive
Judith Tedders, course resources executive
Róisín Cahill, course assistant
Julie Culhane, course assistant
Christina Dwyer, course assistant
Helen Kennedy, course assistant
Keith Kierans, course assistant
Gwen McDevitt, administrator
Irene O'Reilly, administrator
Catherine Byrne, administrator
Dara McDermott, education services assistant
Anuka Sarkar, PPC Hybrid administrator
Cian McIntyre, PPC administrator

Traineeship

Ian Ryan, training executive
Mary Walker, administrator

FINANCE AND ADMINISTRATION

Gillian Cregan, director of finance and operations
Helen Butler, finance and operations executive assistant
Boris Selak, privacy officer
Glen Newman, risk, administration, and project executive
Mary McNeice, administrator

Accounts

Paul Baily, financial controller
Esther Salley, accountant
Jennifer Ross, payroll executive
Carol Doyle, accounts assistant
Deirdre Hogan, accounts assistant
Sarah Kearns, accounts assistant
Donna Lynch, accounts assistant
Brenda Murphy, accounts assistant

Information Technology

Tom Blennerhassett, IT manager
Caroline Kennedy, IT manager – Education
Damien Carr, infrastructure and cybersecurity manager
Martin Kearney, IT projects manager
Kopal Dhuria, senior QA engineer (*maternity leave*)
Sian Cullivan, junior QA engineer
Paul Mooney, IT technical support – Education
Aaron Duggan, IT technical support – Education
Linda Cash, IT support
Patricia Faulkner, IT support
Robert Kavanagh, IT helpdesk support – Education
Michael Keys, IT helpdesk support
Michalis Kirimlidis, IT helpdesk support – Education

Four Courts Office

Amy McDonnell, manager, Four Courts
Dolores Maguire, service assistant
Lisa Gelston, receptionist/service assistant

Facilities/Internal Services

Ray Boyne, facilities manager
Wilhelmina Ryan, facilities administrator
Deirdre Digan, receptionist
Gail O'Donoghue, receptionist
Ann O'Neill, receptionist
Thelma Gorman, receptionist
Des White, head of print/post
Graham Helps, print/post facilities operative
Charles Mulvey, facilities operative
Anthony Casey, facilities operative
John Lindsay, facilities operative
James Robinson, facilities operative
Joan McKeever, cleaner
Paul Kiberd, head of security/caretaker
James Byrne, security
Tom Conneely, security
Peter Fallon, security
Timothy Galvin, security
Liam Healion, security
Stephen Kennedy, security
John Leonard, security
Gerard Redmond, security
John Rooney, security
Antonela Tiu, security

Law Club of Ireland

Alan Greene, bar manager



FINANCIAL

LAW SOCIETY OF IRELAND REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021



THE LAW SOCIETY OF IRELAND

STATEMENT OF RESPONSIBILITIES OF THE FINANCE COMMITTEE

The Finance Committee is required to prepare financial statements for each financial year. The Finance Committee have elected to prepare the financial statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (“relevant financial reporting framework”). The Finance Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and the Society as at the financial year end date and of the Group’s surplus or deficit for the financial year.

In preparing these financial statements, the Finance Committee is required to:

- select suitable accounting policies for the Group and the Society’s financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The Finance Committee is responsible for ensuring that the Group and the Society keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and the Society, enable at any time the assets, liabilities, financial position and surplus of the Society to be determined with reasonable accuracy, and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Finance Committee is responsible for the maintenance and integrity of the financial information included on the Society’s website.

Independent auditor's report to the members of The Law Society of Ireland

Opinion on the financial statements of the Law Society of Ireland

In our opinion the Group and Society's financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Group and Society as at 31 December 2021 and of the surplus of the Group and the Society for the year then ended; and
- have been prepared in accordance with the applicable financial reporting framework.

The financial statements we have audited comprise:

the Group financial statements:

- the Consolidated Statement of Comprehensive Income and Retained Earnings;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Cash Flows; and
- the related notes 1 to 25, including a summary of significant accounting policies as set out in note 1.

the Society financial statements:

- the Society Balance Sheet; and
- the related notes 1 to 25, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the Group and Society financial statements is FRS 102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)). Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Group and the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Finance Committee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Finance Committee with respect to going concern are described in the relevant sections of this report.

Other information

The Finance Committee are responsible for the other information. The other information comprises the information included in the Reports and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent auditor's report to the members of The Law Society of Ireland

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Finance Committee

As explained more fully in the Statement of Responsibilities of the Finance Committee, the Finance Committee are responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as the Finance Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Finance Committee are responsible for assessing the Group and Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group and Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Finance Committee.
- Conclude on the appropriateness of the Finance Committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Society (or where relevant, the Group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the group to express an opinion on the (consolidated) financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

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Independent auditor's report to the members of The Law Society of Ireland

Auditor's responsibilities for the audit of the financial statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Our report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stewart Dunne
For and on behalf of
BDO
Dublin
Statutory Audit Firm
AI223876

Date: 28th April 2022

THE LAW SOCIETY OF IRELAND

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	<i>Notes</i>	2021 €	2020 €
INCOME			
Fees and subscriptions	4	16,463,763	19,465,915
Education activities	5	12,129,706	11,184,119
Publications	4	296,433	168,606
Four Courts rooms	4	179,272	252,829
Interest income	4&6	3,469	6,760
Other income	7	42,674	31,240
Sundry income		44,960	84,693
		29,160,277	31,194,162
EXPENDITURE			
Operating charges:			
- General activities	4	(16,480,273)	(18,195,098)
- Education activities	5	(11,352,119)	(10,881,938)
Other expenditure	7	(129,965)	(249,076)
		(27,962,357)	(29,326,112)
SURPLUS FOR FINANCIAL YEAR BEFORE REVALUATIONS, EXCEPTIONAL ITEMS AND TAXATION		1,197,920	1,868,050
Fair value gain arising on revaluation of investments	6	1,240,801	127,851
(Deficit) on revaluation of development land	8	-	(350,000)
Exceptional item – settlement re sale of SMDF	23	2,410,526	(21,773)
SURPLUS BEFORE TAXATION	9	4,849,247	1,624,128
Taxation	10	(116,517)	(109,102)
SURPLUS AFTER TAXATION	17	4,732,730	1,515,026
OTHER COMPREHENSIVE INCOME			
Actuarial gain/(loss) on defined pension benefit liability	19	1,197,000	(592,000)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		5,929,730	923,026
Retained earnings at the beginning of the financial year		48,649,817	47,726,791
Retained earnings at the end of the financial year		54,579,547	48,649,817

THE LAW SOCIETY OF IRELAND

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021**

	<i>Notes</i>	2021 €	2020 €
Fixed Assets			
Tangible fixed assets	11	36,910,641	37,553,924
Current Assets			
Investments	12	25,513,956	12,066,555
Stocks	13	85,778	52,413
Debtors	14	2,203,333	2,054,351
Cash at bank and in hand		16,596,127	27,484,569
		44,399,194	41,657,888
Creditors: Amounts falling due within one year	15	(18,599,138)	(19,984,995)
Net Current Assets		25,800,056	21,672,893
PROVISIONS FOR LIABILITIES AND CHARGES	16	642,850	(1,801,000)
NET ASSETS EXCLUDING PENSION LIABILITY		63,353,547	57,425,817
Pension liability	19	(8,774,000)	(8,776,000)
NET ASSETS INCLUDING PENSION LIABILITY		54,579,547	48,649,817
ACCUMULATED RESERVES			
Society reserves		42,002,204	37,560,804
Law school reserves		13,268,148	12,100,667
Litigation fund		871,600	1,192,913
Capital expenditure fund		1,780,680	2,002,663
Capital reserve fund		2,609,676	1,740,676
LSRA levy fund		2,821,239	2,828,094
Pension reserve fund		(8,774,000)	(8,776,000)
TOTAL	17	54,579,547	48,649,817

The financial statements were approved and authorised for issue by the Finance Committee on 28 April 2022 and signed on its behalf by:

