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“Turn and face the strain, ch-ch-ch-changes,” sang David Bowie in his 1971 hit.

If Irish society in general has been reeling under the turmoil of the collapse in the economy over the last four years, the solicitors’ profession in particular has been reeling from the shock, not just of dramatic changes in the economy, but also from enormous changes peculiar to its own sector, most notably in the professional indemnity insurance market and in the changes proposed by the Minister for Justice in the form of the Legal Services Regulation Bill.

Thankfully, there was significant relief for the profession in insurance renewals for the calendar year 2012, both in the form of significant reductions in premiums and in the process of renewal itself. While premiums still remain very high, especially taking into account that we are all still paying far higher premiums for much less cover than previously, the reduction in premium levels came just about on time for the profession and it is to be hoped that we will see more reductions in the years to come.

The introduction of the single common proposal form – which was achieved through the great tenacity and hard work of the PII Committee, and also the director of regulation, John Elliot – was of great assistance in the renewal process.

From the end of this year, colleagues will be able to retire from practice without making any further payments to obtain run-off cover, which is a very welcome development.

At the time I assumed the office of President of the Society on 11 November 2011, the Legal Services Regulation Bill had already been published, without any advance consultation. It is no overstatement to say that the Society was both surprised and shocked by its contents and its implications for the profession.

The Society has been accused by various parties of overreacting and exaggerating the implications of the bill, but I must assure colleagues that the concerns of the Society were sincere – and supported by objective international commentators. While we have received significant assurances on a number of occasions from the Minister for Justice that many of our concerns will be addressed, we simply will not know whether or not adequate amendments will be made to the bill until the next version is published.

Enormous changes
What is clear, however, is that – no matter what happens – the bill will bring about enormous changes within the profession. Firstly, as a direct consequence of the bill, once the new Legal Services Regulatory Authority is established, the handling of all complaints against solicitors will move to the new authority.

The Society has always believed that its complaints-handling process – which has for some time had more lay involvement than it has involvement of solicitors – is fair, objective and efficient. This view has been endorsed by successive ministers for justice and successive independent adjudicators.

However, it was clear to the Society that there was no prospect of changing the mind of the Minister for Justice on this issue. Not only was this an issue about which the minister had full support from his own colleagues, but there was agreement across party lines in the Dáil on the matter. Moreover, it appeared to the Society that there was a very strong mood within the profession to relinquish the handling of complaints and, for these reasons, the Society took the very
significant decision that it would not seek to oppose those provisions of the bill whereby complaints-handling is to move to the new authority.

The transfer of these functions to the new authority will, of course, have very significant implications, not just for the profession, but also for the complaints-handling staff within the Society. The Society has been and will continue to campaign very strongly for the transfer of these personnel to the new authority in order to protect their livelihoods and ensure the transfer of their expertise to the new body.

Compliance supervision
While deciding not to oppose the transfer of complaints handling, the Society did campaign very strongly to hold onto the supervision of compliance with the Solicitors’ Accounts Regulations and the management of the compensation fund. The minister has indicated that he will accede to the submissions of the Society in this regard. The interests of the public and the profession on this issue are the same: to minimise the possibility of losses occasioned through fraudulent behaviour. Since it is we who must make up those losses, and since the compensation fund is our money, it is surely in our interests to ensure compliance with the regulations and to manage the fund.

The minister convened a conference on the bill in July, primarily to discuss alternative business models. At that event, he made it clear that it is his intention to introduce legislation permitting multidisciplinary partnerships (MDPs). There is no compelling reason advanced for the introduction of MDPs other than to afford the market a choice. However, there is nothing to support the proposition that the market, in fact, demands this choice or that it offers any better a service or better value to the consumer. On the other hand, such models of practice have the capacity to undermine the core principles of the solicitors’ profession, in that they introduce non-lawyers into the solicitors’ partnership.

The New South Wales regulator, Steve Mark, who addressed the conference, spoke passionately about how the core values of the profession in New South Wales had been strongly protected following the introduction of MDPs there, but the fact remains that the take-up of MDPs in New South Wales has been very small – from a high of 50, there are only about 20 today.

Legal costs
As regards assessment of legal costs, the Society has no problems with the proposed new structures, and in particular the establishment of a new Office of Legal Costs Adjudicator and the parameters set out in the bill for the assessment of costs.

The Society, however, has made comprehensive submissions in relation to certain aspects of this part of the bill that might operate very unfairly against solicitors, where bills of cost are reduced in the adjudication process through no fault of the solicitor.

The final issue that I want to mention in relation to the bill is the issue of the cost of running the authority itself. There is a very genuine fear that the introduction of the new authority will substantially increase regulatory costs. This is obviously not something that the profession can bear at the moment, and the Society is doing everything possible to try and avoid any such increase. Most recently, the Society has procured from Deloitte a comprehensive report making recommendations designed to minimise the costs of the new authority.

Whatever its final form may take, it is quite clear that the legislation, when passed, will substantially change the

Lord David Puttnam, Minister for Justice Alan Shatter, Law Society President Donald Binchy and his wife Claire at the Society’s annual conference in Castlemartyr, Co Cork
environment in which solicitors operate and in which legal services are provided. It will also change the relationship between the Law Society and its members. Because of that, it was decided to establish a Task Force on the Future of the Law Society.

The task force has already done a great deal of work under its chairman, John P Shaw. It is our hope that this work will help to identify the needs of the profession and what it wants from the Society in the future – and, following upon that, to do everything possible to meet those needs and wishes.

Conveyancing conflicts
Two years ago, the then president, Gerard Doherty, established the Conveyancing Conflicts Task Force, under the chair of Catherine Treacy (former chief executive of the PRA) to consider whether or not the Society should move to introduce regulations prohibiting solicitors from acting on both sides, subject to very limited exceptions. Last year, at a special general meeting, there was a very strong indication from the profession that it wished to see the introduction of such regulations.

The task force consulted with the profession before preparing its report, which it submitted to the Council in May, following which the Society then engaged in further consultation with the profession. The general mood of the profession indicated a strong willingness to introduce regulations prohibiting solicitors from acting on both sides, subject to very limited exceptions. Accordingly, at its meeting in July, the Council decided to go ahead with regulations in the form recommended by the task force.

“The general mood of the profession indicated a strong willingness to introduce regulations prohibiting solicitors from acting on both sides, subject to very limited exceptions. Accordingly, at its meeting in July, the Council decided to go ahead with regulations in the form recommended by the task force”

but, by a very significant majority, in a vote of 21-7, the Council voted to adopt the regulations as proposed by the task force.

The Council is aware that there are many members of the profession who will not favour these regulations, but there are also many members who do. My own personal view is that the background against which we now practise is so complex and difficult that both the public and the profession are best protected by the introduction of these regulations.

Levelling the playing field
The regulations also have the effect of levelling the playing field – colleagues who, in the past, have wanted to send clients away for independent representation or advice have been impaired from doing so by reason of the fact that too many other colleagues were willing to act on both sides without restriction.

Many members of the profession fear a loss of income by reason of these regulations. Paradoxically, the IFA and the ICMSA think that the profession will increase its income as a result. While it is likely that many of us will lose some clientele as a result of the regulations (my firm included), it seems equally likely that we will also gain new clients for the very same reason. Time will tell, but I agree with the view expressed to me by the director general that, in years to come, we will look back and wonder how it was that it was ever permissible to act for both vendor and purchaser in conveyancing transactions.

In preparing this report, I am acutely aware that the matters that are troubling colleagues most at the moment are the very difficult economic circumstances in which we are all practising, and the effect that this is having on all of our
practising lives. It is estimated that there are now approximately 1,000 solicitors unemployed, and it is hardly surprising that the state of the economy is having its most severe impact on newly qualified solicitors. The Society is doing everything possible to streamline its own finances and, regrettably, this has resulted in a significant number of redundancies, while at the same time maintaining services.

Unfortunately, however, the measures that the Society has taken have not enabled it to relay any significant reduction in the practising certificate fee. There was a reduction of €120 in the practising certificate fee for 2010. Additional cost savings would have resulted in a further reduction in the practising certificate fee in 2011, but it was necessary instead to transfer the value of these savings to the compensation fund in order to replenish its reserves. And as you know, we are all contributing to a fund to ensure an orderly wind-down of the SMDF. The Society continues to monitor expenditure very carefully, with the intent of maintaining the services that it provides to the profession at the lowest possible cost.

As far as newly qualified solicitors are concerned, the Society has, for a number of years now, provided Career Support services. I know that newly qualified solicitors have found these services to be very helpful in securing employment, and I would like to acknowledge the excellent work done by Keith O’Malley in this regard.

Voluntary input
No president’s report is complete without thanking all of those who work so hard on behalf of the Society. This includes members of the committees of the Society, Council members and the executive and staff of the Society. We are very fortunate, indeed, that our Society remains such a collegiate organisation and that it receives the enormous amount of voluntary input that it does from the profession. To all of those who have contributed over the past 12 months, I would like to extend my sincerest gratitude on behalf of everyone in the profession.

Our profession is also extremely fortunate to have what I believe is an extraordinarily talented and dedicated executive and staff. The list of those to whom I would like to extend my personal thanks is really too long to set out in this report and, in any case, I am somewhat reluctant to do so in case I cause offence by omission. Instead, I would simply like to thank all concerned for their enormous dedication and hard work and, in particular, for the fantastic support that I have received from each and every one of them during the course of the last 12 months.

While the profession is labouring under its own stresses and pressures, I would find it difficult to describe the extraordinary pressures under which various members of the staff of the Society have been operating for the last number of years. In extremely difficult conditions, they have worked extraordinarily hard – well beyond the call of duty – and on behalf of the profession and on your behalf, I would like to extend to all concerned my sincerest thanks and gratitude.

It has been my great honour and privilege to have served as your president. It has certainly been a challenging year, but one of immense personal satisfaction and fulfilment. I would like to thank you, the members of our very honourable profession – of which I am most proud – for giving me the opportunity to serve and represent you.

Donald Binchy,
President

“Additional cost savings would have resulted in a further reduction in the practising certificate fee in 2011, but it was necessary instead to transfer the value of these savings to the compensation fund in order to replenish its reserves”
President: Donald P Binchy
Senior vice-president: James B McCourt
Junior vice-president: Simon J Murphy


Past-presidents: John E Costello, Philip M Joyce, John D Shaw

Provincial delegates
Leinster: Andrew J Cody
Munster: Richard Hammond
Ulster: Margaret Mulrine
Connaught: David Higgins

Dublin Solicitors’ Bar Association representatives: Aaron McKenna, Eamonn Shannon, Keith Walsh
Law Society of Northern Ireland: Norville Connolly, Barry Finlay, Imelda McMillan, Michael Robinson, Brian Speers
“The threat posed by the bill to the independence of the legal profession is subtle, but real” – Retired Chief Justice Ronan Keane, speaking at the Law Society conference in the National Convention Centre on 5 December 2011.

Of course there must be reform of the legal profession in Ireland – but not at the expense of core values of the justice system” – Viviane Reding, European Commission vice-president responsible for justice, fundamental rights and citizenship.

It has been the year of the bill. Or at least, the first year of the bill.

As the Society’s annual report went to print last year, publication of the Legal Services Regulation Bill was awaited. Now, publication of the Minister for Justice’s promised very extensive committee stage amendments are awaited.

Assuming the minister follows through on the political commitments he has made to the Dáil and in numerous public speeches, his amendments will result in a much altered and much improved bill. The Society’s powers of patient, reasoned persuasion will deserve (but probably not receive) some credit for this from the profession and the public.

The Law Society was shocked by the provisions for indirect government control of the legal profession on publication of the bill. The model of regulation chosen was not the one recommended by the Competition Authority and had no counterpart in a democracy anywhere in the world. Our dismay was shared by numerous expert commentators in Ireland and abroad.

The Minister for Justice dismissed these concerns as baseless. Whatever was the minister’s intention, however, the Society and numerous other well-informed commentators were in no doubt that the potential undermining in relation to independence was very real and (to the extent that the bill, as published, has not yet been amended) it remains very real. At the time of writing we hope – but cannot be certain – that this will be adequately addressed. We can only wait and see.

Intense media interest
The media interest was intense in the weeks following the publication of the bill on 12 October 2011. In addition to the extensive coverage in print and on the radio, the TV news and major current affairs programmes such as Prime Time and The Frontline gave extensive time to debates on the bill and its implications. The issue subsequently was covered even as far afield as in The Wall Street Journal.

On the same day as the minister’s first detailed news release about the bill, I was interviewed on behalf of the Society by Brian Dobson on RTÉ’s Six One TV news. I made it clear that the Law Society was by no means opposed to all change and, for example, welcomed the measures proposed to make the assessment of legal costs more modern, predictable and transparent. But I took the opportunity to deliver two simple messages: namely, that the Society was deeply concerned that the model of regulation chosen could undermine something essential for the protection of citizens’ rights in a democracy, that is, the independence of the legal profession from improper interference by government; and that there was a deep concern also that the cost of the regulatory model could be unnecessary and excessive for a legal profession that was suffering very badly in economic terms.

Sitting in the Dáil gallery in subsequent weeks, it was interesting to hear the extent to which both the independence and the cost of regulation issues were central themes in the bill’s second stage debate, to which, very unusually, no less than 40 TDs contributed.

In early December 2011, Taoiseach Enda Kenny granted Society representatives an opportunity to make representations to him, face to face. He gave us certain public reassurances in response. Representations were also made at the highest levels of the Troika. Further reassuring responses were received from both the director of the IMF, Christine Lagarde, and European Commission Vice-President Viviane Reding.
Unprecedented step
To show the extent that our worries about the threat to an independent legal profession were shared by leaders of the legal profession across the world, the Society took the unprecedented step of organising a conference in the National Convention Centre on 5 December 2011 to inform its members and the public of its grave concerns in relation to the bill.

The Society invited international leaders of the profession to express their opinions, including President of the American Bar Association Bill Robinson, incoming President of the CCBE (the Bars and Law Societies of Europe) Dr Marcella Prunbauer, and Executive Director of the International Bar Association Mark Ellis. Other speakers at the conference included the chairman of the Bar Council, Paul O’Higgins SC, and retired Chief Justice Ronan Keane, who authoritatively informed the 600 solicitors and barristers who attended that the threat the bill posed to the independence of the profession was “subtle, but real”.

Following the conference, a special issue of the Gazette, summarising the various contributions, was published and sent to every member of the Oireachtas and to every solicitor.

Constructive engagement
The Minister for Justice continued to deny that there was any proper basis for these concerns. Nevertheless, when he spoke in response to the second stage debate in the Dáil on 23 February 2012, he undertook to make important changes to the bill, which would allay fears that the proposed new Legal Services Regulatory Authority would not be truly independent of government as, he acknowledged, it should be.

In this annual report, President Donald Binchy has dealt with numerous other important issues in relation to the bill, which I will not duplicate here. Suffice to say that the historic change of position by the Council of the Law Society at its meeting on 20 January 2012 – that the Society was content to see complaints transferred to the Legal Services Regulatory Authority – had a very positive impact on both the tone and content of relations between the Society and the minister. It is the Society’s perception that the constructive engagement that the Society had been seeking from the outset began to take place thereafter.

The minister subsequently attended and spoke at a parchment ceremony in
Blackhall Place on 23 February 2012. In addition, he was the keynote speaker at the Society’s annual conference in Castlemartyr in April. An illustration of real progress was his announcement in Castlemartyr that he was now disposed to amend the bill to provide for the limited liability partnership model for solicitors’ firms. This had been sought for over a decade by the Society, and has long since existed as an option for firms of lawyers in most other common law jurisdictions throughout the world.

The Society has made over 100 pages of detailed submissions on various aspects of the bill - including in relation to some of the new provisions for assessing legal costs. It was notable that a number of these concerns, about potential unfairness and unworkability of aspects of the legal costs provisions, were shared by the taxing master of the High Court in remarks he made at a CPD lecture to solicitors in Blackhall Place in June. All of the policy development and drafting was overseen by a task force chaired by Council member Michael Quinlan.

Future of the Law Society

The other task force strategically established by President Binchy at the beginning of his term was the Future of the Law Society Task Force, chaired by Council member John P Shaw. The primary stimulus for this initiative was the bill, but the work of the task force ranged much wider than the impact of this legislation.

A fundamental question was: ‘what does the profession want from the Law Society?’ Just about every bar association in the country was visited, as well as the managing partners in many of the large firms. A major survey of the profession’s views in relation to the Society is about to be undertaken by leading research company Millward Brown Lansdowne.

This was a year in which the Council of the Law Society was required, to a greater extent than ever before, to think and act strategically. It rose to that challenge, engaging in analytical, practical and passionate debates. But the core values of the profession were maintained in decisions on difficult issues to do with the bill and the report of the Conveyancing Conflicts Task Force. I find it difficult to think of any year in which the Council gave such strong leadership to the profession as it did this year.

This has been an extremely difficult year for the staff of the Law Society. All were plunged into uncertainty over their future by the publication of the bill. The worst anxiety and distress has been experienced by the staff of the complaints section.

No provision has been made in the bill for their employment to transfer to the Legal Services Regulatory Authority along with their jobs. Their employment would transfer automatically if the new body was in the private sector. It is very much in the public interest that their unique specialised experience should not be lost. The Society continues to urge the Government not to perpetrate an injustice here.
The president, in his annual report, has properly paid a warm tribute to the Society’s excellent and very hardworking staff. I join him in doing so. The unfailing effort and professionalism of these staff, who have maintained morale despite all the exceptional pressure, has been particularly striking this year. The Society’s senior management team is the dynamo that drives the Society’s staff, and no one on that team has ever worked harder, more productively or more resourcefully (at a time of very reduced resources, through cutbacks, and in the wake of 27 staff redundancies) than they did this year.