Paul Keane
Chairman of the Finance Committee

Michelle Ní Longáin
President of Law Society of Ireland

THE LAW SOCIETY OF IRELAND

**SOCIETY BALANCE SHEET
AS AT 31 DECEMBER 2021**

	<i>Notes</i>	2021 €	2020 €
Fixed Assets			
Tangible fixed assets	11	16,904,919	17,545,746
Current Assets			
Investments	12	25,513,956	12,066,555
Stocks	13	75,384	39,766
Debtors	14	22,303,928	22,186,571
Cash at bank and in hand		16,326,303	27,136,525
		64,219,571	61,429,417
Creditors: Amounts falling due within one year	15	(18,669,345)	(19,980,989)
Net Current Assets		45,550,226	41,448,428
PROVISIONS FOR LIABILITIES AND CHARGES	16	642,850	(1,801,000)
NET ASSETS EXCLUDING PENSION LIABILITY		63,097,995	39,647,428
Pension liability	19	(8,774,000)	(8,776,000)
NET ASSETS INCLUDING PENSION LIABILITY		54,323,995	48,417,174
ACCUMULATED RESERVES			
Society reserves		41,731,539	37,313,048
Law school reserves		13,283,261	12,115,780
Litigation fund		871,600	1,192,913
Capital expenditure fund		1,780,680	2,002,663
Capital reserve fund		2,609,676	1,740,676
LSRA levy fund		2,821,239	2,828,094
Pension reserve fund		(8,774,000)	(8,776,000)
TOTAL	17	54,323,995	48,417,174

The financial statements were approved and authorised for issue by the Finance Committee on 28 April 2022 and signed on its behalf by:

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THE LAW SOCIETY OF IRELAND

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

		2021	2020
		€	€
	Notes		
Cash flows from operating activities			
Surplus before taxation		4,849,247	1,624,128
Depreciation charge		1,612,782	1,528,583
Interest received		(3,469)	(6,760)
(Loss)/gain on development land		-	350,000
Fair value (gain) on investments		(1,240,801)	(127,851)
(Increase) in stock		(33,365)	(8,035)
Decrease in debtors		144,418	622,362
(Decrease)/ increase in creditors and provisions		(3,844,806)	2,166,812
Income tax paid		(101,418)	(78,982)
Net impact of pension		1,195,000	908,000
Gain on disposal of fixed assets		(26,158)	-
Net cash flows from operating activities		2,551,430	6,978,257
Cash flows from investing activities			
Interest receivable	6	3,469	6,760
Purchase of tangible fixed assets	11	(970,091)	(1,029,406)
Sale of tangible fixed assets	11	26,750	-
Purchase of investments	12	(12,500,000)	-
Net cash flows from investing activities		(13,439,872)	(1,022,646)
Net (decrease)/increase in cash and cash equivalents		(10,888,442)	5,955,611
Cash and cash equivalents at beginning of financial year		27,484,569	21,528,958
Cash and cash equivalents at end of financial year		16,596,127	27,484,569

**Consolidated Analysis of Net Debt
For the financial year ended 31 December 2021**

	At 1	Cash flows	At 31
	January 2021	€	December 2021
	€	€	€
Cash at bank and in hand	27,484,569	(10,888,442)	16,596,127
	<u>27,484,569</u>	<u>(10,888,442)</u>	<u>16,596,127</u>

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the accounting policies set out below.

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

General Information and Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The Law Society of Ireland is incorporated by Charter and its principal place of business is Blackhall Place, Dublin 7. The Law Society of Ireland's primary business functions are representation, education and regulation of solicitors in the Republic of Ireland.

The functional currency of the Law Society of Ireland is considered to be euro because that is the currency of the primary economic environment in which the Society operates.

The consolidated financial statements include the financial statements of the Law Society of Ireland and the financial statements of its subsidiary undertakings as detailed in note 21.

Basis of Consolidation

The Society consolidates its interests in subsidiary undertakings as detailed in note 21 which make up the financial statements to 31 December 2021.

Going concern

The Society's forecasts and projections, taking account of reasonable possible changes in performance, show that the Society will be able to operate within the level of its current cash and investment resources. The Finance Committee of the Society have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Consequently, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

Income is recognised in the statement of comprehensive income in the year to which it relates. Course fee income received in advance of course participation is deferred and disclosed as deferred income in the balance sheet.

1. ACCOUNTING POLICIES (CONTINUED)

Tangible Fixed Assets and Depreciation

Development land, which is included in Group tangible fixed assets, is measured at the lower of cost and net realisable value annually with any change recognised in the Statement of Comprehensive Income and Retained Earnings.

All other fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on a straight line basis at the rates shown below which are estimated to reduce the assets to their residual values of nil by the end of their expected useful lives. Land is not depreciated.

Premises	:	2% per annum
Furniture, fittings and equipment	:	20% per annum
Leasehold improvements	:	20% per annum
I.T. equipment	:	20% per annum
Motor vehicles	:	25% per annum
Land	:	No depreciation

Financial Instruments

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through the Statement of Comprehensive Income and Retained Earnings, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Society intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Society transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Society, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(i) Investments

Investments are measured at fair value with changes in fair value recognised through the Statement of Comprehensive Income and Retained Earnings. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (Continued)

(ii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Publications

Costs relating to the purchase or creation of publications, including books, electronic information and library additions are written off in the year in which they are incurred.

Retirement Benefits

For defined benefit schemes the amounts charged to the Consolidated Statement of Comprehensive Income and Retained Earnings are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined liability is charged to the Consolidated Statement of Comprehensive Income and Retained Earnings. Re-measurement comprising actuarial gains and losses and the return on scheme (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

A defined benefit scheme is funded, with the assets of the scheme held separately from those of the Society, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the prospective benefits method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

For the defined contribution scheme the amount charged to the Consolidated Statement of Comprehensive Income and Retained Earnings in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Exceptional items

Income and expenditure not received or incurred in the normal course of the Society's business are charged to the Consolidated Statement of Comprehensive Income and Retained Earnings as exceptional items. Non-operational liabilities assumed by the Society during the year are also charged as exceptional items. Where there is an asset to match such a liability, in whole or in part, the net amount is charged to the Consolidated Statement of Comprehensive Income and Retained Earnings.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Society is chargeable to taxation on bank and other interest, investment gains, and on net surpluses arising from certain activities, such as publishing and courses, to the extent that they relate to transactions with non-members.

1. ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences arising between the Society's taxable profits and its results as stated in the financial statements and the gains and losses calculated in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, which is equivalent to the net realisable value. Cost includes all expenditure that has been incurred in the normal course of business in bringing them to their present location and condition.

Grants

Revenue based grants are credited to the Consolidated Statement of Comprehensive Income and Retained Earnings in the period in which the grant is receivable to match income and expenditure.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Law Society of Ireland's accounting policies, which are described in note 1, the Finance Committee members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

The following are the critical judgements and estimates that the Finance Committee have made in the process of applying the Society's accounting policies:

Defined Benefit Pension Scheme

The Society has a defined benefit pension scheme in operation for staff who joined the scheme prior to 30 September 2009. There are estimates with respect to certain key assumptions made in calculating the actuarial liability relating to the scheme including the discount rate, inflation and mortality rates, as disclosed in note 19 to the financial statements.

Development Land

The valuation of development land is based on the outcome of the related calculations of the land's net realisable value. These calculations are based on assumptions relating to future market developments, interest rates and future cost and price increases. The Group uses external valuations to determine the net realisable value.

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

3. STAFF COSTS	2021 General activities €	2021 Education activities €	2021 Other €	2021 Total €	2020 Total €
Salaries and wages	6,342,760	4,340,435	4,386	10,687,581	11,360,184
PRSI	687,727	478,482	485	1,166,694	1,207,321
Pension costs	1,368,070	798,641	655	2,167,366	1,894,277
Total	8,398,557	5,617,558	5,526	14,021,641	14,461,782

General Activities (note 4) above includes pay and related costs allocated to premises expenditure, representation expenditure and regulation expenditure.