A very thoughtful president
Donald Binchy has been a very thoughtful president, in more than one sense of the word ‘thoughtful’. It was characteristically thoughtful of him to have given recognition to the special efforts and achievements of the Society’s staff this year. He displays an empathy for the colleagues around him that does him credit.

But he is also thoughtful in the sense of being a very open-minded, reflective, serious and deep thinker about the profession, its present state and its various possible futures. A polished and articulate speaker, an engaging personality and an excellent representative of the profession, he was an ideal president to meet with his counterparts from across the globe during the massive annual meeting of the International Bar Association in Dublin in early October 2012.

Of course, as this annual report demonstrates, there was far, far more than the Legal Services Regulation Bill dealt with by the Society this year. But there was nothing else that had the potential impact – still has the potential impact – to undermine the most fundamental role of the legal profession in a democracy: namely, to be independent of government so that it can, on behalf of citizens, hold the government and all other emanations of the State to account in accordance with the rule of law.

Naturally, every practitioner’s most immediate concern, particularly given the prolonged nature and depth of the recession, is where their next piece of fee-earning work will come from. Nevertheless, it was clear among the 600 lawyers in the National Convention Centre on 5 December 2011, as at bar association and large-firm visits that the president and I undertook throughout the year, that there was a genuine and unifying concern throughout the profession to ensure the continuation of a legal profession truly independent of government control.

Yes, it has been the year of the bill. Or at least, the first year of the bill.

Ken Murphy,
Director General
Policies, Communication and Member Services Department

During 2012, the practical supports provided by the department were further diversified beyond career support and employer support to practitioner support. Each strand is anchored in a comprehensive online presence, with guidance ranging from CV preparation, to staff recruitment, to advice on setting up a business. In August/September, a very successful series of briefing sessions on business development and people-management issues was organised in collaboration with local bar associations at a nominal fee.

In the 12 months to 31 July 2012, the Career Support service handled 11,000 email enquiries and 5,000 telephone enquiries, with 540 members availing of a one-to-one consultation and 810 members attending one of the 41 training events. Over 800 CVs were submitted for review. The service earned an outstanding achievement award from the Irish Institute of Training and Development for its work-experience module of the Job-Seekers Support Programme.

The online legal vacancies facility was visited 1.2 million times, with 738 opportunities advertised – almost double the number in 2010. A mentor programme for newly qualified solicitors was introduced on a pilot basis, and it is hoped to expand this in the future, when more practitioner mentors become available.

Use of the website continued to grow, with 1.55 million visits by 330,000 visitors and 6.8 million views – a 15% increase on the same period last year. The online shopping cart has proved very popular and more products will be added in the near future. Practitioners can update their own personal or work details in the upgraded ‘My profile’ facility. Seven member eZines and 15 presidential eBulletins were issued in the year to 31 July. With an average open rate of 37%, readership is well above the industry standard.

The Library and Information Service also expanded its online offering following the launch of a new online catalogue in January, with the continued digitisation of its unreported judgments collection, the launch of a judgments alerting service in May, and an e-books loan service in July. As part of its more traditional functions, the library lent 7% more books than in the previous 12-month period.

The Gazette continued to be the primary source of news and information for members, with a print-run of 12,400.

With a keen eye to the future, the department progressed the work of two special projects during 2012. The eConveyancing Project continued its exploration of a transformation programme for the conveyancing process that would deliver a more effective and efficient land market, with significant benefits for consumers, the Government and the profession. The Future of the Law Society Task Force engaged in an independent research process, culminating in an online survey of the profession designed to provide a ‘roadmap’ for the future direction of the Society.

Mary Keane,
Deputy Director General

“The eConveyancing Project continued its exploration of a transformation programme that would deliver a more effective and efficient land market, with significant benefits for consumers, the Government and the profession”
“The underlying problem in relation to undertakings to financial institutions has abated significantly and is now largely historic rather than developing”

The past year has seen a transformation in the regulatory landscape regarding professional indemnity insurance, the key elements of which were a marked improvement in the renewal process, the common proposal form and the new run-off fund (ROF).

The Society again commissioned an independent survey of the profession and operated the PII helpline. The final number of firms that validly applied to join the assigned risks pool (ARP) ‘safety net’ was down to 12 from 24 last year (out of over 2,200 firms). Capita Commercial Insurance Services was appointed to manage the new special purpose fund encompassing the ROF and the ARP, and we continue to actively engage in consultations with insurers.

The duties and responsibilities of solicitors when closing a practice have come into greater focus. New Close of Practice Guidelines have been published, which are particularly important in the context of solicitors obtaining run-off cover on the best terms available. See www.lawsociety.ie/pages/PII/Run-off-cover.

Complaints by financial institutions about breaches of solicitors’ undertakings continue to be a feature of our work, but now with declining frequency. Moreover, the underlying problem in relation to undertakings to financial institutions has abated significantly and is now largely historic rather than developing. I believe that the lessons of the past in this regard have been taken on board by the profession as a whole.

We have engaged in extensive work in connection with draft new Solicitors’ Accounts Regulations, conveyancing conflicts, the statement of practice for Law Society investigations, education of solicitors, and residential undertakings – all of which are reported on in fuller detail elsewhere in this Annual Report.

Regulatory litigation continues at a high level. In 2011, a total of 105 applications were made to the High Court under the Solicitors Acts, compared with 99 the previous year.

A notable recent development has been a number of prosecutions of solicitors and former solicitors for fraud. Last year, the Society expressed its frustration to An Garda Síochána regarding the apparent lack of progress in investigations of suspected fraud by certain solicitors and former solicitors.

We continue to liaise closely with the Society’s Career Support service to assist, insofar as possible, with addressing the concerns of solicitors seeking employment.

This department has been examining the Legal Services Regulation Bill 2011 in detail. It is clear that the changes proposed by this bill have many complex and, as yet, generally unrealised impacts on the current regulatory system. The full implications of the changes ahead are only gradually becoming apparent to all the stakeholders involved.

John Elliot,
Registrar of Solicitors and
Director of Regulation
At post-qualification level, the Diploma Programme is flourishing. A record number of 660 attendees attended 20 diploma and certificate courses during the last year.

For the first time in six years, the number of new trainee solicitors has not fallen. Not only that, but numbers attending post-qualification courses have greatly increased this year.

In 2006, a total of 668 students attended the PPCI. This fell to 413 trainees in 2010 (a 38% fall). However, 413 trainees attended the PPC in 2011 and we anticipate a broadly similar number in September 2012. The number of candidates sitting the Final Examination – First Part continues to fall. In April 2012, 50% fewer candidates sat the examination than in April 2008.

Highlights of the year included the very successful hosting of the International Client Counselling (Interviewing) Competition in Blackhall Place in April. A hundred participants from 22 states worldwide took part in the competition. It was very well received by all those taking part and will be followed in 2013 by the International Mediation Tournament, which will also take place in the Law School. Another high point was the award of the prestigious European Language Label 2012 to the legal practice Irish courses, which run on PPCI and II.

At post-qualification level, the Diploma Programme is flourishing. A record number of 660 attendees attended 20 diploma and certificate courses during the past year. These courses included new diplomas in compliance management and in-house practice, as well as new certificate courses in banking law, public procurement law, and employment law and advocacy. A number of courses have been offered, and three more are planned, where students use tablet computers (iPads) as a learning tool and retain the iPad at the end of the course. All diploma courses are now webcast, enabling attendees to view lectures live on the internet or to replay them at a later date. As a result, the number of students attending these courses from outside Dublin has grown to 33% of all those taking these courses. The Diploma Programme’s innovative contribution to legal education was recognised by its receipt of the title ‘Law School of the Year’ at the inaugural Irish Law Awards.

The Professional Training section also achieved external recognition, winning two outstanding achievement awards from the Institute of Training and Development. These were for the most innovative use of technology and the ‘Best Work Placement – Graduate and Non-Graduate’ category. Funding was received from the Government’s Skillnet and Finuas schemes for the continued operation of the Job-Seekers Support Programme for unemployed solicitors. In cooperation with the Society’s Career Support service, 162 solicitors have undertaken training and work placements. The numbers attending training events grew considerably in 2011/2012, with 2,461 solicitors attending the various training events on offer.

TP Kennedy,
Director of Education
For the past 12 months, the department’s focus has continued to be on cost reduction, process improvements and protecting the Society’s financial assets from the uncertainties caused by the ongoing problems within the Eurozone. At the same time, the department continued to fulfil its primary role of providing internal services and infrastructure to the other departments that provide the core business functions of regulation, education and representation. The department also managed many of the commercial activities of the Society through another turbulent year.

With income continuing to fall in 2011, down €1 million or 4% (2010: down 15%), cost reduction continued to be a major focus. Unfortunately, as with 2011 when savings were effectively absorbed by increased contributions to the compensation fund, projected savings in 2012 did not result in a reduction in the practising certificate (PC) fee, due to the advent of the SMDF levy of €200 per PC. The Society’s income is €22.5 million, with general activities accounting for 60%, and education the remaining 40%. This income is managed to ensure that members receive value for money through a rigorous budgeting process, detailed monitoring throughout the year and an annual review of the five-year plan.

On the facilities side, in addition to the ongoing business of providing internal services such as printing, post, telephone, reception, cleaning, security and maintenance, the department oversaw the first major refurbishment in over ten years of the Four Courts’ consultation rooms. The objective was to bring the rooms up to current-day standards. The contracting out of the bar and catering operations in Blackhall Place, now in its second year, has resulted in significant savings to the Society.

On the IT side, the Society’s processes are heavily dependant on IT and the internet. The department provided support to all areas in effecting improvement in the delivery of services electronically, including the publication of exam results online. The IT section continues to be progressive in the electronic and online delivery of educational services. The practising certificate and Law Directory processes continue to be refined to make them less arduous for members. An online booking system for the Four Courts’ consultation rooms has been successfully piloted and will be rolled out in the latter part of 2012.

The department is the ‘risk manager’ for the Society and is responsible for its extensive insurance programmes, maintaining a risk register of the Society’s activities, and business continuity planning. It also has ongoing responsibility for overseeing the implementation of the agreement between the SMDF and the Law Society in relation to the orderly run-down of the SMDF’s activities.

On the commercial side, activities have maintained their 2011 income levels in 2012. These include the Four Courts’ consultation room hire, publication sales, advertising, premises hire and catering and bar services at Blackhall Place.

The department and its staff are committed to providing high-quality support to the core business functions of the Society and to undertaking a wide range of tasks assigned to it in a willing and efficient manner.

Cillian MacDomhnaill, Director of Finance and Administration
PARCHMENT CEREMONIES 2012

At the presentation of parchments on 12 July 2012 were newly conferred solicitors Sinead Garnett (Kerry) and Fiona Loughlan (Kildare)

Padraig Twomey (Sandymount) and Paula Woolfson (Ranelagh) celebrate receiving their parchments on 9 March 2012

Attending the parchment ceremony on 28 June 2012 were Tommy Canavan, Joseph Marrinan, John O’Donoghue, Philip Tully, Robert Barrett, Eric Walsh and Cian Martin

Pictured at the parchment ceremony at Blackhall Place on 23 February 2012 were Julie McEvoy (Laois), Aoife Gallagher Watson (Dublin) and Nuala Clayton (Derry)
At the presentation of parchments at Blackhall Place on 17 May 2012 were newly conferred solicitors Louise Moore (Limerick) and Lisa O’Callaghan (Cork) with RTÉ broadcaster and guest speaker, Miriam O’Callaghan.

Newly conferred solicitors at the parchment ceremony on 12 July 2012 included Paul Ivers (Galway), Douglas Parson Lappin (Sligo), Amanda Jane Sweeney (Dublin) and John Kerin (Kildare).

Enjoying the parchment ceremony on 28 June 2012 were Grace Gannon (Kildare), Maria Tuffy (Sligo) and Sophie Fredrick (Dublin).

Newly qualified solicitors at the parchment ceremony on 28 June 2012 were Rachel Mullery (Galway) and Claire Morgan (Belfast).
Complaints and Client Relations Committee
Andrew Cody, chairman

This is my first report as chairman of the Complaints and Client Relations Committee. I would like to extend my thanks to the former chairman, Simon Murphy, and former vice-chairman Stuart Gilhooly for all their work on the committee over the last number of years. I would also like to thank the two vice-chairmen, Barry McCarthy and James O’Sullivan, and indeed all of the members of the committee for their hard work throughout the year.

For the last five years, there has been a huge increase in the number of complaints exclusively in relation to conveyancing undertakings. I am glad to report that the current trend for this year is that these complaints are now beginning to reduce. Other complaints are substantially down too, for example, complaints regarding delay are down 60%, complaints regarding dishonesty are down 60%, and complaints regarding failure to communicate are similarly down 55% over the last five years. Excluding the increase in relation to conveyancing undertakings, the overall number of complaints is down 35% over the last five years.

Over the past year, the committee has become increasingly concerned at the increase in the number of solicitors requiring medical assistance, whose health has suffered as a result of the economic downturn. Services such as Law Care and Consult a Colleague are invaluable in such circumstances.

Complaints to date have been handled by the staff to the highest standard possible, and the ISO Quality Mark that was achieved in 2003 has been re-certified every year since then. The ISO Inspectorate has consistently commented on the quality of service provided. The independent adjudicator to the Law Society in her last report acknowledged their “persistent and professional work”.

The replacement of such excellent staff by inexperienced civil servants will inevitably lead to mistakes, inefficiencies, loss of confidence in the new body, extra costs to the Society and will, in my view, prove to be a serious mistake.

The loss of such expertise would be inexcusable.

The Legal Services Regulation Bill will, in all likelihood, come into force before the next annual report, and while I welcome many of the provisions, the failure of the minister to provide for the transfer of the existing staff of the Law Society to the new authority is a retrograde step. The excellent staff of the Society, led by Linda Kirwan, has a unique specialist expertise in the area of legal professional regulation. There are numerous precedents for such staff to transfer to a new regulatory body, such as the Irish Stock Exchange, Pharmaceutical Society of Ireland, Medical Council, Central Bank of Ireland and Health Information and Quality Authority.

Coordination Committee
Donald Binchy, chairman

The Coordination Committee operates as the oversight committee for the projects undertaken by each of the Society’s committees. It reviews the benefit of these projects in terms of resources and delivery and 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.

The committee also acts as a link between the committees and the Council and provides a useful forum for the resolution of operational and procedural matters. In late 2011, the committee held two half-day meetings with the chairmen of the Society’s standing committees and new task forces to discuss strategic issues facing the Society and the profession, both in the short and long-term.

A further function of the committee is the consideration of issues falling outside the remit of any of the other committees. During the past year, the committee coordinated the Society’s position on a number of key issues, including the proposed regulation of lobbyists, the ‘next steps’ for the eConveyancing Project, an income protection scheme for members, a mentor programme for newly qualified solicitors, requests for appointments to external bodies, and requests for membership of Society committees.
year for the Education Committee. The committee revised the CPD regulations, which were approved by Council in September. Work was carried out on the development of new commercial law electives for PPCII and on the implications of the Legal Services Regulation Bill. This year saw 408 students complete the first course on English and Welsh Property Law and Practice. This course is a requirement for Irish solicitors who want to apply for admission in England and Wales.

Monitoring the financial performance of the Law School remained a priority for the committee. Despite a continued fall in the number of trainees and examination candidates, careful cost control meant that, while retaining and developing educational excellence, the Law School met its budget targets.

The committee was proud that a number of Law School activities received external recognition during 2012. The Diploma Team won the ‘Law School of the Year Award’ at the inaugural Irish Law Awards. The accolade honoured a law school regarded by the judging panel as being "pre-eminent in legal education" in Ireland.

For the second year, Law Society Professional Training was successful at the Irish Institute of Training and Development Awards, receiving the accolade for excellence and innovation in training and a second award for innovative use of technology.

Finally, the Law School’s Irish language courses won the European Commission’s European Language Label award, which recognises new initiatives in the field of teaching and learning languages.

A highlight of the year was the Brown Mosten International Client Consulting Competition, which was hosted by the Law School in April. Over 100 delegates from 22 countries attended the four-day event. The feedback from participants was overwhelmingly positive.

My sincere thanks to my fellow committee members for their hard work during the year, in particular vice-chair John O’Connor, who we congratulate on his recent appointment to the District Court bench, and to all the staff of the Law School.

Finance Committee

Patrick Dorgan, chairman

While the Law Society continued to feel the impact of the economic recession on its activities throughout 2011, it did manage to ensure that the Society’s general and education activities operated close to break-even during the year. The after-tax operational surplus for these areas was €330k (2010: €283k), which was 1.6% of income. Reserves, including amounts allocated to the litigation, Education Centre and capital reserve funds, before making a provision for property impairment, increased by €2.4 million (2010: €3.1 million).

The operating surpluses for the Law Society are incorporated in ‘group’ accounts, which include all Law Society subsidiaries and related undertakings. The outcome for the Law Society’s group for the year was an after-tax surplus of €378k (2010: €3.1 million). This includes an additional impairment provision on the Benburb Street site of €2 million, which is shown as an exceptional item in the income and expenditure account (see page 41). This additional write-down should be seen in the context of the Society never planning to sell the site.

While the group accounts give a full picture of the financial performance and the financial position of all Law Society operations, they can distort the view of the individual elements of the operation. Consequently, the table below shows the management accounts results (which shows actual trading outcome) and the audited group statements for all the activities in question.

Overall results (€,000)

<table>
<thead>
<tr>
<th>Entity</th>
<th>Management accounts</th>
<th>Audited group statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>General activities</td>
<td>-25,929</td>
<td>183,349</td>
</tr>
<tr>
<td>Funds</td>
<td>2,088,868</td>
<td>2,088,868</td>
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<tr>
<td>Education activities</td>
<td>430,616</td>
<td>1,042,739</td>
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<tr>
<td>Impairment</td>
<td>-2,000,000</td>
<td></td>
</tr>
<tr>
<td>Law Club of Ireland</td>
<td>-19,114</td>
<td>-774,210</td>
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<tr>
<td>Benburb Street Property Co Ltd</td>
<td>-2,011,731</td>
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<tr>
<td>Friary Property Services Ltd</td>
<td>136</td>
<td></td>
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<tr>
<td>Ellis Quay Property Services Ltd</td>
<td>-10,227</td>
<td></td>
</tr>
<tr>
<td>Sundry income</td>
<td>6,478</td>
<td></td>
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<tr>
<td>Restructuring costs</td>
<td>-</td>
<td>-94,605</td>
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<tr>
<td>Group taxation</td>
<td>-74,587</td>
<td>-74,587</td>
</tr>
<tr>
<td>Total surplus</td>
<td>378,032</td>
<td>378,032</td>
</tr>
</tbody>
</table>

After tax operating surplus 2011

![Graph showing after tax operating surplus 2011](image)

Our income streams

Total income fell by 4% to €22,503k (2010: €23,459k). Fees and subscription income remained static, education income decreased by 8%, and income from other sources fell by 10%. Fees and subscriptions, which are primarily practising certificate, membership and admission fees income, increased by €29k. This was despite a decrease in the registration fee element of the practising certificate fee for 2011 of €40, or 3.4%. This was possible as a result of continuing cost-saving initiatives.

In 2011, there were 8,571 (2010: 8,335) practising certificate holders – an increase year on year of 236, or 3%. Surprisingly, this figure has remained fairly static over the last four years and is slightly above the 2008 figure. There
were 9,717 members (2010: 9,774), a decrease of 57. The membership number includes 518 solicitors who availed of free membership on the basis of being over 50 years admitted or being unemployed. There were 718 admissions to the roll in 2011 (2010: 729).

Practising certificate fee income totalling €2,181k (2010: €2,614k) was allocated to the litigation fund (€275k) and the capital reserve fund (€1,906k). The Society’s commercial and other activities continued to feel the impact of the recession, with income down to €1,636k from €1,827k in 2010. Interest income at €365k was €104k better than in 2010.

Education activities income at €8,903k (2010: €9,698k) fell by 8%. The income can be broadly analysed as €5.7 million from professional practice course (PPC) fees, €1.1 million from exam fees and indentrues, and €2.1 million from LSPT seminars, grants and diploma courses.

The student intake for PPC courses in September 2011 was 412 (2010: 413), a fall of 3% from a high of 666 in 2007. FE1 sittings fell from 3,328 in 2007 to 1,752 in 2011, down 47%. Diploma courses performed very well in 2011 and LSPT, with its successful Skillnet and Finunas programmes, which attracted State grants of €541k (2010: €215k), almost broke even. Other income relates to our subsidiaries, and the fall of €264k arises from the contracting out of the bar and catering operations.

Our expenditure
Total expenditure fell from €20,224k to €20,051k, down 1%. On the general activities side, operating charges increased by €749k, or 7%. In general terms, all of this increase was attributable to exceptional costs incurred in relation to the PII Taskforce dealing with the master policy and SMDF financial support issues, and additional legal costs in the regulatory area. All other cost areas show tight cost control. Education activities’ operating charges decreased by €837k, or 10%. This was in line with the fall in income in this area. Education Centre fund investments showed a loss of €92k as a result of the sale of some investments as part of a de-risking strategy. Financing costs of €287k are effectively rent under the sale-and-lease-back arrangement on the Education Centre. ‘Other expenditures’ are the costs associated with our subsidiaries and were €939k (2010: €1,254k). This fall in expenditure mirrors the fall in income in these areas. There were five redundancies in 2011, at a cost of €95k.

Our balance sheet
Despite the impairment charge of €2 million, the balance sheet strength improved to a net assets position of €22.3 million (2010: €22.0 million). The reserves include two contingency funds for capital expenditure (€2.2 million) and litigation (€1.8 million), which act as reserves to meet costs in these areas as they arise. There are also two ‘sinking’ funds, the Education Centre fund (€7.1 million) to buy back the Education Centre in 2014 under a sale-and-lease-back arrangement; and a capital reserve fund (€11.5 million) to pay for the Benburb Street site over a ten-year period. The balance of the reserves is allocated to the Law Society (-€4.2 million) and the Law School (€3.9 million). The bulk of the Society’s reserves are tied up in fixed assets, including Blackhall Place.

Our subsidiaries and related undertakings
As mentioned previously, the group’s structure includes a number of subsidiary entities that are effectively run on a break-even basis. The Law Club of Ireland operates the commercial elements of the Blackhall Place premises, and it made an operational loss, before redundancy costs, of €129k. This is a significant decrease on 2010 and is as a result of the contracting out of the catering and bar operations in late 2010. After a contribution from the Law Society of €167k and redundancy costs, the loss was €19k (2010: €9k).

Benburb Street Property Company Ltd, which owns and manages the Benburb Street site, made an operational loss, before the site revaluation loss, of €12k (2010: €7k). After revaluation, the loss was €2,012k. Friary Property Services Ltd,
which rents and manages the Solicitors Disciplinary Tribunal offices, broke even (2010: €2k) and Ellis Quay Property Services Ltd, which rents and manages the Law School’s facilities in Cork, made a loss of €10k (2010: €27k).

2012
Despite the continued economic uncertainty, it looks like the Society will achieve its budget for 2012, which projects a small operational surplus. The projection for practising cert numbers is that year-end figures will slightly exceed 2011. As approved by the membership, an SMDF financial support levy of €200 was included in the 2012 practising certificate fee. The wind-down of the SMDF is proceeding in line with expectations.

The Finance Committee is very conscious of the impact of the downturn on the profession but felt it was prudent not to further reduce the practising certificate fee in 2012 given the reductions in 2010 and 2011. The committee is also very conscious that the members’ approval of financial support to the SMDF will impose an additional burden on practitioners. It is working to reduce costs to ensure the burden is minimised and that the practising certificate fee and the cost of education to practitioners are kept to a minimum. Likewise, it is lobbying hard to ensure that whatever changes the Legal Services Regulation Bill brings, these should not result in a cost increase to solicitors.

The committee continues to ensure that members get value for money for all operational project spending and that the Law Society’s operations are sufficiently resourced to serve members in the most efficient and effective manner.

Money-Laundering Reporting Committee
Michael Quinlan, chairman

The committee met regularly during the year and continues to fulfil the Society’s obligations in reporting any suspicions to the relevant authorities that money laundering or an offence of financing terrorism has been committed by a practising solicitor and in investigating due compliance with anti-money-laundering obligations by practitioners.

In order to ensure that the Law Society meets its obligations with regard to relevant offences reporting, in line with the provisions of section 19(1) of the Criminal Justice Act 2011, the remit of the committee was extended by the Council of the Law Society to cover those obligations.

The effect of this new legislation is that, where the Law Society has information that it knows or believes might be of material assistance in preventing the commission of a relevant offence for the purpose of the Criminal Justice Act 2011, or securing the apprehension, prosecution or conviction of a person for such a relevant offence, it is obliged to disclose that information as soon as it is practicable to An Garda Síochána.

I would like to thank my predecessor as chairman, John O’Connor, and the other committee members for their work during the year. I would also like to thank the Society’s senior investigating accountant, Seamus McGrath, and committee secretary Tina Beattie for their work.

Professional Indemnity Insurance Committee
Stuart Gilhooly, chairman

As has been the case for several years now, the work of the Law Society to regulate the provision of professional indemnity insurance was divided between the Professional Indemnity Insurance Committee (PIIC) and Professional Indemnity Insurance Taskforce (PIIT). Between them, we have endeavoured to ensure that the good work of 2010/11 has continued and that the market works in as smooth and economic a manner as possible.

Through the offices of the Qualified Insurers Liaison Committee, which comprises representatives of the PIIC and the insurers’ market, we have maintained a regular dialogue while monitoring the regulation of the market, seeking new entrants and addressing the concerns of the current participants.

In a new development, run-off cover is now provided, for no extra charge, to any firms seeking to close, so long as they meet the eligibility criteria. As a result, a special purpose fund (SPF) has been set up, which is monitored by the SPF Committee, of which both the PIIC chairman and the director of regulation are members. This fund administers both the run-off fund requirements and those of the assigned risks pool, which remains an insurance option of last resort for those unable to obtain cover on the market.

The introduction of the common proposal form was a success and has now been modified to improve the document further. Feedback on the new form is welcome.

The PIIC will continue to pay the closest attention to the requirements of the profession in this most important area of practice and is acutely aware that the improvements of the last renewal period must at least be maintained and preferably enhanced.

Many thanks to both the PIIC and the PIIT for their hard work and assistance. In addition, and in particular, my huge gratitude goes to Sorcha Hayes and John Elliot for their invaluable input, and also to the now retired Rosemary Fallon for her dedication over many years to the PIIC and the Law Society.
AUDITED ACCOUNTS
Our overall financial performance
The income and expenditure account of the compensation fund reflects a deficit (representing an excess of expenditure over income after taxation) of €998,052 for the year ended 31 December 2011, compared with a deficit of €1,247,198 for the year ended 31 December 2010. The decrease of €249,146 in the deficit for 2011 compared with 2010 is attributable to a decrease in 2011 of €1,991,491 in income, a decrease of €2,283,038 in expenditure, compared with 2010, together with an increase in taxation amounting to €44,401.

Our income streams
The decrease of €1,991,491 in income in 2011 is attributed mainly to a decrease of €2,024,058 in insurance recoveries under the fund’s excess loss insurance policy. Contributions receivable increased by €501,880 due to an increase in the annual contribution levy of €40 per solicitor.

Our expenditure
The decrease of €2,285,028 in expenditure as between the two years is substantially attributable to a decrease in the provision for claims of €2,480,503.

Our balance sheet
The net assets of the fund as at 31 December 2011 stood at €12,960,911 compared with €13,592,045 at 31 December 2010. The decrease of €631,134 in the net asset position of the fund between the two years is reflected in a decrease of €998,052 in revenue reserves, together with an increase of €366,918 in the revaluation reserve on the fund’s investments. These investments are recognised in the accounts at prevailing market valuations at year end.

Developments since December 2011
In the six months ended 30 June 2012, a total of 162 claims were received. Excluding invalid claims refused, these claims amounted to €1,925,125. Payments were made in the sum of €712,454 in respect of claims, and claims amounting to €1,212,671 are still under consideration.

The net assets of the fund are valued at €16 million as at 30 June 2012. The annual contribution to the fund was €700 per solicitor for 2012. Insurance cover for €50 million in excess of €5 million is in place for the year ending 31 December 2012.

Activities during the year
The committee met on 16 occasions, for eight scheduled, five emergency and three special meetings. As a result of these meetings, the committee decided to:

- Refer 20 solicitors to the Solicitors Disciplinary Tribunal on foot of findings disclosed in the investigation reports on their practices,
- Refer two solicitors to the Solicitors Disciplinary Tribunal for failure to file accountants’ reports on time,
- Refer two solicitors to the Solicitors Disciplinary Tribunal for practising while not holding practising certificates,
- Apply to the High Court for an order freezing the accounts of ten solicitors where dishonesty was discovered, and in respect of one practice where the solicitor had surrendered his practising certificate and was no longer practising, but had failed to provide any documentary evidence to show whether any client monies were held in the client bank account, or whether the client bank account had been closed,
- Apply to the High Court to take up the files of five solicitors’ practices,
- Apply to the High Court to suspend the practising certificates of nine solicitors,
- Levy contributions amounting to €75,750 towards the costs of investigations,
- Apply to the High Court pursuant to section 18 of the Solicitors (Amendment) Act 2002 for an order permitting the Society to close down a solicitor’s practice where the solicitor, a sole practitioner, was no longer permitted to practise on his own account by order of the High Court and had no practising certificate.

The team of investigating accountants conducted approximately 350 investigations throughout the year.

The committee continued to support the confidential practice advisory service, with 70 firms availing of it during the past year and 260 since the service was launched. This half-day, one-firm session gives practice advice on regulatory compliance, cash-flow management, financial benchmarking and banking arrangements. The service, which is provided through Outsource, also contains tailored advice on the firm’s options in terms of growth, merger, buying a practice or the implications of exiting from practice. This is designed to be of practical assistance in challenging times, with many facing difficult choices. Feedback on the sessions has been extremely positive.

In accordance with the recommendations of the Donovan Bowen Review Group, an extensive review of the existing Solicitors’ Accounts Regulations has been undertaken, with a view to introducing new Solicitors’ Accounts Regulations. It is expected that the new regulations will be brought to the Council of the Law Society shortly for consideration, to be followed by consultation with the profession. Issues that these new regulations are likely to address include:

- Consolidation of the Solicitors’ Accounts Regulations 2001, 2005, 2006 and the Solicitors (Interest on Clients’ Monies) Regulations 2004 into one set of regulations,
- Amending the interest regulations,
- More frequent balancing statements,
- Mandatory review of client ledger balances for delays,
- Additional records to form part of the...
minimum accounting records required to be maintained,
• Reporting accountant’s reports to be submitted within three months of the accounting date,
• Reporting accountant to examine the financial circumstances of the practice and, where appropriate, report thereon to the Law Society,
• Mandatory requirement to provide Law Society investigating accountants with sufficient information to prepare a report on the financial circumstances of the practice and, where appropriate, on the personal assets and liabilities of the solicitor.

The Law Society is currently in consultation with the Audit and Assurance Committee of the Consultative Committee of Accountancy Bodies with a view to improving the relevance of the work of the reporting accountants in the regulation of the solicitors’ profession. Particular attention is being paid to reporting accountants monitoring the financial circumstances of solicitors’ practices and reporting practices experiencing financial problems to the Law Society.

During the year, a submission was made to the Conveyancing Conflicts Task Force that highlighted, from actual experience, risks to the compensation fund arising from conflict situations.

The statement of practice for Law Society investigations was revised to take into account the risk-based approach adopted in recent years and the additional obligations on the Law Society to monitor solicitors’ compliance with the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010.

We are working with Law Society Professional Training with a view to improving education for solicitors on the management of solicitors’ practices, with particular emphasis on the Solicitors’ Accounts Regulations and solicitors’ anti-money-laundering obligations.

Practice notes were issued on the regulatory requirements for practice names that do not consist only of the name of one or more of the present or former principals of the firm, and on the prohibition on classifying a solicitor employed by a firm and engaged in the provision of legal services as a ‘legal executive’ or ‘paralegal’ with a view to avoiding the requirement to hold a practising certificate.

I wish to thank the committee vice-chairmen, Martin Crotty and Dara Robinson, for their considerable assistance throughout the year, and all other committee members for their commitment to and participation in the work of the committee.

Thanks are due, too, to the committee’s lay members, Frank Bowen, Frank Mee and Richard George, who contribute significantly to the work of the committee.

On behalf of the committee, I express my gratitude to the permanent secretariat in the Regulation Department, under the direction of the Registrar of Solicitors and Director of Regulation John Elliot, for their unstinting work. The committee workload is considerable, but the efficient running of meetings is made possible by the considerable work done in-house.
Arbitration and Mediation Committee
Roddy Bourke, chairman

The work of the Arbitration and Mediation Committee reflects the changes in day-to-day practice for many practitioners. The Programme for Government, which refers to facilitation and use of mediation to resolve commercial, civil and family disputes in order to speed up resolution of disputes and reduce legal costs, reflects changes that have contributed to a growth of interest in methods of dispute resolution other than litigation.

It has been a very busy year for the committee. Members welcomed the publication of the heads of the Mediation Bill 2012 and, while unable to meet with the joint Oireachtas committee directly, members attended the public meeting and forwarded a submission on the proposed bill, which has yet to be published. The committee will make further submissions once legislation becomes available.

The committee is also proud to announce the launch of the ‘Find a mediator’ online search facility in October. Members will be able to search for solicitor mediators via the Law Society website. Model mediation procedures for medical negligence, employment law and construction will be available before the end of the year.

The committee continues to review criteria for membership of the Law Society Arbitration Panel, particularly in relation to the powers and responsibilities given to arbitrators under the Arbitration Act 2010. The abolition of the case-stated procedure and the very limited right of appeal to the courts mean that it is of the utmost importance that any person appointed as an arbitrator by the President of the Law Society is of the highest calibre in arbitration knowledge and experience and can be expected to discharge his or her obligations in a suitably capable and efficient manner.

The committee has continued to contribute to, and maintain active membership with, organisations established to promote Ireland as a venue for international arbitration. I express my thanks to each member for their hard work during the year and my gratitude to our dedicated secretary, Colleen Farrell.

Business Law Committee
Mark Pery-Knox-Gore, chairman

The committee continued its work of monitoring developments in business law, both at national and EU levels.

This year, it reviewed the corporate debt restructuring options under statute, including examinership and the section 201 scheme of arrangement. The committee concluded that there is a pressing need for a more straightforward statutory restructuring process. A submission was sent to the Department of Jobs, Enterprise and Innovation.