The average aggregate number of employees during 2021 was 147 (2020: 146).

KEY MANAGEMENT REMUNERATION

The total remuneration for key management personnel which consists of the 8 Directors and 9 Section Heads/Managers for the financial year totalled €2,456,380 (2020: €2,868,819). This amount includes the President's Subvention, as approved by Council, of €124,500 (2020: €124,500). Remuneration includes salary, social security costs and pension costs.

4. GENERAL ACTIVITIES (including funds)	2021 €	2020 €
INCOME		
Fees and subscriptions		
Practising certificates	11,593,320	13,157,965
Members' subscriptions	962,578	1,047,554
Admission fees	241,563	283,863
Fund Contributions:		
- LSRA fund	2,526,164	3,345,942
- Litigation fund	271,138	331,152
- Capital expenditure fund	-	223,463
- Capital reserve fund	869,000	1,075,976
	16,463,763	19,465,915
Services and interest		
Publications	296,433	168,606
Four Courts rooms	179,272	252,829
Interest (note 6)	3,469	6,760
Total income	16,942,937	19,894,110

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

4. GENERAL ACTIVITIES (including funds) (Continued)

OPERATING CHARGES

General activities

Pay and related expenditure	3,424,278	3,640,824
Administration expenditure	1,167,040	1,348,461
Premises expenditure	648,221	738,678
Representation expenditure	3,921,799	4,391,996
Regulation expenditure	6,347,352	6,947,717
Admission expenditure	3,836	11,143

Services

Publications	813,125	926,591
Four Courts rooms	154,622	189,688

Total operating charges

16,480,273	18,195,098
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Surplus

462,664	1,699,012
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5. EDUCATION ACTIVITIES

2021
€

2020
€

INCOME

Professional Practice Course 1 fees	4,376,023	4,068,234
Professional Practice Course 2 fees	2,112,405	2,085,524
Indentures and registration	464,595	375,555
Examination fees	993,703	1,004,452
Diploma courses	3,046,027	2,565,059
Continuing professional development	445,266	348,694
Miscellaneous income	691,687	736,601

Total income

12,129,706	11,184,119
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OPERATING CHARGES

Pay and related expenditure	5,901,523	5,765,976
Administration expenditure	2,172,489	1,950,621
Direct expenditure	2,691,400	2,627,011
Premises expenditure	586,707	538,330

Total operating charges

11,352,119	10,881,938
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Surplus

777,587	302,181
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THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

6. INTEREST AND INVESTMENT GAINS	2021	2020
	€	€
Interest – Society (note 4)	3,469	6,760
Fair Value gain arising on revaluation of investment	1,240,801	127,851
	<u>1,244,270</u>	<u>134,611</u>

7. OTHER INCOME/EXPENDITURE	2021	2020
	€	€
Income		
Bar and catering income	3,208	1,388
Bed and breakfast income	6,364	11,431
Functions and consultation room income	325	18,421
Rental income	32,777	0
	<u>42,674</u>	<u>31,240</u>
Expenditure		
Bar and catering cost of sales	48,660	112,988
Bed and breakfast cost of sales	1,489	1,337
Premises expenditure	454	3,525
Professional fees	67,840	97,059
Other administration expenditure	11,522	34,167
	<u>129,965</u>	<u>249,076</u>
Deficit	<u>(87,291)</u>	<u>(217,836)</u>

8. SURPLUS ON REVALUATION OF DEVELOPMENT LAND

The development land, included in tangible fixed assets, was valued at €20,000,000 by qualified external valuers Mason Owen & Lyons on a fair value basis at 31 December 2021.

9. SURPLUS BEFORE TAXATION	2021	2020
	€	€
The surplus before taxation is stated after charging:		
- Depreciation	1,612,782	1,528,583
- Auditors' remuneration	28,500	28,500
	<u>1,641,282</u>	<u>1,557,083</u>
and after crediting:		
- Deposit interest	3,469	6,760
	<u>3,469</u>	<u>6,760</u>
All income recognised arose in the Republic of Ireland.		

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

10. TAXATION	2021	2020
	€	€
Based on the surplus for the financial year:		
Taxation charge	110,053	91,284
Prior financial year under provision	6,464	17,818
	<u>116,517</u>	<u>109,102</u>

The effective tax rate for the financial year is lower than the standard rate of corporation tax in Ireland, which is 12.5%. The differences are explained below:

	2021	2020
	€	€
Surplus before taxation	4,849,247	1,624,128
Surplus for financial year multiplied by standard rate of corporation tax of 12.5% (2020: 12.5%)	606,156	203,016
Effects of:		
Net income and expenditure not subject to taxation	(970,189)	(563,315)
Depreciation in excess of capital allowances	468,765	437,587
Higher tax rates on interest and rental income	5,321	16,642
Retention tax paid	-	(2,646)
Prior year under provision	6,464	17,818
Total tax charge for period	<u>116,517</u>	<u>109,102</u>

The Society is chargeable to taxation on bank and other interest, gains, and on net surpluses arising from certain activities, such as publishing, courses and property rental, to the extent that they relate to transactions with non-members.

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

11. TANGIBLE FIXED ASSETS

Group

	Premises	Development Land	Leasehold Improvements	Furniture Fittings & Equipment	I.T. Equipment	Motor Vehicles	Total
	€	€	€	€	€	€	€
Cost/ Valuation:							
At 1 January 2021	22,356,127	20,000,000	2,044,890	6,225,811	7,825,049	126,200	58,578,077
Additions	279,561	-	-	40,883	649,647	-	970,091
Less Disposal	-	-	-	-	-	(53,825)	(53,825)
Reclass of assets	(119,923)	-	-	70,860	49,063	-	-
At 31 December 2021	<u>22,515,765</u>	<u>20,000,000</u>	<u>2,044,890</u>	<u>6,337,554</u>	<u>8,523,759</u>	<u>72,375</u>	<u>59,494,343</u>
Depreciation:							
At 1 January 2021	7,409,111	-	2,035,351	5,744,998	5,709,085	125,608	21,024,153
Charge for financial year	446,980	-	3,245	193,323	969,234	-	1,612,782
Less Depreciation on disposals	-	-	-	-	-	(53,233)	(53,233)
At 31 December 2021	<u>7,856,091</u>	<u>-</u>	<u>2,038,596</u>	<u>5,938,321</u>	<u>6,678,319</u>	<u>72,375</u>	<u>22,583,702</u>
Net book value:							
At 31 December 2021	<u>14,659,674</u>	<u>20,000,000</u>	<u>6,294</u>	<u>399,233</u>	<u>1,845,440</u>	<u>-</u>	<u>36,910,641</u>
At 31 December 2020	<u>14,947,016</u>	<u>20,000,000</u>	<u>9,539</u>	<u>480,813</u>	<u>2,115,964</u>	<u>592</u>	<u>37,553,924</u>

The development land was valued at €20,000,000 by qualified external valuers Mason Owen & Lyons on a fair value basis at 31 December 2021. The original cost of the development land when purchased in 2005 was €21,718,981.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

11. TANGIBLE FIXED ASSETS (CONTINUED)

Society						
	Premises €	Leasehold Improvements €	Furniture, Fittings & Equipment €	I.T. Equipment €	Motor Vehicles €	Total €
Cost:						
At 1 January 2021	22,356,127	2,044,890	5,913,776	7,825,049	126,200	38,266,042
Additions	279,561	-	40,883	649,647	-	970,091
Less Disposals	-	-	-	-	(53,825)	(53,825)
Reclass of assets	(119,923)	-	70,860	49,063	-	-
At 31 December 2021	<u>22,515,765</u>	<u>2,044,890</u>	<u>6,025,519</u>	<u>8,523,759</u>	<u>72,375</u>	<u>39,182,308</u>
Depreciation:						
At 1 January 2021	7,409,111	2,035,351	5,441,141	5,709,085	125,608	20,720,296
Charge for financial year	446,980	3,245	190,867	969,234	-	1,610,326
Less Depreciation on disposals	-	-	-	-	(53,233)	(53,233)
At 31 December 2021	<u>7,856,091</u>	<u>2,038,596</u>	<u>5,632,008</u>	<u>6,678,319</u>	<u>72,375</u>	<u>22,277,389</u>
Net book value:						
At 31 December 2021	<u>14,659,674</u>	<u>6,294</u>	<u>393,511</u>	<u>1,845,440</u>	<u>-</u>	<u>16,904,919</u>
At 31 December 2020	<u>14,947,016</u>	<u>9,539</u>	<u>472,635</u>	<u>2,115,964</u>	<u>592</u>	<u>17,545,746</u>