In response to a request from the Conveyancing Committee, we prepared standard form memorandum and articles of association for a management company that take account of certain provisions in the Multi-Unit Development Act 2011.

In conjunction with other committees, we reviewed the general scheme of the Personal Insolvency Bill and contributed submissions on part 6 of the draft heads of bill, dealing with bankruptcy.

We continued to monitor the development of proposals at EU level for a European contract law. Paul Keane delivered a well-received talk on the subject at the Law Society’s annual seminar on contract law.

During the course of 2012, we lost a number of committee members to the new Intellectual Property Committee. We wish our colleagues on the new committee every success in the future.

I would like to thank all the committee members for their hard work during the last 12 months. In particular, I wish to thank Paul Keane (vice-chairman), Joanne Cox (committee secretary) and Katherine Kane, who stood in for Joanne for much of the year.

Conveyancing Committee
Deirdre Fox, chairman

This year, the committee published 21 practice notes in the Gazette and sent three items by electronic circular to the profession. It answered numerous queries from practitioners and received 1,278 queries to the telephone helpline, which were dealt with by the committee secretary. The committee considered 95 new items at its monthly meetings – more than double the number considered in 2011. As in previous years, matters to do with lending institutions and the residential certificate of title system continue to account for most of the queries.
The committee published a significant body of precedent documentation for use in connection with the *Multi-Unit Developments Act 2011*. Its ongoing review and updating of the committee’s precedents on the Law Society’s website continues apace, and a new edition of the requisitions on title is expected shortly.

The committee continues to meet with the PRA in relation to registration matters, including new draft land registration rules, and with Revenue in relation to e-stamping and self-assessment. It continues to liaise with the various lending institutions in relation to complaints received by it from practitioners. It also liaises with NAMA in relation to any developments affecting the conveyancing process.

New matters this year included input by the committee and individual committee members to the work of the Law Society’s Residential Undertakings Task Force and its Conveyancing Conflicts Task Force. The committee is preparing a submission in respect of landlord and tenant law relating to commercial leases, with a view to feeding into the review currently being undertaken by the Department of Justice and Equality.

Sincere thanks to all the committee members, vice-chair Majella Egan and our secretary Catherine O’Flaherty for their time, hard work and support throughout the year.

### Criminal Law Committee

*Conal Boyce, chairman*

This year, the committee’s agenda focused on legislation, old and new, with a number of criminal justice bills and rules of court being considered and reviewed. Written submissions were made in relation to the Government review of the *Insanity Acts 2006-2010* and the general scheme of the proposed *Bail Bill*.

The committee corresponded with the Minister for Justice regarding instances where it had identified potential improvements to the legal-aid system, and a member of the committee was appointed to the Government’s Advisory Group on Efficiency Measures in the Criminal Justice System.

The committee was also in correspondence with the Courts Service, the Department of Justice and the Prison Service on a variety of issues relating to practical aspects of day-to-day criminal law practice – for example, timelines for the processing and payment of legal-aid claims and issues arising in relation to professional visits to prisons.

Practice notes and eZine updates were issued as necessary. Committee members also continued to participate in various court-user groups. The committee was pleased to have the opportunity to work with the Legal Aid Board on administrative issues relating to the transfer of the administration of some of the non-statutory legal-aid schemes. A number of ongoing issues also appeared on the committee’s agenda, such as matters relating to solicitors’ ethics/conduct, presumptive drug testing, and garda-vetting arrangements.

I would like to thank the members of the committee for their time and commitment, particularly Shalom Binchy, vice-chairman.

### Curriculum Development Unit

*Carol Plunkett, chairman*

The Curriculum Development Unit reviews curriculum and materials in the Law School and for the post-qualification continuing legal education diplomas and certificates. The Society leads continuing legal training in Ireland, and courses are continuously updated to keep abreast of developments, ensuring that solicitors provide the best possible advisory services to the public.

The unit also reviews in-office prog-rammes recommended for trainees and the pastoral care provided by the Student Development Service (SDS). The Access Programme, coordinated by the SDS and unique in Irish professional training, offers practical and financial support to disadvantaged students wishing to pursue legal careers. The Internship Programme arose from CDU suggestions responding to difficulties Access students encountered in gaining in-office experience. Students are placed within a legal office environment for a structured 12-week period. Response to the initiative has been very positive, and it is hoped that such placements will equip students to compete more capably for traineeships.

In addition this year, the CDU reviewed considerable progress in e-learning, facilitated through both Moodle and webcasting, where students can watch lectures in real time or from the archive. We also received a report on the Student Recording System, where students are recorded digitally, for later review, for advocacy, client counselling and various competitions. Further developments to come are the delivery of course materials via iPads/tablets. This will facilitate updating, so that, as legislation changes, delivery will be much more rapid, and hard-copy manuals will be unnecessary.

In May, the CDU visited Chester School of Law, favourably comparing the high standard of education students receive in Ireland with training methods there.

Thanks to each CDU member for their commitment and contribution throughout the year, to Geoffrey Shannon, and to the dedicated tutors of the Law School.

### Employment and Equality Law Committee

*Michael Kennedy, chairman*

This has been a busy year for employment and equality law practitioners, with fundamental changes to the system of employment and equality rights anticipated and implemented in the context of the ongoing Workplace
Relations Reform Project. The committee has been fully engaged in this process on behalf of practitioners, finalising detailed submissions and meeting with relevant stakeholders, including the director of the reform project, Ger Deering. The topic will be covered as part of the employment law seminar in late September, and the committee will continue to keep members informed of developments through ongoing eZine and Gazette articles.

The committee also redrafted and made available on the website a broad range of template employment and equality-related policies, such as dignity at work, performance management and maternity-leave guidelines.

In conjunction with the Pensions Sub-Committee, detailed submissions on the proposed changes to the State pension age were made to relevant ministers and departmental officials, highlighting the employment, equality and pension implications arising from such far-reaching proposals.

In addition, the Pensions Sub-Committee has made available template pension adjustment orders to the profession via the Society’s website, as well as being fully engaged in updating the profession on pension-related issues through seminars, eZine and Gazette articles.

I would like to acknowledge the contribution of all committee members during the year.

EU and International Affairs Committee
Niamh Connery, chairman

During the year, the committee organised a number of events of relevance to practitioners. In September 2011, a general EU law update took place in Waterford. In March 2012, a very well attended and high-profile seminar was held in conjunction with the Irish Branch of the International Law Association on the Arab Spring – the seminar was chaired by Dr Maurice Manning (President of the Irish Human Rights Commission) and delivered by Mary Fitzgerald (The Irish Times’ foreign affairs correspondent) and Prof William Schabas (chairman of the Irish Centre for Human Rights). In May 2012, a seminar on the proposed regulation on a common European sales law was held in conjunction with the Business Law Committee.

The committee continued its work with its programmes for qualified lawyers to avail of work placement opportunities in France, Belgium, Spain and Germany. Irish lawyers travelled to France, Madrid and Brussels last year, while Spanish lawyers returned. Another group of lawyers is due to travel to Paris, Madrid, Cologne and Brussels in September 2012 as part of these programmes. Funding was secured from the European Commission/Leárgas through the Leonardo da Vinci programme, and from the Paris Bar, to enable these programmes.

Committee members contributed a number of articles to the Eurlegal section of the Gazette during the year under review. The committee also remains the reporting body for delegates to the Council of Bars and Law Societies in Europe, the Union Internationale du Notariat Latin, and the International Bar Association.

I thank vice-chair Mary Casey for her leadership and all committee members for their work, in particular committee secretary Eva Massa, for her dedication and vital support.

Family Law Committee
Carol Anne Coolican, chairman

The Family Law Committee assists the profession in keeping up to date with relevant developments in family and child-welfare law by regular practice notes and guidance in the Gazette and the eZine.

We made submissions to the Department of Children and Youth Affairs in respect of the referendum on the Constitution and organised a conference on this very topical issue.

THE ARAB SPRING – WHAT NEXT?
In April, the EU and International Affairs Committee organised an international affairs talk entitled ‘The Arab Spring: what next? Restoring the rule of law in MENA Countries’. The talk was co-sponsored by the Irish branch of the International Law Association and provided a forum to reflect on the consequences of the Arab Spring, the different reactions in each country and the way forward to rebuild nations.

The prestigious panel of speakers included the President of the Irish Human Rights Commission, Dr Maurice Manning, as chairman; Mary Fitzgerald, The Irish Times’ award-winning foreign affairs correspondent and William A Schabas, professor of international law and chairman of the Irish Centre for Human Rights.
PRACTISING CERT NUMBERS ROSE IN 2011

There was a modest but heartening net increase of 236 in the number of practising certificates taken out by solicitors in the calendar year 2011 over 2010. The previous year had itself seen an increase of 110 practising certificates compared with a very difficult 2009, when the number of practising certificates fell by six.

Although it is by no means the full picture, the number of practising certificates is a significant indicator of confidence and activity within the solicitors’ profession. Measured in these terms, 2009 has been by far the worst year of the recession to date. In that year, the number of practising certificates actually contracted, in contrast to the net increase of 355 in the still buoyant year of 2008. The year 2008 was significantly down from the 460 new practising certificates in the peak year of activity in the profession, 2007, the year in which Ireland’s property bubble reached its fullest level of inflation.

All of the figures quoted are for the number of practising certificates on 31 December on each of the years in question. Accordingly, the figures are ‘hard’ and the comparisons are on a completely valid like-with-like basis.

We made submissions on the Children First Bill and reviewed HIQA’s National Standards for the Protection and Welfare of Children, the Children First: National Guidance for the Protection and Welfare of Children publication, the Criminal Justice (Withholding Information on Crimes against Children and Vulnerable Persons) Bill, and the National Vetting Bureau Bill.

We made submissions and attended the Oireachtas sub-committee meeting on the Mediation Bill.

We reviewed and made submissions on the Dublin Metropolitan District Dolphin House draft practice direction on case management in childcare proceedings.

We continue to explore, with the Legal Aid Board, alternatives to court. We also explore the improvement of information sources for the benefit of clients and make suggestions for the most effective use of private practitioners.

We have a representative on COSC, the National Steering Committee on Violence against Women, and have committed to supporting their work and have participated in a conference organised by them.

Our annual conference to update and inform members this year focuses on developments in the child law area, adoption and on alternative dispute resolution.

I would like to thank the committee, in particular my vice-chairman Donagh McGowan and our ever-efficient secretary Colleen Farrell, for their enthusiasm, hard work and commitment.

We continued to explore, with the Legal Aid Board, alternatives to court. We also explore the improvement of information sources for the benefit of clients and make suggestions for the most effective use of private practitioners.

The effects of the economic recession continue and the magazine, like all other print and broadcast media, is experiencing a downturn in advertising revenue. The reduction in business being experienced by solicitors has had a knock-on effect for the Gazette, with income from professional notice rates suffering a further decline. As a result, potential new revenue models and income streams are being investigated in order to offset the reduction in advertising income.

Thus the recent introduction of online shopping-cart software by the Law Society may present opportunities for the Gazette. While still being examined by the editor, this could allow customers to buy online annual subscriptions and digital issues of the magazine at reduced rates – with the Society saving on printing and distribution costs – as well as allowing practitioners to place and pay for professional notices online.

The Gazette continues to be one of the Society’s most significant communication channels with its members – the magazine fulfils a crucial role in informing and educating the profession. The editorial board meets six times a year, providing guidance and advice to the editorial team on both subject matter and contributors. It comprises experienced and younger solicitors from a broad breadth of practice areas. Its members are particularly mindful of the pressures being faced by practitioners in the current economic climate and make regular suggestions for articles that might assist members in growing their businesses and keeping down their operating costs.
Recession-proofing articles centred on mergers, succession planning and cloud computing. Articles on new business ideas looked at Islamic finance and financial regulation. The Gazette continued to lead the way with articles on new legislation and ground-breaking cases.

I express my thanks to my editorial board colleagues for their industrious support during the past year and my gratitude to the members of the editorial team, led by Mark McDermott, in their continued drive for publishing excellence.

**Guidance and Ethics Committee**

_Brendan J Twomey, chairman_

The committee met eight times and has completed its review of the *Guide to Professional Conduct*, which will be published shortly.

The *Legal Services Regulation Bill* was examined in detail, and submissions thereon were made to the Society’s task force.

The committee published a revised solicitor’s letter of engagement in the *Gazette*. A protocol for solicitors’ visits to clients in hospitals and nursing homes has also been published.

The committee continues to investigate the possibility of an insurance policy to cover solicitors’ own costs in regulatory proceedings. The new *Close of Practice Guidelines* are being examined. The committee continues to promote planning by solicitors for emergencies.

The committee promotes collegiality in the profession, marked by the ‘Meet your Colleagues Day’ on 24 May.

It is engaging with the National Consumer Agency regarding that body’s objective of encouraging solicitors to quote fees for services.

Members are available to the profession for guidance and mediation, and queries can be raised with the committee’s secretary.

I thank the members of the committee for their contributions during the year, particularly vice-chairman Brendan Dillon and secretary Therese Clarke.

**Human Rights Committee**

_Michael Finucane, chairman_

The Human Rights Committee this year continued with its busy programme of activities promoting human rights, both inside and outside the profession.

We hosted the Annual Human Rights Conference 2012 (in conjunction with the Irish Human Rights Commission), which focused on the theme ‘Promoting and protecting human rights in Ireland: the role of the Irish Constitution and European law’.

In addition, the committee hosted the Annual Human Rights Lecture 2012, which was delivered by the Lord Chief Justice of Northern Ireland, Sir Declan Morgan. The lecture, entitled ‘Finding the equilibrium’, focused on the changing relationship between the judiciary, the executive and the legislature in Northern Ireland since the incorporation of the *European Convention on Human Rights* into law.

The committee continued its educational initiatives with the annual Human Rights Essay Competition, its regular contributions to the ‘Human rights watch’ page of the *Gazette*, and the Certificate in Human Rights, which commenced in April 2012 – marking the third year for this certificate course. Students who participated in the programme were conferred at the Annual Human Rights Conference, which took place on 13 October 2012.

The committee continues to work on a study on the impact of the *European Convention on Human Rights Act 2003* on Irish law (jointly sponsored by the Dublin Solicitors’ Bar Association), which is due to be published in early 2013.

**A CALL TO ACTION**

In December 2011, the Law Society hosted a major conference to raise awareness within the profession of the threat posed by the *Legal Services Regulation Bill 2011* to the independence of the legal profession – and to explain why that is contrary to the public interest.

A remarkable group of world leaders of the legal profession attended and spoke at the conference, including Mark Ellis (Executive Director of the International Bar Association), Bill Robinson (President of the American Bar Association) and Marcella Prunbauer (President of the Council of Bars and Law Societies of Europe). Irish speakers included former Chief Justice Ronan Keane, High Court President Nicholas Kearns (who chaired the conference), Law Society President Donald Binchy and Bar Council Chairman Paul O’Higgins.

As the speakers made clear, the independence of the legal profession is viewed in democracies throughout the world as a necessary buttress for the independence of the judiciary, for the maintenance of the separation of powers, for access to justice and for the rule of law.
I would like to thank the vice-chair, Gráinne Brophy, and all committee members for giving so generously of their time, interest and expertise to the work of the committee. In particular, my sincere gratitude goes to Joyce Mortimer and Sarah McDonald for their assistance and support as secretaries to the committee.

The committee published the fourth edition of A Guide for Solicitors Employed in the Corporate and Public Sectors in May. The guide provides both prospective and existing in-house solicitors with key information.

The committee helped tailor the new autumn diploma for in-house solicitors and those considering taking up in-house positions.

The chair of the committee continued to represent the Society at board meetings of the European Company Lawyers’ Association.

Our 2012 annual conference will be held on 23 November 2012, in conjunction with the Society’s Professional Training team. It will deal with topical issues of concern and interest, ranging from risk management and negotiation skills to social media.

The committee communicated with in-house solicitors through its updated section of the Society’s website and news items were published in the ‘Representation’ section of the Gazette.

I would like to thank all the committee members for their contribution this year, with special thanks to James Kinch, vice-chairman, and our secretary Louise Campbell.

The committee is planning to hold regular meetings with organisations that have an interest in intellectual property issues. To date, committee members have met with representatives of An Garda Síochána to discuss issues relating to counterfeiting and piracy.

At the time of writing this report, the committee is planning to meet with the IP Sub-Committee of the International Bar Association (IBA) during the IBA conference in Dublin in October.
Delays in the court system were a recurring feature of members’ correspondence to the committee during the year. Through the bar associations, the committee canvassed members regarding their experiences of these delays. Thereafter, members met with the Courts Service to discuss the issues arising, and the Courts Service initiatives aimed at reducing these delays.

The committee collaborated with the Human Rights and Business Law Committees in drafting a submission on the Personal Insolvency Bill. Members attended meetings with the Courts Service (in conjunction with the Society’s Technology Committee) in relation to the ‘Judgments online’ project and also continued to represent the Society on the various court rules committees.

I would like to thank my vice-chairman, Michael Boylan, for his support and commitment and also each member of the committee for their valued contribution to the work of the committee. We are all enormously indebted to our excellent committee secretary, Colette Carey.

Probate, Administration and Trusts Committee

The committee spent another year engaged with the Revenue Commissioners in relation to the compulsory online submission of CAT returns and in dealing with legal and technical issues arising.

One positive result for the committee was the reversion in the pay-and-file deadline from 30 September to 31 October for CAT in the Finance Act 2012. In addition, a further two-week extension was provided for applicants availing of the ROS regime.