Group and Society

Total assets under construction which have not been depreciated in the financial year:
Premises: €25,312 (2020: €25,312) and I.T. equipment: €Nil. (2020: €Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

11. TANGIBLE FIXED ASSETS (CONTINUED)

Group and Society

Included in the above are assets relating to education activities:

	Cost €	Accumulated Depreciation €	Net Book Value €
Premises	10,347,010	2,968,899	7,378,111
Furniture, fittings and equipment	3,224,549	3,088,203	136,346
I.T. equipment	3,406,898	2,869,812	537,086
	<u>16,978,457</u>	<u>8,926,914</u>	<u>8,051,543</u>

12. INVESTMENTS

Group and Society

	2021 €	2020 €
Balance at 1 January	12,066,555	11,938,704
Additions	12,500,000	-
Deemed disposal tax	(293,400)	-
Fair value gain	1,240,801	127,851
Balance at 31 December	<u>25,513,956</u>	<u>12,066,555</u>

At 31 December 2021, the fair value of investments exceeded cost by €2,070,226 (2020: €1,566,55)

The investments are comprised of the following:

- (a) Multi-Asset Conservative Growth Fund ("MACGF")
- (b) Davy Defensive Growth Fund ("DDGF")
- (c) Davy Passive Growth Fund ("DPGF")
- (d) Nordea Bond Funds ("NBF")
- (e) SRI (ESG) Global Funds ("ESGGF")

The Policy MACFG, DDGF, DPGF, NBF & ESGGF have a low risk profile.

The equity investment by the Society in subsidiary undertakings is carried at €Nil (2020 €Nil).

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

13. STOCKS	2021	2020
	€	€
Group		
Stock in trade	85,778	52,413
	<u><u>85,778</u></u>	<u><u>52,413</u></u>
Society		
Stock in trade	75,384	39,766
	<u><u>75,384</u></u>	<u><u>39,766</u></u>

The replacement cost of stock is not significantly different from the above stated cost.

14. DEBTORS	2021	2020
	€	€
Group		
Amounts falling due within one year:		
Debtors and prepayments	2,192,772	2,033,020
Amounts due from Law Society of Ireland Scholarship Fund	10,561	21,331
	<u><u>2,203,333</u></u>	<u><u>2,054,351</u></u>
Society		
Amounts falling due within one year:		
Debtors and prepayments	2,192,772	2,033,020
Amounts due from Law Society of Ireland Scholarship Fund	10,561	21,331
Amounts due from subsidiary undertakings:		
- Benburb Street Property Company Limited	20,100,595	20,132,220
	<u><u>22,303,928</u></u>	<u><u>22,186,571</u></u>

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

15. CREDITORS	2021	2020
	€	€
Group		
Amounts falling due within one year		
Creditors and accruals	6,895,511	8,263,236
Amounts due to Law Society Compensation Fund	8,478,590	8,688,435
Deferred income*	2,454,533	2,370,698
PAYE / PRSI	690,227	634,653
VAT	67,086	25,430
Income Tax	13,191	2,543
	18,599,138	19,984,995
Society		
Amounts falling due within one year		
Creditors and accruals	6,821,124	8,232,767
Amounts due to Law Society Compensation Fund	8,478,590	8,688,435
Amounts due to subsidiary undertakings:		
- The Law Club of Ireland	122,463	12,598
Deferred income*	2,454,533	2,370,698
PAYE / PRSI	690,227	634,653
VAT	89,217	39,295
Income tax	13,191	2,543
	18,669,345	19,980,989

* Deferred income represents fees for the 2022 financial year received in the financial year to 31 December 2021

16. PROVISIONS FOR LIABILITIES AND CHARGES	2021	2020
	€	€
Group and Society		
Provision for settlement of SMDF liability		
Opening balance	1,801,000	1,801,000
Final settlement	(2,425,850)	-
Closing balance	(642,850)	1,801,000

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

17. ACCUMULATED RESERVES

Group

	Total	Society Accumulated Reserves	Law School Accumulated Reserves	Litigation Fund	Capital Expenditure Fund	Capital Reserve Fund	Pension Reserve Fund	LSRA Levy Fund
	€	€	€	€	€	€	€	€
Balance at 1/1/2021	48,649,817	37,560,804	12,100,667	1,192,913	2,002,663	1,740,676	(8,776,000)	2,828,094
Surplus for year	5,929,730	3,626,966	1,167,481	271,138	-	869,000	2,000	(6,855)
Transfers	-	814,434	-	(592,451)	(221,983)	-	-	-
Balance at 31/12/2021	<u>54,579,547</u>	<u>42,002,204</u>	<u>13,268,148</u>	<u>871,600</u>	<u>1,780,680</u>	<u>2,609,676</u>	<u>(8,774,000)</u>	<u>2,821,239</u>

Society

	Total	Society Accumulated Reserves	Law School Accumulated Reserves	Litigation Fund	Capital Expenditure Fund	Capital Reserve Fund	Pension Reserve Fund	LSRA Levy Fund
	€	€	€	€	€	€	€	€
Balance at 1/1/2021	48,417,174	37,313,048	12,115,780	1,192,913	2,002,663	1,740,676	(8,776,000)	2,828,094
Surplus for year	5,906,821	3,604,057	1,167,481	271,138	-	869,000	2,000	(6,855)
Transfers	-	814,434	-	(592,451)	(221,983)	-	-	-
Balance at 31/12/2021	<u>54,323,995</u>	<u>41,731,539</u>	<u>13,283,261</u>	<u>871,600</u>	<u>1,780,680</u>	<u>2,609,676</u>	<u>(8,774,000)</u>	<u>2,821,239</u>

Group and Society

The Finance Committee established the above funds to make prudent allocation of reserves for anticipated expenditure in these areas. On an annual basis, monies from fees and subscriptions income and interest income are allocated to these funds. Transfers between the funds represent internal transfers for projects and other income and expenditure identified by the Finance Committee as being more appropriate to particular funds or reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

17. ACCUMULATED RESERVES (CONTINUED)

Reconciliation of surplus per consolidated statement of comprehensive income to surplus for the year per accumulated reserves:

	Total €	General Activities €	Education Activities €	Litigation Fund €	Capital Expenditure Fund €	Capital Reserve Fund €	Pension Reserve Fund €	LSRA Levy Fund €	Other €
Surplus before tax & exceptional items (Note 4 & 5)	1,240,251	462,664	777,587	-	-	-	-	-	-
Deficit before tax (Note 7)	(87,291)	-	-	-	-	-	-	-	(87,291)
Sundry income	44,960	44,960	-	-	-	-	-	-	-
SMDF sale (Note 24)	2,410,526	2,410,526	-	-	-	-	-	-	-
Taxation (Note 10)	(116,517)	(7,627)	(108,890)	-	-	-	-	-	-
Investment gain (Note 6)	<u>1,240,801</u>	<u>1,240,801</u>	-	-	-	-	-	-	-
	4,732,730	4,151,324	668,697	-	-	-	-	-	(87,291)
Surplus after tax	-	-	-	-	-	-	-	-	-
Remeasurement of pension	1,197,000	-	-	-	-	-	1,197,000	-	-
Income allocated to specific fund	-	(3,666,30)	-	271,138	-	869,000	-	2,526,164	-
Expense allocated to specific fund	-	2,533,019	-	-	-	-	-	(2,533,019)	-
Inter group trading	-	(227,575)	140,284	-	-	-	-	-	87,291
Reallocation of pension costs	-	836,500	358,500	-	-	-	(1,195,000)	-	-
Impairment on development Land	-	-	-	-	-	-	-	-	-
Total comprehensive income	<u>5,929,730</u>	<u>3,626,966</u>	<u>1,167,481</u>	<u>271,138</u>	<u>-</u>	<u>869,000</u>	<u>2,000</u>	<u>(6,855)</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

18. FINANCIAL INSTRUMENTS

Group

The carrying value of the financial assets and liabilities are summarised by the categories below:

	2021 €	2020 €
Financial assets		
<i>Measured at fair value through the income statement</i>		
Listed investments (Note 12)	25,513,956	12,066,555
<i>Measured at undiscounted amounts receivable</i>		
Debtors and prepayments (Note 14)	2,192,772	2,033,020
Amounts owed from related undertakings (Note 14)	10,561	21,331
	27,717,289	14,120,906
Financial Liabilities		
<i>Measured at undiscounted amounts payable</i>		
Trade and other payables (Note 15)	6,895,511	8,263,236
Amounts owed from related undertakings (Note 15)	8,478,590	8,688,435
Amount due on sale of SMDF Limited (Note 16)	(642,850)	1,801,000
	14,731,251	18,752,671

Society

The carrying value of the financial assets and liabilities are summarised by the categories below:

	2021 €	2020 €
Financial assets		
<i>Measured at fair value through the income statement</i>		
Listed investments (Note 12)	25,513,956	12,066,555
<i>Measured at undiscounted amounts receivable</i>		
Debtors and prepayments (Note 14)	2,192,772	2,033,020
Amounts owed from subsidiaries (Note 14)	20,100,595	20,132,220
Amounts owed from related undertakings (Note 14)	10,561	21,331
	47,817,884	34,253,126
Financial Liabilities		
<i>Measured at undiscounted amounts payable</i>		
Trade and other payables (Note 15)	6,821,124	8,232,767
Amounts owed to related undertakings (Note 15)	8,478,590	8,668,435
Amounts owed to subsidiaries (Note 15)	122,463	12,598
Amount due on sale of SMDF Limited (Note 16)	(642,850)	1,801,000
	14,779,327	18,714,800

19. PENSION COMMITMENTS

The Society operates two pension schemes. A defined benefit scheme was available to all eligible employees who chose to join before 30 September 2009, at which date the scheme was closed to new entrants. Thereafter eligible employees could opt to join a hybrid arrangement with the defined benefit element capped at a salary of €45,500 (2020: €45,500) and the balance being in a defined contribution scheme.

Defined contribution scheme

The Society operates a defined contribution pension scheme for all eligible employees. The total expense charged to the Statement of Comprehensive Income and Retained Earnings in the financial year ended 31 December 2021 was €104,239 (2020: €100,253).

Defined benefit scheme

The Society operates a defined benefit pension scheme which has been closed to new entrants since 2009. The information set out in this note relates to the defined benefit pension scheme. The scheme is funded by the payment of contributions to a separately administered trust.

Determination of contributions and funding

The contributions are determined by a qualified actuary on the basis of valuations every three years, using the prospective benefits method. The most recent valuation was completed as at 31 December 2018. The assumptions which have the most significant effect on the results of the valuation are those relating to the discount rate, the rates of increase in salaries and the rate of increase in pensions in payment. In preparing that valuation, it was assumed that the discount rate would be 3.75% per annum pre retirement and 1.75% per annum post retirement, that future salary increases would average 2.00% per annum, and that pensions in payment would increase at 0.90% per annum on average, *60% of inflation). In effect, this means that the investment return pre retirement would be 1.75% higher per annum than future salary increases and the investment return post retirement would be 0.85% higher per annum than pension increases.

19. PENSION COMMITMENTS (CONTINUED)

The actuarial valuation at 31 December 2018 indicated that the market value of the assets of the scheme was €36,856,000 and that the assets were sufficient to cover 97% of the benefits that had accrued to members, after allowing for expected future increases in pensionable salaries and increases to pensions in payment which are discretionary. It was recommended that the Society's annual contribution continue at 20% of pensionable salaries in 2021 and this has been paid by the Society. The defined benefit section has been closed to new entrants since 30 September 2009 and was replaced by a hybrid arrangement with the defined benefit element capped at a salary of €45,000 (now €45,500).

The Trustees obtain the consent of the Society to, on a discretionary basis, index pensions in payment on an annual basis. Increases are the lesser of the CPI increase or 3%. No increases were awarded in 2017 as inflation was marginally positive for the relevant period. As mentioned above, the Society decided to fund for increases equal to 60% of inflation at the most recent valuation and will review this decision at the next actuarial valuation. Members of the Scheme who wish to be considered for this indexation pay a higher contribution rate of 8% of pensionable salary.

The actuary carries out an annual update of the Funding Standard position of the scheme. The scheme met the Funding Standard at 31 December 2021. The next actuarial valuation of the scheme to determine the Society's contribution rate will be carried out as at 31 December 2021.

Requirements

The Society is the sponsoring employer of the scheme and has the legal responsibility for the scheme. The Law Society of Ireland's Compensation Fund also participates in the scheme.

There is no stated policy for charging the net defined benefit cost of the scheme to either entity as both entities availed of an exemption under the previous accounting standard, Financial Reporting Standard 17. Under Financial Reporting Standard 102, the Society has decided that it will recognise the entire net defined benefit cost and the relevant net defined benefit liability in its financial statements. Pension costs for the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary using the projected unit method. Below are the relevant disclosures together with the comparative figures for the previous year.

Changes in the present value of the defined benefit obligation in the year were as follows:

	2021	2020
	€'000	€'000
Opening defined benefit obligation	(54,730)	(49,653)
Service cost (including employee contributions)	(2,810)	(2,532)
Interest cost	(647)	(741)
Benefits paid	1,776	671
Actuarial (gains)/losses	(1,700)	(2,475)
Closing defined benefit obligation	(58,111)	(54,730)

19. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of plan assets in the year were as follows:

	2021	2020
	€'000	€'000
Opening fair value of plan assets	45,954	42,377
Contributions (including employee contributions)	1,711	1,721
Benefits paid	(1,776)	(671)
Interest income	551	644
Actuarial (gains)/losses	2,897	1,883
Closing fair value of plan assets	49,337	45,954

The principal actuarial assumptions at the balance sheet date:

	2021	2020
	%	%
Rate of general increase in salaries	2.5	1.8
Discount rate of scheme liabilities	1.5	1.2
Rate of pension increase	1.9	1.3
Inflation	2.0	1.3
Post retirement mortality		
Current pensioners at 65 - male	22.6	22.5
Current pensioners at 65 - female	24.5	24.4
Future pensioners at 65 - male married	24.4	24.3
Future pensioners at 65 - female married	26.4	26.3
% of pension commuted for cash at retirement	12.5	12.5

The post retirement mortality assumptions allow for expected increases in longevity. The 'current' disclosures above relate to the assumptions based on longevity (in years) following retirement at the balance sheet date, with 'future' being that relating to an employee retiring in 2040.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

19. PENSION COMMITMENTS (CONTINUED)

The market value of the scheme's assets at the year end were as follows:

	At Year End 31 December	
	2021	2020
	€'000	€'000
Equities	15,945	15,285
Bonds	30,097	27,358
Cash	26	10
Other	3,269	3,301
	49,337	45,954
	2021	2020
	€'000	€'000
The actual return on plan assets	3,448	2,527
The amounts recognised in the balance sheet are as follows:		
Fair value of plan assets	49,337	45,954
Present value of funded obligations	(58,111)	(54,730)
Deficit in the scheme	(8,774)	(8,776)
The amounts included in the performance statements are as follows:		
	2021	2020
	€'000	€'000
Current service cost	(2,364)	(2,076)
Past service cost	-	-
Interest income on pension scheme assets	551	644
Interest expense on pension scheme liabilities	(647)	(741)
Net interest charge	(96)	(97)
Actual return less expected return on pension scheme's assets	2,897	1883
Experience losses arising on the scheme's liabilities	(1)	888
Changes in assumptions underlying the present value of the scheme's liabilities	(1,699)	(3,363)
Actuarial (loss)/gain included in Statement of Comprehensive Income	1,197	(592)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