The committee will continue to engage with stakeholders and issue submissions in relation to the forthcoming Trustee Bill and Mental Capacity Bill, the implementation of any forthcoming EU directives, and any further changes to taxation.

The committee further updated its client information brochure on making a will, which was again made available to the profession in downloadable format. An updated version of the Administering an Estate client information brochure is due to be made available in the immediate future.

In addition to the normal assistance provided to colleagues who consulted with the committee, we continued to...
inform the profession via the eZine and the Gazette on a wide variety of issues of concern to the profession. These included a practice note in relation to the payment of funeral expenses, FAQs in relation to mediation and arbitration in probate disputes, and articles in relation to:

- The new downloadable CA24 (Inland Revenue Affidavit),
- ROS payment online,
- Buying civil registration certificates online,
- Qualifying expenses of permanently disabled beneficiaries,
- Finance Bill 2012 and discretionary trust tax,
- CAT pay-and-date extension, and
- The Free Wills Network

The committee would like to commend Gazette editor Mark McDermott for his innovation in providing the ’Representation’ page for committee news, as this has proven to be an invaluable forum for informing the profession.

My thanks to all the committee members for their hard work over the year, and I would like to take a further opportunity to thank John O’Connor for his service to the committee and to congratulate him on his elevation to the District Court bench.

Public Relations Committee
Dominic Dowling, chairman

The Public Relations Committee assists in formulating public relations policy for the Law Society, promoting its work and consulting in relation to public relations issues as they arise. The Society serves two constituencies – namely, the general public and its members.

In the year under review, the committee examined a number of topics of significance to the Society, its members and the general public. Foremost among these was the Legal Services Regulation Bill 2011. The committee examined and provided its views on the communications issues arising from the proposed legislation.

Given the difficult economic times and the negative impact on solicitors’ businesses, the committee requested that the Council once again give the green light for a new radio advertising campaign that would promote the good work that solicitors do for their clients. The committee focused on a ‘one advert’ campaign for 2012. The central message was to encourage clients to “get sound advice from someone who’s in your corner – someone you know you can trust to protect your interests and provide you with access to justice”. The campaign operated in two bursts in early summer and autumn. It was very well received by the profession and the public.

Following an invitation to bar associations around the country at a ‘Communications Day’ event held at Blackhall Place on 3 May 2012, the committee offered to make the Society’s radio advertisement available to those bar associations who wished to broadcast tailored versions of the advert on local radio stations. The Society bore the production costs. Among those who participated were Kildare, Louth and Meath (combined), Monaghan, Tipperary, Waterford and Wicklow.

The annual Justice Media Awards were held on 7 June 2012. A large and very high standard of entries made it a vintage year. These awards, which are well regarded by the media, promote excellence in legal journalism; they also assist the Society in fostering contacts with members of the media. In total, 23 awards were presented. This year’s overall winner was Carol Coulter, legal editor of The Irish Times.
I wish to thank the members of the committee (especially vice-chair Maura Derivan) for their dedication and hard work during the year. I particularly acknowledge the work of our secretary, Mark McDermott, and his team for their invaluable assistance. My gratitude, too, goes to the Justice Media Awards judging panel for the many hours they spent assessing the entries and making difficult judgement calls.

Taxation Committee
Donal Kennedy, chairman

The committee continued to represent the Society and its members through interaction with the Revenue Commissioners and other professionals through active participation in the Taxes Administration Liaison Committee, with representatives on the indirect taxes, capital taxes, audit, technical tax issues, simplification and collection issues sub-committees. The committee also made submissions in relation to a number of matters under consideration, and guidance notes to be published, by Revenue.

The committee continued to monitor the operation of the e-stamping system and self-assessment for stamp duty regime and was involved in further consultation with Revenue on these matters, and issues arising in relation to them.

The committee reviewed the Finance Act 2012 and other relevant taxes legislation throughout the year and published the annual Tax Guide for members. Practice notes and advisories were issued throughout the year as necessary.

There was significant correspondence with some members in relation to the issue of VAT invoices, particularly in the context of situations where the client and entity paying fees were different, be they insurers or banks. This resulted in correspondence with members, a third party bank and the issue of a practice note.

The Society’s annual pre-budget submission to the Minister for Finance was put forward.

The committee continued to offer advice and support to solicitors who encountered difficulties or anomalies in practice concerning taxation. In this context, the committee noted the introduction of VAT on medico-legal reports and responded to solicitors’ queries on this matter.

I would like to thank my vice-chairman, James Somerville, and the members of the committee for their valued assistance and support throughout the year. I would especially like to express my gratitude to committee secretary Colette Carey for her dedication and assistance.

Technology Committee
Frank Nowlan, chairman

The main functions of the Technology Committee are to:

• Monitor developments in technology that are relevant to the solicitors’ profession,
• Promote the use of technology as a business resource, helping to improve efficiency and profitability,
• Facilitate an organised and professional response to the technological needs of solicitors.

Professional Training Team Wins More Accolades

The Law Society Skillnet and Law Society Finuas Network have won two outstanding achievement awards from the Irish Institute of Training and Development (IITD). Recognising the outstanding excellence and innovation of the Law Society in the design and delivery of training programmes, the awards were made in the categories for ‘Most innovative use of technology’ and ‘Work placement – graduate and non-graduate’.

In July 2011, the Law Society Skillnet and Law Society Finuas Network received grant funding from Skillnets Ltd JSSP. The target was to design and deliver the first educational programme of its type to up-skill unemployed solicitors in order to assist them to pursue employment in sustainable and new growth sectors.

Kudos for the achievement is due to the combination efforts of the Law Society Skillnet and Finuas Network Steering Committees, the teaching and learning teams, the Society’s career support services team, its IT section and education department, network member firms, Skillnets Ltd, public and private sector bodies, input from other professional organisations and, most importantly, the committed participation of job-seeking solicitors.
JUSTICE MINISTER KEYNOTE SPEAKER AT ANNUAL CONFERENCE

Alan Shatter was the keynote speaker at the Law Society’s annual conference, where he engaged in a robust defence of his Legal Services Regulation Bill.

The minister argued that the bill provides an essential statutory structure to bring the profession into the 21st century, while guaranteeing its independence and prescribing crucial objectives and principles that “lay the foundation for a move away from sole reliance on complaint-based regulation to compliance-based regulation”.

The minister then discussed the impact of the bill on the independence of the legal profession, strongly defending it from the extensive criticism it had received both nationally and internationally.

In his introductory speech, Law Society President Donald Binchy said that the running costs of the proposed new authority were one of the Society’s greatest concerns. “The Society has submitted that it is incumbent upon the minister to make sure that there is no increase in regulatory costs imposed upon the profession. However, it is difficult to see how the present model will not result in an increase in costs.”

He also said that the Society firmly believed that the staff who currently handled complaints should transfer to the new authority, “and there should be no question of these staff members being made redundant. In the private sector, this would, of course, happen automatically under the transfer of undertakings regulations, but the position is less clear in the public sector.

“Apart altogether from the appalling and unnecessary human cost if the staff are made redundant, there will also be a wasteful loss of expertise, which it will take quite a considerable time for the new authority to regain, if the staff are not transferred.”

consistent approach to risk management and reduction through use of technology,

• Monitor and comment on other bodies’ (particularly State agencies) use of technology insofar as it effects our profession and clients, and

• Where possible, to assist individual members of the profession with technology-related difficulties.

The past year has been a busy one. The committee published the results of the survey of practice management and accounting software systems that are marketed to the profession. This survey is available on the committee’s section of the members’ area of the Society’s website.

The committee has continued to monitor the use and proposed use by authorities of computerised systems, and particularly the Revenue’s e-stamping system and an online default debt judgments system proposed by the Courts Service. We have monitored the CCBE Find-a-Lawyer (FAL) system and recommended that the Society should take part. We continue to monitor the ongoing EU eCodex project and, through the CCBE, continue to review that organisation’s position on cloud computing and the proposed EU revision of data protection into a regulation.

The committee has published guidance to the profession on cloud computing and so-called ‘secure’ email, as used by some organisations, and on the responsibilities of members of the profession imposed by the ‘cookie directive’ in relation to their own firms’ websites.

The committee has continued to work with the eConveyancing Task Force and, arising out of this, produced a comprehensive report on electronic signatures that looks at where the authentication process, so long offered by solicitors as oath-takers in a paper world, might go in a digital realm.

We organised a very successful workshop on the use of social media by solicitors in DCU in March, and a second one is being organised for October. Keeping with that theme, the committee organised a seminar in June that was attended by over 80 practitioners on the theme of ‘Working smarter, not longer – using technology for a more efficient practice’.

I express my gratitude to all the members of this hard-working and well-attended committee, and particularly vice-chairman Raymond Smith. I wish to especially thank Veronica Donnelly, secretary to the committee, for her tireless work and support.
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Alistair Payne  
Fiona O’Beirne  
Colin Rooney  
**Secretary:** Katherine Kane

**LITIGATION**  
**Chair:** Eamon Harrington  
**Vice-chair:** Michael Boylan  
Fiona Duffy  
Jonathan Cullen  
Stuart Gilhooley  
Sinead Hayes  
Áine Hynes  
Mike Kavanagh  
Jonathan Lynch  
James MacGuill  
David Martin  
Karen McDonnell  
Felix McTiernan  
Sonya Morripsy-Murphy  
Gerard O’Donnell  
Ronan O’Neill  
Patrick O’Riordan  
Kenneth Ruane  
John Savage  
Frances Twomey  
Rose Wall  
**Consultants:**  
Joseph Deane  
Patrick Groarke  
**Secretary:** Colette Carey

**LITIGATION MANAGEMENT COMMITTEE**  
**Chair:** John P Shaw  
Liam Kennedy  
James McCourt  
Conor McDonnell  
Ken Murphy  
Michael Quinlan  
**Secretary:** Colette Reid

**PROBATE, ADMINISTRATION & TRUSTS**  
**Chair:** Tom Martyn  
**Vice-chair:** Margaret Walsh  
Laetitia Baker  
Pat Bradley  
Mary Condell  
Georgina Drum  
Richard Hammond  
Mary C Keane  
Aileen Keogan  
Siobhán Laighléis  
Nora Lillis  
Madeleine Loughrey-Grant  
Kevin Martin  
Tracey O’Donnell  
Des Rooney  
Anne Stephenson  
**Consultant:**  
Justin McKenna  
**Secretary:** Padraic Courtney

**PUBLIC RELATIONS**  
**Chair:** Dominic Dowling  
**Vice-chair:** Maura Derivan  
Michael Kealey  
James McCourt  
Ken Murphy  
Eamonn Shannon  
Keith Walsh  
**Secretary:** Mark McDermott

**QUALIFIED INSURERS LIASON COMMITTEE**  
To be appointed by the PII Committee at its first meeting

**SKILLNET**  
**Chair:** Michelle Ní Longáin  
Garry Clarke  
Anthony Ensor  
Deirdre Fox  
TP Kennedy  
Michelle Lee  
Conor MacGuill  
Attracta O’Regan  
James O’Sullivan  
**Secretary:** Michelle Nolan

**TECHNOLOGY**  
**Chair:** Frank Nowlan  
**Vice-chair:**  
Reamonn Smith  
Anthony Brady  
Neil Butler  
John Dallas  
Richard Doyle  
John Furlong  
Jim Heney  
Joe Kane  
Eamonn Keenan  
Patrick Madigan Jnr  
Peter McKenna  
**Secretary:** Veronica Donnelly

**TAXATION**  
**Chair:** Donal Kennedy  
**Vice-chair:** James Somerville  
Pat Bradley  
Cormac Brown  
John Cuddigan  
Caroline Devlin  
Ruth Higgins  
David Lawless  
Tori Martyn  
Sonia McEntee  
Gavin McGuire  
Justin McGgettigan  
Michael O’Connor  
Andrew Quinn  
Emmet Scully  
Anthony Smyth  
Ursula Tipp  
**Consultant:**  
Brian Bohan  
**Secretary:** Colette Carey
REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2011

37  Statement of Responsibilities of the Finance Committee
38  Independent Auditor’s Report
39  Statement of Accounting Policies
41  Consolidated Income and Expenditure Account
42  Consolidated Balance Sheet
43  Society Balance Sheet
44  Consolidated Cash Flow Statement
45  Notes to the Consolidated Financial Statements
THE LAW SOCIETY OF IRELAND

STATEMENT OF RESPONSIBILITIES OF THE FINANCE COMMITTEE

The Finance Committee is responsible for ensuring that financial statements are prepared each year which give a true and fair view of the state of affairs of the group and the Society and of the group’s surplus for that period. In preparing those financial statements the Finance Committee:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent; and
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Finance Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society. The Finance Committee is 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.
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
THE LAW SOCIETY OF IRELAND

We have audited the financial statements of the Law Society of Ireland for the year ended 31 December 2011
which comprise the Consolidated Income and Expenditure Account, the Consolidated Balance Sheet, the Society
Balance Sheet, the Consolidated Cash Flow Statement, the Statement of Accounting Policies and the related
notes 1 to 24. These financial statements have been prepared under the accounting policies set out in the
Statement of Accounting Policies.

This 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.

Respective responsibilities of the Finance Committee and the auditors
As set out in the Statement of Responsibilities of the Finance Committee, the Finance Committee is res ponsible
for the preparation of financial statements in accordance with accounting standards issued by the Accounting
Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted
Accounting Practice in Ireland). Our responsibility, as independent auditor, is to audit the financial statements in
accordance with International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view of the state of affairs
of the group and the Society as at 31 December 2011 and of the surplus of the group for the year then ended.

We read the other information contained in the annual report and consider the implications for our report if we
become aware of any apparent misstatement within it. The other information comprises the Report of the Director
General, the Report of the President and the Reports of the Committees.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the
Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and
disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements
made by the Finance Committee in the preparation of the financial statements and of whether the accounting
policies are appropriate to the group's and the Society's circumstances, consistently applied and adequately
disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered
necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial
statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming
our opinion we evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion the financial statements give a true and fair view of the state of affairs of the group and the Society
as at 31 December 2011 and of the surplus of the group for the year then ended.

Deloitte & Touche
Chartered Accountants and Registered Auditors
Dublin

10 May 2012
THE LAW SOCIETY OF IRELAND

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION
The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland. Accounting standards generally accepted in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

ACCOUNTING CONVENTION
The financial statements are prepared under the historical cost convention, as modified by the revaluation of development land.

BASIS OF CONSOLIDATION
The Society consolidates its interests in subsidiary undertakings, as detailed in note 21, and its interest in a related undertaking, the Law Club of Ireland, which it controls, all of which make up financial statements to 31 December 2011.

INCOME
Income is recognised in the income and expenditure account 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.

TANGIBLE FIXED ASSETS AND DEPRECIATION
Development land, which is included in tangible fixed assets, is stated at the lower of cost and net realisable value based on annual revaluations. Where the valuation indicates a permanent diminution in the value of the development land, to a value below cost, the permanent diminution is charged to the profit and loss account. All other fluctuations are transferred to a revaluation reserve.

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 by the end of their expected useful lives.

- Premises: 2% per annum
- Furniture, fittings and equipment: 20% per annum
- Computer equipment: 20% per annum
- Motor vehicles: 25% per annum
- Leasehold improvements: 20% per annum

FINANCING TRANSACTIONS
Assets acquired under financing arrangements are accounted for as assets in the financial statements of the Society, in accordance with the substance of the transactions, where the Society is exposed to the risks and entitled to the benefits associated with the asset, in accordance with Financial Reporting Standard 5. The financing costs are taken to the income and expenditure account over the term of the transaction.

CURRENT ASSET INVESTMENTS
Current asset investments are stated at cost less any provision for permanent diminution in value.

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.
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.

TAXATION

Taxation is provided on taxable profits at current rates.

Deferred tax is accounted for on a full provision basis on all timing differences that have originated but 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.

STOCKS

Stocks are stated at the lower of cost and 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.

Net realisable value is the actual or estimated selling price net of trade discounts, less further costs to completion and all costs to be incurred in marketing, selling and distribution.

GRANTS

Revenue-based grants are credited to the profit and loss account in the period in which the grant is receivable to match income and expenditure.
THE LAW SOCIETY OF IRELAND

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>INCOME</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees and subscriptions</td>
<td>4</td>
<td>11,963,614</td>
</tr>
<tr>
<td>Education activities</td>
<td>5</td>
<td>8,903,419</td>
</tr>
<tr>
<td>Publications</td>
<td>4</td>
<td>331,378</td>
</tr>
<tr>
<td>Four Courts rooms</td>
<td>4</td>
<td>768,664</td>
</tr>
<tr>
<td>Interest and investment income</td>
<td>6</td>
<td>365,127</td>
</tr>
<tr>
<td>Other income</td>
<td>7</td>
<td>164,723</td>
</tr>
<tr>
<td>Sundry income</td>
<td></td>
<td>6,478</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22,503,403</td>
</tr>
<tr>
<td>EXPENDITURE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating charges:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- General activities</td>
<td>4</td>
<td>(10,984,641)</td>
</tr>
<tr>
<td>- Education activities</td>
<td>5</td>
<td>(7,573,152)</td>
</tr>
<tr>
<td>(Loss)/gain on investments</td>
<td>6</td>
<td>(171,925)</td>
</tr>
<tr>
<td>Financing costs</td>
<td></td>
<td>(287,528)</td>
</tr>
<tr>
<td>Other expenditure</td>
<td>7</td>
<td>(938,933)</td>
</tr>
<tr>
<td>Redundancy costs</td>
<td>3</td>
<td>(94,605)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(20,050,784)</td>
</tr>
<tr>
<td>SURPLUS FOR YEAR BEFORE EXCEPTIONAL ITEM AND TAXATION</td>
<td>2</td>
<td>2,452,619</td>
</tr>
<tr>
<td>Exceptional item</td>
<td>8</td>
<td>(2,000,000)</td>
</tr>
<tr>
<td>SURPLUS BEFORE TAXATION</td>
<td>2</td>
<td>452,619</td>
</tr>
<tr>
<td>Taxation charge</td>
<td>9</td>
<td>(74,587)</td>
</tr>
<tr>
<td>SURPLUS AFTER TAXATION</td>
<td>16</td>
<td>378,032</td>
</tr>
<tr>
<td>Allocated as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General activities</td>
<td></td>
<td>(2,062,600)</td>
</tr>
<tr>
<td>Education activities</td>
<td></td>
<td>351,765</td>
</tr>
<tr>
<td>Education Centre fund</td>
<td></td>
<td>(91,925)</td>
</tr>
<tr>
<td>Litigation fund</td>
<td></td>
<td>274,724</td>
</tr>
<tr>
<td>Capital reserve fund</td>
<td></td>
<td>1,906,068</td>
</tr>
<tr>
<td>Capital expenditure fund</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>378,032</td>
</tr>
</tbody>
</table>

All income arose from continuing operations and all recognised gains and losses are included in the income and expenditure account.