19. PENSION COMMITMENTS (CONTINUED)

The movements in the deficit in the scheme during the year arose as follows:

	2021 €'000	2020 €'000
Deficit at beginning of year	(8,776)	(7,276)
Current service cost	(2,364)	(2,076)
Net interest cost	(96)	(97)
Contributions (excluding employees)	1,265	1,265
Actuarial gain	1,197	(592)
Deficit at end of year	(8,774)	(8,776)

History of defined benefit obligations, assets and experience gains/losses:

	2021 €'000	2020 €'000
Defined benefit obligation	(58,111)	(54,730)
Fair value of plan assets	49,337	45,954
Deficit	(8,774)	(8,776)

	2021 €'000	2020 €'000
Difference between the expected and actual return on plan assets:		
Amount €'000	(2,897)	(1,883)

Experience losses on plan liabilities:

Amount €'000	1	888
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Future contributions:

The Society expects to contribute €1,265,000 to the defined benefit pension scheme in 2021.

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

20. RELATED PARTY TRANSACTIONS

Law Society Compensation Fund	2021	2020
	€	€
Opening balance at 1 January	(8,688,435)	(7,824,067)
Charges	7,142,795	7,578,661
Receipts	(6,932,950)	(8,443,029)
Closing balance at 31 December	(8,478,590)	(8,668,435)

Law Society of Ireland Scholarship Fund	2021	2020
	€	€
Opening balance at 1 January	21,331	20,701
Charges	40,560	15,730
Receipts	(51,330)	(15,100)
Closing balance at 31 December	10,561	21,331

Irish Rule of Law International	2021	2020
	€	€
Opening balance at 1 January		-
Charges	34,000	42,000
Receipts	(34,000)	(42,000)
Closing balance at 31 December	-	-

The related undertakings are controlled by the Law Society of Ireland.

Transactions with Council Members during 2021 totalled €207,218 (2020: €211,468) which includes the President's Subvention, as approved by Council, of €124,500 (2020: €124,500).

21. SUBSIDIARY AND RELATED UNDERTAKINGS

The Society holds investments in subsidiaries and controls related undertakings as follows:

Subsidiary undertakings:

- Benburb Street Property Company Limited
- Law Club of Ireland*.

*The Law Club of Ireland is considered a subsidiary, as it is controlled by the Law Society of Ireland.

Related undertakings:

- Law Society of Ireland Compensation Fund
- Law Society of Ireland Scholarship Fund
- Irish Rule of Law International.

20. RELATED PARTY TRANSACTIONS

Law Society Compensation Fund	2021 €	2020 €
Opening balance at 1 January	(8,688,435)	(7,824,067)
Charges	7,142,795	7,578,661
Receipts	(6,932,950)	(8,443,029)
Closing balance at 31 December	(8,478,590)	(8,668,435)
Law Society of Ireland Scholarship Fund	2021 €	2020 €
Opening balance at 1 January	21,331	20,701
Charges	40,560	15,730
Receipts	(51,330)	(15,100)
Closing balance at 31 December	10,561	21,331
Irish Rule of Law International	2021 €	2020 €
Opening balance at 1 January		-
Charges	34,000	42,000
Receipts	(34,000)	(42,000)
Closing balance at 31 December	-	-

The related undertakings are controlled by the Law Society of Ireland.

Transactions with Council Members during 2021 totalled €207,218 (2020: €211,468) which includes the President's Subvention, as approved by Council, of €124,500 (2020: €124,500).

21. SUBSIDIARY AND RELATED UNDERTAKINGS

The Society holds investments in subsidiaries and controls related undertakings as follows:

Subsidiary undertakings:

- Benburb Street Property Company Limited
- Law Club of Ireland*.

*The Law Club of Ireland is considered a subsidiary, as it is controlled by the Law Society of Ireland.

Related undertakings:

- Law Society of Ireland Compensation Fund
- Law Society of Ireland Scholarship Fund
- Irish Rule of Law International.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

22. CAPITAL COMMITMENTS

2021
€

2020
€

At the end of the year, the following expenditure had been authorised by the Finance Committee:

Contracted for	350,843	364,115
Not contracted for	2,893,523	1,286,747
	3,244,366	1,650,862

23. SOLICITORS' MUTUAL DEFENCE FUND LIMITED

In 2011, the members of the Law Society approved the provision of financial support to Solicitors' Mutual Defence Fund Limited (SMDF), which was insolvent, to a maximum of €16m.

In 2016, the Law Society entered into an agreement with R&Q Ireland Limited (R&QI) for the sale of SMDF. The agreement included deferring €5 million of the agreed payment to R&Q Ireland Claims Services Limited (R&QICS) - a subsidiary of R&QI. This was recognised in the financial statements as an Exceptional Item and a provision of €5 million for liabilities under the agreement was made in the financial statements. In 2018 and 2019 a total of €3.2m was paid to R&QICS, leaving liabilities of €1.8 million under the agreement. In 2019 the practising certificate SMDF levy ceased two years earlier than anticipated. At 31 December 2020 there was a balance of €1.86 million in the SMDF Levy Fund available for use against the liabilities of €1.8 million.

In 2021, there was a charge to the SMDF Levy Fund of €33,324 (2020: €21,773). The agreement with R&QI, which terminated on 30 November 2021, made provision for a reduction in capital contributions under the agreement in the event of the realisation of certain contingencies. The realisation of these contingencies has resulted in a reduction of €2.45 million in the liabilities under the agreement. Consequently, the €1.8m provision has been eliminated and R&QI are due to pay €649,000 to the Society. The €2.45 million less costs of €33,324 is recognised in the financial statements for the year ended 31 December 2021 as an Exceptional Item of €2,410,526.

The overall cost to Law Society members to cover the rundown of operations and the sale of the SMDF to R&QI has been €11.1m.

24. CONTINGENT LIABILITIES

The Society is from time to time, a party to legal proceedings and claims, which arise in the ordinary course of its activities. The Finance Committee is satisfied that there are no additional claims that require provision by the Society at 31 December 2021. Legal costs incurred by the Society to 31 December 2021, in connection with these matters, have been charged to the Statement of Comprehensive Income and Retained Earnings.

25. SUBSEQUENT EVENTS

There have been no subsequent events since the end of the financial period.

FINANCIAL

COMPENSATION FUND REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2021



LAW SOCIETY OF IRELAND COMPENSATION FUND

RESPONSIBILITIES OF THE REGULATION OF PRACTICE COMMITTEE

The Regulation of Practice Committee is required to prepare financial statements for each financial year. The Regulation of Practice Committee have elected to prepare the financial statements in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (“relevant financial reporting framework”). The Regulation of Practice Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Compensation Fund as at the financial year end date and of the Compensation Fund’s surplus or deficit for the financial year. In preparing those financial statements The Regulation of Practice Committee is required to:

- select suitable accounting policies for the Compensation Fund financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis.

The Regulation of Practice Committee is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Compensation Fund. The Regulation of Practice Committee is also responsible for safeguarding the assets of the Compensation Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAW SOCIETY OF IRELAND COMPENSATION FUND

Opinion on the financial statements of the Law Society of Ireland Compensation Fund (the 'Compensation Fund')

In our opinion the Compensation Fund's financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Compensation Fund as at 31 December 2021 and of the surplus of the Compensation Fund for the year then ended; and
- have been prepared in accordance with the applicable financial reporting framework.

The financial statements we have audited comprise:

- Statement of Income and Retained Earnings;
- the Balance Sheet;
- the Statement of Cash Flows and
- the related notes 1 to 17, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the financial statements is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)). Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Compensation Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Regulation of Practice Committee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Regulation of Practice Committee with respect to going concern are described in the relevant sections of this report.

Other information

The Regulation of Practice Committee are responsible for the other information. The other information comprises the information included in the Reports and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.
Continued on next page/

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAW SOCIETY OF IRELAND COMPENSATION FUND

Responsibilities of the Regulation of Practice Committee

As explained more fully in the Statement of Responsibilities of the Regulation of Practice Committee, the Regulation of Practice Committee are responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as the Regulation of Practice Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Regulation of Practice Committee are responsible for assessing the Compensation Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Regulation of Practice Committee either intend to liquidate the Compensation Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Compensation Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Regulation of Practice Committee.
- Conclude on the appropriateness of the Regulation of Practice Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Compensation Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Compensation Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LAW SOCIETY OF IRELAND COMPENSATION FUND**

/Continued from previous page

Auditor's responsibilities for the audit of the financial statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

This report is made solely to the Compensation Fund's members, as a body. Our audit work has been undertaken so that we might state to the Compensation Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Compensation Fund and the Compensation Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stewart Dunne
For and on behalf of
BDO
Dublin
Statutory Audit Firm
AI223876

Date: 13 July 2022

LAW SOCIETY OF IRELAND COMPENSATION FUND

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	<i>Notes</i>	2021	2020
		€	€
INCOME			
Contributions receivable		6,912,505	8,416,290
Income and returns on investments	5	549,228	1,692,238
Recoveries from defaulting solicitors	6	473,096	543,340
Disciplinary fines and investigation levies		12,094	21,950
		7,946,923	10,673,818
EXPENDITURE			
Provision for claims	6	560,732	1,745,636
Insurance		802,971	738,519
Overheads allocated from the Law Society of Ireland		1,574,362	1,483,672
Financial regulation direct administration costs		2,528,706	2,567,068
Practice closure direct administration costs		747,404	748,483
Legal and other professional fees		206,610	165,359
Other expenditure		2,086	54
		6,422,871	7,448,791
Surplus/(deficit) for financial year before revaluations		1,524,052	3,225,027
Fair value movements arising on revaluation of investments	13	1,800,276	(1,028,113)
SURPLUS BEFORE TAXATION	7	3,324,328	2,196,914
Taxation	8	(406,726)	(200,000)
SURPLUS AFTER TAXATION		2,917,602	1,996,914
Retained earnings at beginning of financial year		25,293,253	23,296,339
RETAINED EARNINGS AT END OF FINANCIAL YEAR		28,210,855	25,293,253

All recognised gains and losses arose from continuing activities.

LAW SOCIETY OF IRELAND COMPENSATION FUND

BALANCE SHEET AS AT 31 DECEMBER 2021

	<i>Notes</i>	2021 €	2020 €
Fixed Assets			
Financial assets	9	23,973,128	21,633,944
Current Assets			
Debtors	10	8,546,729	8,747,261
Cash at bank and in hand		1,345,189	1,511,418
		9,891,918	10,258,679
Creditors: Amounts falling due within one year	11	(2,274,198)	(2,497,041)
Net current assets		7,617,720	7,761,638
Total assets less current liabilities		31,590,848	29,395,582
Provisions for liabilities	12	(3,379,993)	(4,102,329)
NET ASSETS		28,210,855	25,293,253
Revenue reserves		28,210,855	25,293,253

The financial statements were approved by the Regulation of Practice Committee on 13 July 2022

Imelda Reynolds
Chair of the Regulation of Practice Committee

Michelle Ní Longáin
President of Law Society of Ireland

LAW SOCIETY OF IRELAND COMPENSATION FUND

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

CASH FLOWS FROM OPERATING ACTIVITIES	<i>Notes</i>	2021 €	2020 €
Surplus before taxation		3,324,328	2,196,914
Realised movement of investments		(465,248)	(1,692,238)
Fair value movement on investments		(1,800,276)	1,028,113
Decrease/(increase) in debtors		200,532	(867,646)
(Decrease)/increase in creditors		(859,085)	(708,785)
Income tax refunded/(paid)		(492,820)	(108,093)
Net cash flows from operating activities		(92,569)	(151,735)
		2021 €	2020 €
Net cash flows from operating activities		(92,569)	(151,735)
Cash flows from investing activities			
Purchase of investments	9	(83,989)	-
Disposal of investments	9	10,329	-
Net cash flows from investing activities		(73,660)	(151,735)
Net increase/(decrease) in cash and cash equivalents		(166,229)	(151,735)
Cash and cash equivalents at beginning of financial year		1,511,418	1,663,153
Cash and cash equivalents at end of financial year		1,345,189	1,511,418

**ANALYSIS OF NET DEBT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 €	Cash flows €	At 31 December 2021 €
Cash at bank and in hand	1,511,418	(166,229)	1,345,189

LAW SOCIETY OF IRELAND COMPENSATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

General Information and Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Law Society of Ireland Compensation Fund is considered to be euro because that is the currency of the primary economic environment in which the Fund operates.

The financial statements cover the activities of the Law Society of Ireland Compensation Fund. Separate financial statements are prepared in respect of the other activities of the Law Society of Ireland.

Financial instruments

Financial assets and financial liabilities are recognised when the Compensation Fund becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the entity, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(i) Investments

Investments are measured at fair value with changes in fair value recognised through the Statement of Income and Retained Earnings. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

(ii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place.

1. ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Recoveries from defaulting solicitors, disciplinary fines and levies imposed on solicitors are recognised when received. Contribution income and all miscellaneous income is recognised on a receivable basis. Recoveries from stop loss insurance policies are recognised when notification of payment has been received.

Claims

Provisions are made in respect of notified claims and related expenses, where the Regulation of Practice Committee and the executive considers it likely that the Compensation Fund is liable for such claims and expenses.

Solicitors Funds

When the Society obtain a High Court Order to take up client funds from a solicitor's practice these funds, when received, by the Society are initially recognised as solicitors funds held. As the Fund discharges claims in relation to a solicitor recoveries are made from the funds held in relation to that solicitor.

Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for, on a full provision basis, on all timing differences that have originated but have not reversed by the balance sheet date. Deferred tax assets are recognised to the extent that they are regarded as more likely than not to be recoverable.

Deferred tax is recognised on timing differences arising on revaluation of investments to the extent that the Compensation Fund has, at the balance sheet date, entered into a binding agreement to sell the revalued investments.

Pension Costs

The Society operates a multi-employer defined benefit pension scheme and a hybrid scheme. Contributions are charged in the income and expenditure account over the anticipated working lives of employee members currently in service.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Law Society of Ireland Compensation Fund's accounting policies, which are described in note 1, the Committee members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

Critical judgements in applying the Law Society of Ireland Compensation Fund's accounting policies

Provision for claims

The directors are of the view that an adequate allowance has been made to reflect the claims provisions in the financial statements. The estimate has been assessed by the Regulation of Practice Committee and/or the executive. The committee has reviewed the provision and consider it to be the best estimate of any liability due.

LAW SOCIETY OF IRELAND COMPENSATION FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

3. GOING CONCERN

The Compensation Fund earned a surplus before taxation for the financial year of €3,324,328 (2020: €2,196,914) and had net current assets of €7,617,720 (2020: €7,761,638) at the balance sheet date.

The Compensation Fund has €23,973,128 (2020: €21,633,944) of financial assets at its disposal that are readily convertible to cash. Therefore, the Regulation of Practice Committee have formed the view that, taking appropriate actions, the Compensation Fund's reserves are sufficient to absorb the financial impact of the current Covid 19 pandemic public health emergency and any subsequent recession and considers it appropriate to prepare the financial statements on a going concern basis.

The financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that may arise if the Compensation Fund was unable to continue as a going concern.