The financial statements were approved by the Finance Committee on 10 May 2012 and signed on its behalf by:

Patrick Dorgan
Chairman of the Finance Committee

Donald Binchy
President of Law Society of Ireland
## THE LAW SOCIETY OF IRELAND

### CONSOLIDATED BALANCE SHEET

#### AS AT 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011 €</th>
<th>2010 €</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>10</td>
<td>17,093,529</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>12</td>
<td>6,192,337</td>
</tr>
<tr>
<td>Stocks</td>
<td>13</td>
<td>17,333</td>
</tr>
<tr>
<td>Debtors</td>
<td>14</td>
<td>1,629,208</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>9,649,949</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>17,488,827</strong></td>
</tr>
<tr>
<td><strong>CREDITORS: (amounts falling due within one year)</strong></td>
<td>15</td>
<td>(4,851,341)</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td></td>
<td><strong>12,637,486</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td></td>
<td><strong>29,731,015</strong></td>
</tr>
<tr>
<td><strong>CREDITORS: (amounts falling due after more than one year)</strong></td>
<td>15</td>
<td>(7,400,592)</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td><strong>22,330,423</strong></td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated reserves</td>
<td>16</td>
<td>22,330,423</td>
</tr>
</tbody>
</table>

The financial statements were approved by the Finance Committee on 10 May 2012 and signed on its behalf by:

Patrick Dorgan
Chairman of the Finance Committee

Donald Binchy
President of Law Society of Ireland
### THE LAW SOCIETY OF IRELAND

**SOCIETY BALANCE SHEET**

**AS AT 31 DECEMBER 2011**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011 €</th>
<th>2010 €</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>10</td>
<td>12,068,124</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>12</td>
<td>6,192,337</td>
</tr>
<tr>
<td>Stocks</td>
<td>13</td>
<td>10,559</td>
</tr>
<tr>
<td>Debtors</td>
<td>14</td>
<td>6,760,645</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>9,442,731</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td></td>
<td>17,578,288</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td></td>
<td>29,646,412</td>
</tr>
<tr>
<td>CREDITORS: (amounts falling due within one year)</td>
<td>15</td>
<td>(4,827,984)</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>22,245,820</td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated reserves</td>
<td>16</td>
<td>22,245,820</td>
</tr>
</tbody>
</table>

The financial statements were approved by the Finance Committee on 10 May 2012 and signed on its behalf by:

Patrick Dorgan
Chairman of the Finance Committee

Donald Binchy
President of Law Society of Ireland
# The Law Society of Ireland

## Consolidated Cash Flow Statement

For the Year Ended 31 December 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td><strong>Net Cash Inflow from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>3,984,948</td>
<td>4,448,303</td>
</tr>
<tr>
<td><strong>Returns on Investments and Servicing of Finance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>365,127</td>
<td>260,845</td>
</tr>
<tr>
<td><strong>Taxation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporation tax paid</td>
<td>(116,456)</td>
<td>(137,275)</td>
</tr>
<tr>
<td><strong>Capital Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of tangible fixed assets</td>
<td>(185,068)</td>
<td>(614,005)</td>
</tr>
<tr>
<td>Disposal of tangible fixed assets</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>(185,068)</strong></td>
<td><strong>(604,005)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Management of Liquid Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(2,919,166)</td>
<td>(1,137,437)</td>
</tr>
<tr>
<td>Disposal of investments</td>
<td>1,189,166</td>
<td>86,769</td>
</tr>
<tr>
<td><strong>(1,730,000)</strong></td>
<td><strong>(1,050,668)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Increase in Net Cash</strong></td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Increment in net cash</td>
<td>2,318,551</td>
<td>2,917,200</td>
</tr>
</tbody>
</table>
1. PRESENTATION OF FINANCIAL STATEMENTS

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. The results of the Law Club of Ireland are also included, as it is controlled by the Law Society of Ireland.

The financial statements of the Law Society of Ireland include the general and education activities of the Society.

Separate financial statements are prepared for the Law Society of Ireland Compensation Fund, the Law Society of Ireland Scholarship Funds and Irish Rule of Law International.

2. SURPLUS BEFORE TAXATION

The surplus before taxation is stated after charging:

- Depreciation 1,221,838 1,570,929
- Auditor’s remuneration 29,000 29,000
- Finance costs 287,528 287,528
- Finance lease interest 18,127 22,775

and after crediting:

- Deposit interest 365,127 260,845

3. STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General</td>
<td>Education</td>
</tr>
<tr>
<td></td>
<td>activities</td>
<td>activities</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>4,665,814</td>
<td>2,960,863</td>
</tr>
<tr>
<td>PRSI</td>
<td>473,061</td>
<td>293,925</td>
</tr>
<tr>
<td>Pension costs</td>
<td>697,313</td>
<td>456,031</td>
</tr>
<tr>
<td>Redundancy costs</td>
<td>-</td>
<td>36,821</td>
</tr>
<tr>
<td>Total</td>
<td>5,836,188</td>
<td>3,747,640</td>
</tr>
</tbody>
</table>

The average aggregate number of employees during 2011 was 122 (2010: 131).
4. GENERAL ACTIVITIES (including funds)  

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees and subscriptions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Practising certificates</td>
<td>8,856,615</td>
<td>8,401,624</td>
</tr>
<tr>
<td>Members’ subscriptions</td>
<td>707,711</td>
<td>703,838</td>
</tr>
<tr>
<td>Admission fees</td>
<td>218,496</td>
<td>215,802</td>
</tr>
<tr>
<td>Fund contributions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Capital reserve fund</td>
<td>1,906,068</td>
<td>2,347,501</td>
</tr>
<tr>
<td>- Litigation fund</td>
<td>274,724</td>
<td>265,901</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>11,963,614</td>
<td>11,934,666</td>
</tr>
<tr>
<td>Services and interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Publications</td>
<td>331,378</td>
<td>356,407</td>
</tr>
<tr>
<td>Four Courts rooms</td>
<td>768,664</td>
<td>778,137</td>
</tr>
<tr>
<td>Interest and investment income (note 6)</td>
<td>365,127</td>
<td>260,845</td>
</tr>
<tr>
<td><strong>Total operating charges</strong></td>
<td>10,984,641</td>
<td>10,235,799</td>
</tr>
<tr>
<td>(Loss)/gain on investments (note 6)</td>
<td>(171,925)</td>
<td>197,325</td>
</tr>
<tr>
<td><strong>Surplus</strong></td>
<td>2,272,217</td>
<td>3,291,581</td>
</tr>
</tbody>
</table>
## 5. EDUCATION ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Practice Course I fees</td>
<td>3,526,086</td>
<td>3,790,472</td>
</tr>
<tr>
<td>Professional Practice Course II fees</td>
<td>2,206,517</td>
<td>2,844,745</td>
</tr>
<tr>
<td>Indentures and registration</td>
<td>382,680</td>
<td>370,060</td>
</tr>
<tr>
<td>Examination fees</td>
<td>688,084</td>
<td>840,384</td>
</tr>
<tr>
<td>Diploma courses</td>
<td>1,068,455</td>
<td>997,841</td>
</tr>
<tr>
<td>Continuing professional development</td>
<td>413,154</td>
<td>506,401</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>618,443</td>
<td>347,741</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>8,903,419</td>
<td>9,697,644</td>
</tr>
<tr>
<td><strong>OPERATING CHARGES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay and related expenditure</td>
<td>3,807,460</td>
<td>3,841,038</td>
</tr>
<tr>
<td>Administration expenditure</td>
<td>1,366,649</td>
<td>1,884,773</td>
</tr>
<tr>
<td>Direct expenditure</td>
<td>1,700,332</td>
<td>1,968,768</td>
</tr>
<tr>
<td>Premises expenditure</td>
<td>698,711</td>
<td>716,006</td>
</tr>
<tr>
<td><strong>Total operating charges</strong></td>
<td>7,573,152</td>
<td>8,410,585</td>
</tr>
<tr>
<td>Financing costs</td>
<td>287,528</td>
<td>287,528</td>
</tr>
<tr>
<td><strong>Surplus</strong></td>
<td>1,042,739</td>
<td>999,531</td>
</tr>
</tbody>
</table>

## 6. INTEREST AND INVESTMENT (LOSSES)/GAINS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest – Society</strong></td>
<td>285,127</td>
<td>193,345</td>
</tr>
<tr>
<td><strong>Interest – Education Centre fund</strong></td>
<td>80,000</td>
<td>67,500</td>
</tr>
<tr>
<td><strong>Interest on investment income</strong></td>
<td>365,127</td>
<td>260,845</td>
</tr>
<tr>
<td><strong>(Loss)/gain on disposal of investments</strong></td>
<td>(205,834)</td>
<td>5,043</td>
</tr>
<tr>
<td><strong>Reversal of provision for impairment of investments</strong></td>
<td>33,909</td>
<td>192,282</td>
</tr>
<tr>
<td><strong>(Loss)/gain on investments</strong></td>
<td>(171,925)</td>
<td>197,325</td>
</tr>
</tbody>
</table>
## OTHER INCOME/EXPENDITURE

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bar and catering income</td>
<td>92,825</td>
<td>374,680</td>
</tr>
<tr>
<td>Bed and breakfast income</td>
<td>25,744</td>
<td>30,649</td>
</tr>
<tr>
<td>Functions and consultation room income</td>
<td>33,400</td>
<td>16,918</td>
</tr>
<tr>
<td>Rental income</td>
<td>12,174</td>
<td>2,763</td>
</tr>
<tr>
<td>Sundry income</td>
<td>580</td>
<td>3,469</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>164,723</td>
<td>428,479</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bar and catering cost of sales</td>
<td>459,342</td>
<td>729,638</td>
</tr>
<tr>
<td>Rental expenditure</td>
<td>351,415</td>
<td>391,367</td>
</tr>
<tr>
<td>Premises expenditure</td>
<td>4,494</td>
<td>6,719</td>
</tr>
<tr>
<td>Professional fees</td>
<td>10,480</td>
<td>25,750</td>
</tr>
<tr>
<td>Other administration expenditure</td>
<td>113,202</td>
<td>100,431</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>938,933</td>
<td>1,253,905</td>
</tr>
<tr>
<td><strong>Deficit</strong></td>
<td>774,210</td>
<td>825,426</td>
</tr>
</tbody>
</table>

## EXCEPTIONAL ITEM

### 2011

<table>
<thead>
<tr>
<th>Description</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impairment of development land (note 10)</td>
<td>2,000,000</td>
</tr>
</tbody>
</table>

The unrealised loss arises on the revaluation of development land in Dublin 7. There were no significant differences at the balance sheet date.
9. TAXATION CHARGE

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on the surplus for the year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation charge</td>
<td>74,587</td>
<td>119,165</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus for year before taxation</td>
<td>452,619</td>
<td>3,235,103</td>
</tr>
<tr>
<td>Surplus for year multiplied by standard rate of corporation tax of 12.5% (2010: 12.5%)</td>
<td>56,577</td>
<td>404,388</td>
</tr>
</tbody>
</table>

Effects of:

- Income not subject to taxation: (179,980) (302,576)
- Expenses not deductible for tax purposes: 248,252 8,971
- Depreciation for year in excess of capital allowances: 4,193 37,739
- Higher tax rates on interest and rental income: 50,149 53,439
- Retention tax paid: (104,604) (82,796)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxation charge</td>
<td>74,587</td>
<td>119,165</td>
</tr>
</tbody>
</table>

The Society is chargeable to taxation on bank and other interest, 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.

There were no material deferred tax timing differences that required to be recognised at 31 December 2011 or 31 December 2010.
## 10. TANGIBLE FIXED ASSETS

### Group

<table>
<thead>
<tr>
<th>Group</th>
<th>Premises</th>
<th>Development land</th>
<th>Leasehold improvements</th>
<th>Furniture, fittings &amp; equipment</th>
<th>Computer equipment</th>
<th>Motor vehicles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1/1/2011</td>
<td>14,949,081</td>
<td>7,000,000</td>
<td>1,374,039</td>
<td>8,702,337</td>
<td>5,282,167</td>
<td>59,875</td>
<td>37,367,499</td>
</tr>
<tr>
<td>Additions</td>
<td>8,470</td>
<td>-</td>
<td>9,536</td>
<td>25,080</td>
<td>141,982</td>
<td>-</td>
<td>185,068</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>(2,000,000)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,000,000)</td>
</tr>
<tr>
<td>At 31/12/2011</td>
<td>14,957,551</td>
<td>5,000,000</td>
<td>1,383,575</td>
<td>8,727,417</td>
<td>5,424,149</td>
<td>59,875</td>
<td>35,552,567</td>
</tr>
<tr>
<td>Depreciation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1/1/2011</td>
<td>4,079,203</td>
<td>-</td>
<td>669,169</td>
<td>7,899,772</td>
<td>4,532,210</td>
<td>56,846</td>
<td>17,237,200</td>
</tr>
<tr>
<td>Charge for year</td>
<td>296,761</td>
<td>-</td>
<td>236,641</td>
<td>368,728</td>
<td>318,175</td>
<td>1,533</td>
<td>1,221,838</td>
</tr>
<tr>
<td>At 31/12/2011</td>
<td>4,375,964</td>
<td>-</td>
<td>905,810</td>
<td>8,268,500</td>
<td>4,850,385</td>
<td>58,379</td>
<td>18,459,038</td>
</tr>
<tr>
<td>Net book value:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31/12/2011</td>
<td>10,581,587</td>
<td>5,000,000</td>
<td>477,765</td>
<td>458,917</td>
<td>573,764</td>
<td>1,496</td>
<td>17,093,529</td>
</tr>
<tr>
<td>At 31/12/2010</td>
<td>10,869,878</td>
<td>7,000,000</td>
<td>704,870</td>
<td>802,565</td>
<td>749,957</td>
<td>3,029</td>
<td>20,130,299</td>
</tr>
</tbody>
</table>

The development land was valued by qualified external valuers Mason Owen & Lyons on a market value basis at 24 February 2012.

### Society

<table>
<thead>
<tr>
<th>Society</th>
<th>Premises</th>
<th>Leasehold improvements</th>
<th>Furniture, fittings &amp; equipment</th>
<th>Computer equipment</th>
<th>Motor vehicles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1/1/2011</td>
<td>14,804,795</td>
<td>1,174,784</td>
<td>8,390,314</td>
<td>5,282,166</td>
<td>59,875</td>
<td>29,711,934</td>
</tr>
<tr>
<td>Additions</td>
<td>8,470</td>
<td>9,536</td>
<td>19,780</td>
<td>141,982</td>
<td>-</td>
<td>179,768</td>
</tr>
<tr>
<td>At 31/12/2011</td>
<td>14,813,265</td>
<td>1,184,320</td>
<td>8,410,094</td>
<td>5,424,148</td>
<td>59,875</td>
<td>29,891,702</td>
</tr>
<tr>
<td>Depreciation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1/1/2011</td>
<td>3,955,090</td>
<td>469,914</td>
<td>7,600,625</td>
<td>4,527,505</td>
<td>56,846</td>
<td>16,609,980</td>
</tr>
<tr>
<td>Charge for year</td>
<td>293,861</td>
<td>236,341</td>
<td>363,688</td>
<td>318,175</td>
<td>1,533</td>
<td>1,213,598</td>
</tr>
<tr>
<td>At 31/12/2011</td>
<td>4,248,951</td>
<td>706,255</td>
<td>7,964,313</td>
<td>4,845,680</td>
<td>58,379</td>
<td>17,823,578</td>
</tr>
<tr>
<td>Net book value:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31/12/2011</td>
<td>10,564,314</td>
<td>478,065</td>
<td>445,781</td>
<td>578,468</td>
<td>1,496</td>
<td>12,068,124</td>
</tr>
<tr>
<td>At 31/12/2010</td>
<td>10,849,705</td>
<td>704,870</td>
<td>789,689</td>
<td>754,661</td>
<td>3,029</td>
<td>13,101,954</td>
</tr>
</tbody>
</table>

### Group and Society

The net book amount includes the following amount relating to assets held under finance leases:

Leasehold improvements: €159,430 (2010: €250,532)
10. TANGIBLE FIXED ASSETS (CONTINUED)

Group and Society

Included in the above are assets relating to education activities:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated depreciation</th>
<th>Net book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premises</td>
<td>5,876,183</td>
<td>1,332,703</td>
<td>4,543,480</td>
</tr>
<tr>
<td>Furniture, fittings and equipment</td>
<td>3,162,830</td>
<td>3,007,546</td>
<td>155,284</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>2,346,359</td>
<td>2,201,851</td>
<td>144,508</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,385,372</strong></td>
<td><strong>6,542,100</strong></td>
<td><strong>4,843,272</strong></td>
</tr>
</tbody>
</table>

11. ASSETS FINANCED BY FINANCING ARRANGEMENT

Group and Society

Included in tangible fixed assets are the following assets, which are the subject of a financing arrangement:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated depreciation</th>
<th>Net book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education Centre premises</td>
<td>5,858,702</td>
<td>1,315,222</td>
<td>4,543,480</td>
</tr>
<tr>
<td>Education furniture, fittings and equipment</td>
<td>53,767</td>
<td>53,767</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,912,469</strong></td>
<td><strong>1,368,989</strong></td>
<td><strong>4,543,480</strong></td>
</tr>
</tbody>
</table>

The Society financed the development of the Education Centre by means of a sale and leaseback arrangement with a consortium of investors. The substance of this transaction is that the risk and rewards associated with the Education Centre remain with the Society. Accordingly, the Education Centre is carried within tangible fixed assets, with a liability, which is included in creditors falling due after more than one year, established as being the liability to repurchase the assets from the consortium of investors.

The principal features of the arrangement are that the Society sold the assets to the consortium for €6.6 million and has the option to repurchase the assets in 2014, being the conclusion of the arrangement, for a fixed price of €7.21 million. The cost of the transaction has been treated as a financing cost and spread over the term of the transaction.
12. INVESTMENTS

Group and Society

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2011</td>
<td>4,634,262</td>
<td></td>
</tr>
<tr>
<td>Disposals at cost</td>
<td>(1,425,000)</td>
<td></td>
</tr>
<tr>
<td>Additions at cost</td>
<td>2,919,166</td>
<td></td>
</tr>
<tr>
<td>Reversal of provision for impairment</td>
<td></td>
<td>33,909</td>
</tr>
<tr>
<td>Investment income</td>
<td></td>
<td>30,000</td>
</tr>
<tr>
<td>Balance at 31 December 2011</td>
<td>6,192,337</td>
<td></td>
</tr>
</tbody>
</table>

The investments are comprised of the following:

(a) With-profit bond ('Policy');
(b) TAM equity and bond investments ('TAM');
(c) Cautious managed fund ('managed fund');
(d) Global absolute return strategy fund ('GARS');
(e) Deposit fund ('deposit fund') and
(f) Deposit bond ('deposit bond')

The policy and deposit bond carry 100% capital protection on maturity. TAM, the managed fund, GARS and the deposit fund do not carry capital protection. The policy, managed fund and GARS have a low risk profile, while TAM is fully exposed to volatility in equity markets. The Society has provided for a permanent diminution in the value of its investments of €137,180 (31 December 2010: €171,089).

The equity investment by the Society in subsidiary undertakings is carried at €Nil (2010: €Nil).

13. STOCKS

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks in trade</td>
<td>17,333</td>
<td>10,376</td>
</tr>
<tr>
<td>Society</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks in trade</td>
<td>10,559</td>
<td>6,649</td>
</tr>
</tbody>
</table>

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

#### Group

<table>
<thead>
<tr>
<th>Category</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors and prepayments</td>
<td>1,242,073</td>
<td>1,114,326</td>
</tr>
<tr>
<td>Amounts due from Law Society Compensation Fund</td>
<td>136,445</td>
<td>768,647</td>
</tr>
<tr>
<td>Amounts due from Law Society of Ireland Scholarship Fund</td>
<td>78,155</td>
<td>69,155</td>
</tr>
<tr>
<td>Amounts due from Irish Rule of Law International</td>
<td>7,449</td>
<td>-</td>
</tr>
<tr>
<td>Deferred finance costs</td>
<td>49,186</td>
<td>51,356</td>
</tr>
<tr>
<td>Corporation tax</td>
<td>46,622</td>
<td>4,753</td>
</tr>
<tr>
<td>VAT</td>
<td>69,278</td>
<td>18,137</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,629,208</strong></td>
<td><strong>2,026,374</strong></td>
</tr>
</tbody>
</table>

**Amounts falling due after more than one year:**

<table>
<thead>
<tr>
<th>Category</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred finance costs</td>
<td>- 49,186</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,629,208</strong></td>
</tr>
</tbody>
</table>

#### Society

**Amounts falling due within one year:**

<table>
<thead>
<tr>
<th>Category</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors and prepayments</td>
<td>1,162,385</td>
<td>1,010,011</td>
</tr>
<tr>
<td>Amounts due from Law Society Compensation Fund</td>
<td>136,445</td>
<td>768,647</td>
</tr>
<tr>
<td>Amounts due from Law Society of Ireland Scholarship Fund</td>
<td>78,155</td>
<td>69,155</td>
</tr>
<tr>
<td>Amounts due to Irish Rule of Law International</td>
<td>7,449</td>
<td>-</td>
</tr>
<tr>
<td>- The Law Club of Ireland</td>
<td>116,377</td>
<td>2,571</td>
</tr>
<tr>
<td>- Friary Property Services Limited</td>
<td>77,399</td>
<td>77,399</td>
</tr>
<tr>
<td>- Benburb Street Property Company Limited</td>
<td>5,010,000</td>
<td>7,000,000</td>
</tr>
<tr>
<td>- Ellis Quay Property Services Limited</td>
<td>77,309</td>
<td>89,409</td>
</tr>
<tr>
<td>Deferred finance costs</td>
<td>49,186</td>
<td>51,356</td>
</tr>
<tr>
<td>Corporation tax</td>
<td>45,940</td>
<td>1,952</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,760,645</strong></td>
<td><strong>9,070,500</strong></td>
</tr>
</tbody>
</table>

**Amounts falling due after more than one year:**

<table>
<thead>
<tr>
<th>Category</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred finance costs</td>
<td>- 49,186</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,760,645</strong></td>
</tr>
</tbody>
</table>


### 15. CREDITORS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>-</td>
<td>2,818</td>
</tr>
<tr>
<td>Creditors and accruals</td>
<td>2,469,198</td>
<td>2,259,983</td>
</tr>
<tr>
<td>Deferred income*</td>
<td>1,751,821</td>
<td>1,781,454</td>
</tr>
<tr>
<td>Amount due to Irish Rule of Law International</td>
<td>-</td>
<td>88,462</td>
</tr>
<tr>
<td>PAYE/PRSI</td>
<td>498,804</td>
<td>496,561</td>
</tr>
<tr>
<td>VAT</td>
<td>40,415</td>
<td>20,246</td>
</tr>
<tr>
<td>Finance lease</td>
<td>91,103</td>
<td>91,103</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,851,341</td>
<td>4,740,627</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Society</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors and accruals</td>
<td>2,357,737</td>
<td>2,253,142</td>
</tr>
<tr>
<td>Deferred income*</td>
<td>1,751,821</td>
<td>1,692,991</td>
</tr>
<tr>
<td>Amounts due to Irish Rule of Law International</td>
<td>-</td>
<td>88,462</td>
</tr>
<tr>
<td>Amounts due to subsidiary undertakings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- The Law Club of Ireland</td>
<td>88,104</td>
<td>82,306</td>
</tr>
<tr>
<td>PAYE/PRSI</td>
<td>498,804</td>
<td>490,238</td>
</tr>
<tr>
<td>VAT</td>
<td>40,415</td>
<td>20,246</td>
</tr>
<tr>
<td>Finance lease</td>
<td>91,103</td>
<td>91,103</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,827,984</td>
<td>4,718,488</td>
</tr>
</tbody>
</table>

*Deferred income represents fees for the 2012 financial year received in the year to 31 December 2011.

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group and Society</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due after more than one year:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Due within 2 to 5 years – finance lease</td>
<td>68,327</td>
<td>159,430</td>
</tr>
<tr>
<td>- Due within 2 to 5 years – bond funding scheme</td>
<td>116,178</td>
<td>116,178</td>
</tr>
<tr>
<td>- Due within 2 to 5 years – Education Centre</td>
<td>7,216,087</td>
<td>7,216,087</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,400,592</td>
<td>7,491,695</td>
</tr>
</tbody>
</table>

The bonds of €116,178, which are interest free, are redeemable at the request of the bond holders and are subject to a prize fund draw.

The amount due in respect of the Education Centre represents the liability under the financing arrangement (note 11).
16. ACCUMULATED RESERVES

<table>
<thead>
<tr>
<th>Group</th>
<th>Society accumulated reserves</th>
<th>Law School accumulated reserves</th>
<th>Education Centre fund</th>
<th>Litigation fund</th>
<th>Capital expenditure fund</th>
<th>Capital reserve fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Balance at 1/1/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>€ 21,952,391</td>
<td>€ (2,496,124)</td>
<td>€ 3,538,995</td>
<td>€ 7,201,459</td>
<td>€ 1,883,520</td>
<td>€ 9,607,951</td>
</tr>
<tr>
<td>Surplus/(deficit) for year</td>
<td>€ 378,032</td>
<td>€ (2,062,600)</td>
<td>€ 351,765</td>
<td>€ (91,925)</td>
<td>€ 274,724</td>
<td>€ 1,906,068</td>
</tr>
<tr>
<td>Transfers</td>
<td>€ -</td>
<td>€ 381,460</td>
<td>-</td>
<td>-</td>
<td>(361,753)</td>
<td>(19,707)</td>
</tr>
<tr>
<td>Balance</td>
<td>€ 22,330,423</td>
<td>€ (4,177,264)</td>
<td>€ 3,890,760</td>
<td>€ 7,109,534</td>
<td>€ 1,796,491</td>
<td>€ 2,196,883</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group and Society</th>
</tr>
</thead>
</table>

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.

Reconciliation of surplus per consolidated income and expenditure account to surplus for the year per accumulated reserves:

<table>
<thead>
<tr>
<th>Surplus before tax (note 4 &amp; 5)</th>
<th>General activities</th>
<th>Education activities</th>
<th>Education Centre fund</th>
<th>Litigation fund</th>
<th>Capital reserve fund</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>€ 3,314,956</td>
<td>€ 2,272,217</td>
<td>€ 1,042,739</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deficit before tax (note 7)</td>
<td>€ (774,210)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(774,210)</td>
</tr>
<tr>
<td>Sundry income</td>
<td>€ 6,478</td>
<td>€ 6,478</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Exceptional item (2,000,000)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,000,000)</td>
</tr>
<tr>
<td>Restructuring</td>
<td>(94,605)</td>
<td>(36,821)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(57,784)</td>
</tr>
<tr>
<td>Taxation (note 9)</td>
<td>(74,587)</td>
<td>4,305</td>
<td>(78,859)</td>
<td>-</td>
<td>-</td>
<td>(33)</td>
</tr>
<tr>
<td>Surplus/(deficit) after tax</td>
<td>€ 378,032</td>
<td>€ 2,283,000</td>
<td>€ 927,059</td>
<td>-</td>
<td>-</td>
<td>(2,832,027)</td>
</tr>
<tr>
<td>Income allocated to specific fund</td>
<td>-</td>
<td>- (2,088,867)</td>
<td>- (91,925)</td>
<td>274,724</td>
<td>1,906,068</td>
<td>-</td>
</tr>
<tr>
<td>Exceptional item (2,000,000)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Inter group trading</td>
<td>(256,733)</td>
<td>(575,294)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>832,027</td>
</tr>
<tr>
<td>Surplus/(deficit) per group accumulated reserves</td>
<td>€ 378,032</td>
<td>€ (2,062,600)</td>
<td>€ 351,765</td>
<td>€ (91,925)</td>
<td>274,724</td>
<td>1,906,068</td>
</tr>
</tbody>
</table>
## 17. Reconciliation of Surplus Before Taxation to Net Cash Inflow from Operating Activities 2011

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus before taxation</td>
<td>452,619</td>
<td>3,235,103</td>
</tr>
<tr>
<td>Depreciation charge</td>
<td>1,221,838</td>
<td>1,570,929</td>
</tr>
<tr>
<td>Interest received</td>
<td>(365,127)</td>
<td>(260,845)</td>
</tr>
<tr>
<td>Exceptional item</td>
<td>2,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Loss/(gain) on investments</td>
<td>171,925</td>
<td>(197,325)</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>-</td>
<td>4,167</td>
</tr>
<tr>
<td>(Increase)/decrease in stock</td>
<td>(6,957)</td>
<td>20,325</td>
</tr>
<tr>
<td>Decrease in debtors</td>
<td>488,221</td>
<td>335,454</td>
</tr>
<tr>
<td>Increase/(decrease) in creditors including finance leases</td>
<td>22,429</td>
<td>(259,505)</td>
</tr>
<tr>
<td><strong>NET CASH INFLOW FROM OPERATING ACTIVITIES</strong></td>
<td>3,984,948</td>
<td>4,448,303</td>
</tr>
</tbody>
</table>

## 18. (a) Analysis of Net Debt

<table>
<thead>
<tr>
<th>Description</th>
<th>At 1/1/2011</th>
<th>Cash flow</th>
<th>At 31/12/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and bank balances</td>
<td>7,334,216</td>
<td>2,315,733</td>
<td>9,649,949</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>(2,818)</td>
<td>2,818</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,331,398</td>
<td>2,318,551</td>
<td>9,649,949</td>
</tr>
<tr>
<td>Debt due after one year</td>
<td>(7,332,265)</td>
<td>-</td>
<td>(7,332,265)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(867)</td>
<td>2,318,551</td>
<td>2,317,684</td>
</tr>
</tbody>
</table>

## 18. (b) Analysis of Changes in Net Debt

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in cash during the year</td>
<td>2,315,733</td>
<td>2,897,602</td>
</tr>
<tr>
<td>Decrease in bank overdrafts during the year</td>
<td>2,818</td>
<td>19,598</td>
</tr>
<tr>
<td>Net debt at 1 January</td>
<td>(867)</td>
<td>(2,918,507)</td>
</tr>
<tr>
<td><strong>NET DEBT AT 31 DECEMBER</strong></td>
<td>2,317,684</td>
<td>(867)</td>
</tr>
</tbody>
</table>
19. RELATED PARTY TRANSACTIONS

Law Society Compensation Fund

<table>
<thead>
<tr>
<th></th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>768,647</td>
</tr>
<tr>
<td>Charges</td>
<td>4,067,798</td>
</tr>
<tr>
<td>Receipts</td>
<td>(4,700,000)</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td><strong>136,445</strong></td>
</tr>
</tbody>
</table>

Law Society of Ireland Scholarship Fund

<table>
<thead>
<tr>
<th></th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>69,155</td>
</tr>
<tr>
<td>Payments</td>
<td>9,000</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td><strong>78,155</strong></td>
</tr>
</tbody>
</table>

Irish Rule of Law International

<table>
<thead>
<tr>
<th></th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>88,462</td>
</tr>
<tr>
<td>Charges</td>
<td>7,449</td>
</tr>
<tr>
<td>Payments</td>
<td>(88,462)</td>
</tr>
<tr>
<td><strong>Closing balance</strong></td>
<td><strong>7,449</strong></td>
</tr>
</tbody>
</table>

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

20. 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. It is not practicable to separate the assets and liabilities of the scheme and, accordingly, the Society has availed of an exemption under Financial Reporting Standard 17 from making the disclosures required under the standard.

The scheme provides benefits based on final pensionable pay. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees’ working lives. 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 2009. The assumptions that 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 6% per annum pre-retirement and 5% per annum post-retirement, that future salary increases would average 4.5% per annum, and that pensions in payment will increase at 2.5% per annum on average. In effect, this means that the investment return pre-retirement would be 1.5% higher per annum than future salary increases, and the investment return post-retirement would be 2.5% higher per annum than pension increases.

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 2011. Members of the scheme who wish to be considered for this indexation pay a higher contribution rate of 8% of pensionable salary.
20. PENSIONS (CONTINUED)

The last actuarial valuation was at 31 December 2009, and it indicated that the market value of the assets of the scheme was €12,700,000 and that the assets were sufficient to cover 73% 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 be increased to 25% of pensionable salaries and the recommendation was implemented in 2010. The Society’s defined benefit scheme has been closed to new entrants since 30 September 2009 and has been replaced by a hybrid scheme with the defined benefit element capped at €45,000.

The actuary carries out an annual update of the minimum funding standard position of the scheme. The scheme met the minimum funding standard at 31 December 2011.

The next actuarial valuation of the scheme will take place at 31 December 2012.

The pension charge for the year was €1,153,344 (2010: €1,038,664).

21. SUBSIDIARY AND RELATED UNDERTAKINGS

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

Subsidiary undertakings:
- Friary Property Services Limited
- Benburb Street Property Company Limited
- Ellis Quay Property Services 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

22. CAPITAL COMMITMENTS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not contracted for</td>
<td>69,300</td>
<td>91,971</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>69,300</td>
<td>91,971</td>
</tr>
</tbody>
</table>

At the end of the year, the following expenditure had been authorised by the Finance Committee:
23. **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 2011. Legal costs incurred by the Society to 31 December 2011, in connection with these matters, have been charged in the income and expenditure account.