4. STAFF COSTS	2021 €	2020 €
Salaries and wages	2,595,837	2,599,976
PRSI	283,281	281,204
Pension (Note 17)	284,002	285,519
Total	<u>3,163,120</u>	<u>3,166,699</u>

5. INCOME AND RETURNS ON INVESTMENTS	2021 €	2020 €
Realised movement of investments (Note 9)	465,248	1,692,238
Gain on redemption	83,980	-
	<u>549,228</u>	<u>1,692,238</u>

6. NET COST OF CLAIMS AFTER RECOVERIES	2021 €	2020 €
Provision for claims (Note 12)	560,732	1,745,636
Recoveries from defaulting solicitors	(473,096)	(543,340)
Net cost of claims	<u>87,636</u>	<u>1,202,296</u>

The Compensation Fund has stop loss insurance policies in place which are subject to an excess of €5,000,000 in any financial year. No insurance recoveries apply in respect of the 2021 or 2020 claim years.

LAW SOCIETY OF IRELAND COMPENSATION FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

7. SURPLUS BEFORE TAXATION	2021	2020
	€	€
The surplus before taxation is stated after charging:		
Auditor's remuneration	5,000	5,000
Fair value movement in investments	1,800,276	(1,028,113)
	<hr/>	<hr/>

8. TAXATION

The Compensation Fund is liable to income tax on investment income and gains.

	2021	2020
	€	€
Income tax	406,726	200,000
	<hr/>	<hr/>

The effective tax rate for the financial year is different to the standard rate of income tax, which is 20%. The differences are explained as follows:

	2021	2020
	€	€
Surplus before taxation	3,324,328	2,196,914
	<hr/>	<hr/>
Surplus multiplied by standard rate of income tax of 20%	664,866	439,383
Effects of:		
Income not subject to taxation	(630,451)	(239,383)
Adjustment re prior years	372,311	-
	<hr/>	<hr/>
Current tax charge for the financial year	406,726	200,000
	<hr/>	<hr/>

LAW SOCIETY OF IRELAND COMPENSATION FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

9. FINANCIAL ASSETS

Listed investments – at fair value

€

Balance at 1 January 2021	21,633,944
Additions at cost	4,563,981
Disposals at cost	(4,490,329)
Unrealised fair value movements	1,800,276
Realised fair value movements	<u>465,248</u>
Balance at 31 December 2021	<u>23,973,128</u>

The investments are comprised of the following:

- (a) SSgA EMU Government Bond Index
- (b) SSgA EUR Liquidity Fund I Stable
- (c) Standard Life Enhanced Diversified Fund
- (d) Standard Life Global Bond Strategy
- (e) State Street IUT Diversified Alternatives Fund – S40
- (f) State Street IUT World Developed Equity Index Fund – S20

All the investments noted above have a low risk profile.

LAW SOCIETY OF IRELAND COMPENSATION FUND

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

10. DEBTORS: Amounts falling due within one year	2021 €	2020 €
Other debtors	68,139	58,826
Amounts due from the Law Society of Ireland	8,478,590	8,688,435
	8,546,729	8,747,261
	<hr/>	<hr/>
11. CREDITORS: Amounts falling due within one year	2021 €	2020 €
Accruals and other creditors	119,220	122,298
Solicitors funds held	2,016,280	2,149,951
Income tax	138,698	224,792
	2,274,198	2,497,041
	<hr/>	<hr/>
12. PROVISIONS FOR LIABILITIES	2021 €	2020 €
Provision for claims:		
At beginning of financial year	4,102,329	5,272,482
Provision made (Note 6)	560,732	1,745,636
Claims paid	(1,283,068)	(2,915,789)
	<hr/>	<hr/>
At end of financial year	3,379,993	4,102,329
	<hr/>	<hr/>

LAW SOCIETY OF IRELAND COMPENSATION FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

13. FINANCIAL INSTRUMENTS

The carrying value of the Fund, financial assets and liabilities are summarised by the category below:

	2021	2020
Financial assets	€	€
<i>Measured at fair value through the income statement</i>		
Listed investments (see Note 9)	23,973,128	21,633,944
<i>Measured at undiscounted amounts receivable</i>		
Debtors and prepayments (see Note 10)	68,139	58,826
Amounts due from related undertakings (see Note 10)	8,478,590	8,688,435
	32,519,857	30,381,205
Financial Liabilities		
Measured at undiscounted amounts payable		
Creditors (see Note 11)	2,135,500	2,272,249

14. RELATED PARTY TRANSACTIONS

During the financial year the expenditure of the Compensation Fund included expenses and payroll costs totalling €5,847,354 (2020: €4,944,029), which were recharged to it by the Law Society of Ireland. The amount due from the Law Society of Ireland at the financial year end is shown at note 10.

The total remuneration for key management personnel which consists of the 3 Directors and 4 Section Heads/Managers (2.25 fulltime equivalents) for the financial year totalled €375,299(2020: €437,695; 4 Section Heads/Managers – 2.25 full time equivalents).

15. PENSIONS

The Society and the Law Society of Ireland Compensation Fund are the participants in a multi-employer defined benefit pension scheme, operated by the Society. Under FRS 102, the Society as sponsoring employer of the schemes will recognise the entire net defined benefit cost and the relevant net defined benefit liability in its financial statements. Pension costs for the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary using the projected unit method.

The contributions are determined by a qualified actuary on the basis of valuations every three years, using the prospective benefits method. The most recent valuation was completed as at 31 December 2018. The assumptions which have the most significant effect on the results of the valuation are those relating to the discount rate, the rates of increase in salaries and the rate of increase in pensions in payment. In preparing that valuation, it was assumed that the discount rate would be 3.75% per annum pre retirement and 1.75% per annum post retirement, that future salary increases would average 2.00% per annum, and that pensions in payment would increase at 0.90% per annum on average, (*60% of inflation). In effect, this means that the investment return pre retirement would be 1.75% higher per annum than future salary increases and the investment return post retirement would be 0.85% higher per annum than pension increases.

The actuarial valuation at 31 December 2018 indicated that the market value of the assets of the scheme was €36,856,000 and that the assets were sufficient to cover 97% of the benefits that had accrued to members, after allowing for expected future increases in pensionable salaries and increases to pensions in payment which are discretionary. It was recommended that the Society's annual contribution continue at 20% of pensionable salaries in 2021 and this has been paid by the Society. The defined benefit section has been closed to new entrants since 30 September 2009 and was replaced by a hybrid arrangement with the defined benefit element capped at a salary of €45,000 (now €45,500).

The Trustees obtain the consent of the Society to, on a discretionary basis, index pensions in payment on an annual basis. Increases are the lesser of the CPI increase or 3%. No increases were awarded in 2017 as inflation was marginally positive for the relevant period. As mentioned above, the Society decided to fund for increases equal to 60% of inflation at the most recent valuation and will review this decision at the next actuarial valuation. Members of the Scheme who wish to be considered for this indexation pay a higher contribution rate of 8% of pensionable salary.

The actuary carries out an annual update of the Funding Standard position of the scheme. The scheme met the Funding Standard at 31 December 2021. The next actuarial valuation of the scheme to determine the Society's contribution rate will be carried out as at 31 December 2021.

The pension charge for the Compensation Fund for the financial year was €284,002 (2020: €285,519).



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COMMITMENT TO THE ENVIRONMENT

The Law Society of Ireland is committed to energy efficiency, minimising waste, reducing water consumption, encouraging greener modes of transport, and generally encouraging a culture of sustainability and an awareness of our impact on the environment.

A limited number of hard-copy annual reports have been produced for administrative, accessibility and archival purposes.

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Marium Banatwala, a Diploma in Law conferee, attended the Diploma Centre conferral ceremony on 13 April 2022. The Law Society offers a variety of legal education courses, from qualifying as a solicitor to post-qualification education, where courses are offered in person, in hybrid format, and online. There are currently over 1,500 solicitor trainees at various stages on their qualification journey – the largest number of trainees in the system at one time. In keeping with an emphasis on inclusion, diversity and student-centred delivery, there has been a positive engagement with those interested in pursuing the solicitor qualification by way of a proactive outreach programme. The Society encourages candidates from all backgrounds, with different lived experiences and viewpoints, to consider qualifying as a solicitor.