In June 2011, members of the Society, through a postal ballot, resolved to provide financial support on a conditional basis to the Solicitors Mutual Defence Fund Limited, up to a maximum of €16 million, to be funded by way of an equal payment from every practising solicitor for a period of ten years and to be collected through the practising certificate fee commencing on 1 January 2012. No payments have been made, or are due, in respect of this commitment since its inception, and therefore no liability has been recognised in the financial statements.

24. **COMPARATIVE AMOUNTS**

Certain comparative amounts have been restated in line with current year classifications.
## LAW SOCIETY OF IRELAND COMPENSATION FUND

for the year ended 31 December 2011

<table>
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<tr>
<th>Page</th>
<th>Content</th>
</tr>
</thead>
<tbody>
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<td>Responsibilities of the Regulation of Practice Committee</td>
</tr>
<tr>
<td>62</td>
<td>Independent Auditor’s Report</td>
</tr>
<tr>
<td>63</td>
<td>Statement of Accounting Policies</td>
</tr>
<tr>
<td>64</td>
<td>Income and Expenditure Account</td>
</tr>
<tr>
<td>65</td>
<td>Statement of Total Recognised Gains and Losses</td>
</tr>
<tr>
<td>66</td>
<td>Balance Sheet</td>
</tr>
<tr>
<td>67</td>
<td>Cash Flow Statement</td>
</tr>
<tr>
<td>68</td>
<td>Notes to the Financial Statements</td>
</tr>
</tbody>
</table>
The Regulation of Practice Committee is responsible for ensuring that financial statements are prepared each year which give a true and fair view of the state of affairs of the Law Society of Ireland Compensation Fund and of its result for that period. In preparing those financial statements the Regulation of Practice Committee:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent; and
- prepares the financial statements on the going concern basis.

The Regulation of Practice Committee is responsible for keeping proper accounting records 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 AUDITOR’S REPORT TO THE MEMBERS OF
LAW SOCIETY OF IRELAND COMPENSATION FUND

We have audited the financial statements of the Law Society of Ireland Compensation Fund for the year ended 31 December 2011 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement, the Statement of Accounting Policies and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This 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.

Respective responsibilities of the Regulation of Practice Committee and auditors

As set out in the Statement of Responsibilities, the Regulation of Practice Committee is responsible for the preparation of financial statements that give a true and fair view of the results and state of affairs of the compensation fund. Our responsibility, as independent auditors, is to audit the financial statements in accordance with International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view of the state of affairs of the compensation fund as at 31 December 2011 and of its result for the year then ended.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Regulation of Practice Committee in the preparation of the financial statements and of whether the accounting policies are appropriate to the compensation fund’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the compensation fund as at 31 December 2011 and of its deficit for the year then ended.

Deloitte & Touche
Chartered Accountants and Registered Auditors
Dublin

10 May 2012
BASIS OF PREPARATION
The financial statements have been prepared in accordance with the accounting policies set out below.

ACCOUNTING CONVENTION
The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments.

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 received.

INVESTMENTS
Investments are shown at market value. The difference between cost and market value is taken to a revaluation reserve and to the income and expenditure account to the extent that market value is below cost.

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

TAXATION
Taxation is provided on taxable results at current rates.
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.
LAW SOCIETY OF IRELAND COMPENSATION FUND

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
</tbody>
</table>

### INCOME

- Contributions receivable: 5,830,102
- Income and returns on investments: 3
  - 2011: 165,718
  - 2010: 319,177
- Recoveries from defaulting solicitors: 4
  - 2011: 214,271
  - 2010: 329,875
- Disciplinary fines and investigation levies: 110,750
  - 2011: 110,750
  - 2010: 311,000
- Insurance recovery: 4
  - 2011: 208,580
  - 2010: 2,232,638

**Total Income:** 6,529,421

### EXPENDITURE

- Provision for claims: 4
  - 2011: 1,931,016
  - 2010: 4,411,519
- Loss on sale of investments: 3
  - 2011: 289,209
  - 2010: -
- Insurance: 996,078
  - 2011: 996,078
  - 2010: 1,113,130
- Costs allocated from the Law Society of Ireland: 1,291,712
  - 2011: 1,291,712
  - 2010: 1,240,856
- Investigation and support staff salaries and expenses: 2,222,012
  - 2011: 2,222,012
  - 2010: 2,213,230
- Practice closure expenses: 587,512
  - 2011: 587,512
  - 2010: 553,487
- Legal and professional fees: 138,085
  - 2011: 138,085
  - 2010: 192,989
- Miscellaneous expenses: 14,928
  - 2011: 14,928
  - 2010: 30,379

**Total Expenditure:** 7,470,552

### DEFICIT BEFORE TAXATION

- 5
  - 2011: (941,131)
  - 2010: (1,234,678)

### Taxation

- 6
  - 2011: (56,921)
  - 2010: (12,520)

### DEFICIT AFTER TAXATION

- 11
  - 2011: (998,052)
  - 2010: (1,247,198)

The financial statements were approved by the Regulation of Practice Committee on 10 May 2012 and signed on its behalf by:

- Martin Lawlor
  - Chairman of the Regulation of Practice Committee
- Donald Binchy
  - President of Law Society of Ireland
### LAW SOCIETY OF IRELAND COMPENSATION FUND
### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
### FOR THE YEAR ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Note</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained deficit for the financial year</td>
<td>(998,052)</td>
<td>(1,247,198)</td>
</tr>
<tr>
<td>Movement in unrealised surplus arising on</td>
<td></td>
<td></td>
</tr>
<tr>
<td>revaluation of investments</td>
<td>12</td>
<td>366,918</td>
</tr>
<tr>
<td>Total recognised losses for the year</td>
<td>(631,134)</td>
<td>(837,082)</td>
</tr>
</tbody>
</table>

All recognised gains and losses arose from continuing activities.
LAW SOCIETY OF IRELAND COMPENSATION FUND
BALANCE SHEET AS AT 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>FIXED ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>7</td>
<td>18,100,323</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>8</td>
<td>91,512</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>364,884</td>
<td>343,372</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>424,396</td>
</tr>
<tr>
<td>CREDITORS: (amounts falling due within one year)</td>
<td>9</td>
<td>(1,411,756)</td>
</tr>
<tr>
<td>NET CURRENT LIABILITIES</td>
<td></td>
<td>(987,360)</td>
</tr>
<tr>
<td>TOTAL ASSETS LESS CURRENT LIABILITIES</td>
<td></td>
<td>17,112,963</td>
</tr>
<tr>
<td>PROVISIONS FOR LIABILITIES AND CHARGES</td>
<td>10</td>
<td>(4,152,052)</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td>12,960,911</td>
</tr>
<tr>
<td>REVENUE RESERVES</td>
<td>11</td>
<td>10,721,951</td>
</tr>
<tr>
<td>REVALUATION RESERVE</td>
<td>12</td>
<td>2,238,960</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>12,960,911</td>
</tr>
</tbody>
</table>

The financial statements were approved by the Regulation of Practice Committee on 10 May 2012 and signed on its behalf by:

Martin Lawlor
Chairman of the Regulation of Practice Committee

Donald Binchy
President of Law Society of Ireland
### LAW SOCIETY OF IRELAND COMPENSATION FUND

#### CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
</tbody>
</table>

#### NET CASH OUTFLOW FROM OPERATING ACTIVITIES

| 13    | (2,099,311) | (1,950,976) |

#### RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

- Dividends and interest received  
  - 2011: 165,718  
  - 2010: 173,345

#### TAXATION

- Taxation paid  
  - 2011: (42,446)  
  - 2010: (32,540)

#### MANAGEMENT OF LIQUID RESOURCES

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of investments</td>
<td>(4,848,525)</td>
<td>(7,039,869)</td>
</tr>
<tr>
<td>Disposal of investments</td>
<td>6,814,076</td>
<td>7,890,651</td>
</tr>
<tr>
<td></td>
<td>1,965,551</td>
<td>850,782</td>
</tr>
</tbody>
</table>

#### DECREASE IN CASH

<table>
<thead>
<tr>
<th>14</th>
<th>(10,488)</th>
<th>(959,389)</th>
</tr>
</thead>
</table>
1. GOING CONCERN

The compensation fund had a deficit before taxation for the year of €941,131 and had net current liabilities of €987,360 at the balance sheet date.

The compensation fund has, however, €18,100,323 of financial assets at its disposal that are readily convertible. Therefore, the Regulation of Practice Committee 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.

2. PRESENTATION OF FINANCIAL STATEMENTS

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 Law Society of Ireland.

3. (LOSS)/SURPLUS ON SALE OF INVESTMENTS AND RETURNS ON INVESTMENTS 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Loss)/surplus on sale of investments</td>
<td>(289,209)</td>
<td>145,832</td>
</tr>
<tr>
<td>Dividends and interest receivable</td>
<td>165,718</td>
<td>173,345</td>
</tr>
<tr>
<td></td>
<td>(123,491)</td>
<td>319,177</td>
</tr>
</tbody>
</table>

4. NET COST OF CLAIMS AFTER RECOVERIES 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for claims (note 10)</td>
<td>1,931,016</td>
<td>4,411,519</td>
</tr>
<tr>
<td>Recoveries from defaulting solicitors</td>
<td>(214,271)</td>
<td>(329,875)</td>
</tr>
<tr>
<td>Net cost of claims</td>
<td>1,716,745</td>
<td>4,081,644</td>
</tr>
</tbody>
</table>

The compensation fund has stop loss insurance policies in place, which are subject to an excess of €5,000,000 in any year. No insurance recoveries apply in respect of the 2011 or 2010 claim years.

In 2008, the net cost of claims exceeded €5,000,000 and the excess was claimable under the stop loss policies. Claims have been made in accordance with the policies and, in 2011, €208,580 (2010: €2,232,638) was recovered. The Regulation of Practice Committee has estimated the maximum recoveries remaining at €769,782. However, the precise amount and timing of such recoveries are uncertain. Therefore, no receivables have been recognised in the financial statements in this regard.

5. DEFICIT BEFORE TAXATION 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor’s remuneration</td>
<td>4,800</td>
<td>4,600</td>
</tr>
</tbody>
</table>
6. TAXATION

The compensation fund is liable to income tax on investment income and gains.

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax</td>
<td>50,340</td>
<td>44,040</td>
</tr>
<tr>
<td>Adjustment in respect of prior years</td>
<td>6,781</td>
<td>(26,256)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>57,121</td>
<td>17,784</td>
</tr>
</tbody>
</table>

Deferred tax credit

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>(200)</td>
<td></td>
<td>(5,264)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>56,921</td>
<td>12,520</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficit before taxation</td>
<td>(941,131)</td>
<td>(1,234,678)</td>
</tr>
<tr>
<td>Deficit multiplied by standard rate of income tax of 20%</td>
<td>(188,226)</td>
<td>(246,936)</td>
</tr>
</tbody>
</table>

Effects of:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income not subject to taxation</td>
<td>(1,369,786)</td>
<td>(1,660,141)</td>
</tr>
<tr>
<td>Expenses not deductible for tax purposes</td>
<td>1,494,110</td>
<td>1,951,117</td>
</tr>
<tr>
<td>Adjustment in respect of prior years</td>
<td>6,781</td>
<td>(26,256)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>57,121</td>
<td>17,784</td>
</tr>
</tbody>
</table>

7. FINANCIAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed investments – at market value</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value at end of year</td>
<td>18,100,323</td>
<td>19,988,165</td>
</tr>
</tbody>
</table>

At 31 December 2011, the market value of investments exceeded cost by €2,238,960 (2010: €1,872,042)

8. DEBTORS: (amounts falling due within one year)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other debtors</td>
<td>91,431</td>
<td>113,713</td>
</tr>
<tr>
<td>Corporation tax recoverable</td>
<td>81</td>
<td>14,756</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>91,512</td>
<td>128,469</td>
</tr>
</tbody>
</table>
9. **CREDITORS:** (amounts falling due within one year)  

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accruals</td>
<td>223,722</td>
<td>210,172</td>
</tr>
<tr>
<td>Solicitors’ funds held</td>
<td>1,056,824</td>
<td>16,103</td>
</tr>
<tr>
<td>Amounts due to the Law Society of Ireland</td>
<td>131,210</td>
<td>721,566</td>
</tr>
<tr>
<td></td>
<td>1,411,756</td>
<td>947,841</td>
</tr>
</tbody>
</table>

10. **PROVISIONS FOR LIABILITIES AND CHARGES**  

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for claims:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At beginning of year</td>
<td>5,902,826</td>
<td>5,660,133</td>
</tr>
<tr>
<td>Provision made</td>
<td>1,931,016</td>
<td>4,411,519</td>
</tr>
<tr>
<td>Claims paid</td>
<td>(3,698,884)</td>
<td>(4,168,826)</td>
</tr>
<tr>
<td></td>
<td>4,134,958</td>
<td>5,902,826</td>
</tr>
<tr>
<td>Deferred tax:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At beginning of year</td>
<td>17,294</td>
<td>22,558</td>
</tr>
<tr>
<td>Credit for the year</td>
<td>(200)</td>
<td>(5,264)</td>
</tr>
<tr>
<td>At end of year</td>
<td>17,094</td>
<td>17,294</td>
</tr>
<tr>
<td></td>
<td>4,152,052</td>
<td>5,920,120</td>
</tr>
</tbody>
</table>

The entire deferred tax provision at 31 December 2011 and 2010 related to investment income, which is not taxed until received.

11. **RECONCILIATION OF REVENUE RESERVES**  

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated surplus at beginning of year</td>
<td>11,720,003</td>
<td>12,967,201</td>
</tr>
<tr>
<td>Deficit for year</td>
<td>(998,052)</td>
<td>(1,247,198)</td>
</tr>
<tr>
<td>Accumulated surplus at end of year</td>
<td>10,721,951</td>
<td>11,720,003</td>
</tr>
</tbody>
</table>

12. **REVALUATION RESERVE**  

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealised surplus on investments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At beginning of year</td>
<td>1,872,042</td>
<td>1,461,926</td>
</tr>
<tr>
<td>Movement during year</td>
<td>366,918</td>
<td>410,116</td>
</tr>
<tr>
<td>At end of year</td>
<td>2,238,960</td>
<td>1,872,042</td>
</tr>
</tbody>
</table>
13. RECONCILIATION OF DEFICIT BEFORE TAXATION TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficit before taxation</td>
<td>(941,131)</td>
<td>(1,234,678)</td>
</tr>
<tr>
<td>Dividends/interest received</td>
<td>(165,718)</td>
<td>(173,345)</td>
</tr>
<tr>
<td>Loss/(surplus) on disposal of investments</td>
<td>289,209</td>
<td>(145,832)</td>
</tr>
<tr>
<td>Decrease/(increase) in debtors</td>
<td>22,282</td>
<td>(85,468)</td>
</tr>
<tr>
<td>Decrease in creditors</td>
<td>(1,303,953)</td>
<td>(311,653)</td>
</tr>
</tbody>
</table>

NET CASH OUTFLOW FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(2,099,311)</td>
<td>(1,950,976)</td>
</tr>
</tbody>
</table>

14. (a) ANALYSIS OF CHANGES IN NET FUNDS

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in cash during the year</td>
<td>(10,488)</td>
<td>(959,389)</td>
</tr>
<tr>
<td>Net funds at 1 January</td>
<td>343,372</td>
<td>1,302,761</td>
</tr>
<tr>
<td>Net funds at 31 December</td>
<td>332,884</td>
<td>343,372</td>
</tr>
</tbody>
</table>

(b) ANALYSIS OF NET FUNDS

<table>
<thead>
<tr>
<th></th>
<th>At 1/1/2011</th>
<th>Cash flow</th>
<th>At 31/12/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and bank balances</td>
<td>343,372</td>
<td>(10,488)</td>
<td>332,884</td>
</tr>
</tbody>
</table>

15. RELATED PARTY TRANSACTIONS

During the year, the expenditure of the compensation fund included expenses and payroll costs totalling €4,032,331 (2010: €4,157,212), which were recharged to it by the Law Society of Ireland. The amount due to the Law Society of Ireland at the year end is shown at note 9.

16. CONTINGENT ASSET

A contingent asset exists in relation to claims under an insurance policy in respect of 2008. Full details are set out at note 4.
17. PENSIONS

The Law Society of Ireland and the Law Society of Ireland Compensation Fund are the participants in a multi-employer defined benefit pension scheme, operated by the Society. It is not practicable to separate the assets and liabilities of the scheme and, accordingly, the Society has availed of an exemption under Financial Reporting Standard 17 from making the disclosures required under the standard.

The scheme provides benefits based on final pensionable pay. Contributions to the scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees’ working lives. 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 2009. The assumptions that 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 6% per annum pre-retirement and 5% per annum post-retirement, that future salary increases would average 4.5% per annum, and that pensions in payment will increase at 2.5% per annum on average. In effect, this means that the investment return pre-retirement would be 1.5% higher per annum than future salary increases, and the investment return post-retirement would be 2.5% higher per annum than pension increases.

The trustees obtain the consent of the Law Society of Ireland Compensation Fund 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 2011. Members of the scheme who wish to be considered for this indexation pay a higher contribution rate of 8% of pensionable salary.

The last actuarial valuation was at 31 December 2009, and it indicated that the market value of the assets of the scheme was €12,700,000 and that the assets were sufficient to cover 73% 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 increase to 25% of pensionable salaries and the recommendation was implemented in 2010. The Society’s defined benefit scheme has been closed to new entrants since 30 September 2009 and has been replaced by a hybrid scheme with the defined benefit element capped at €45,000.

The actuary carries out an annual update of the minimum funding standard position of the scheme. The scheme met the minimum funding standard at 31 December 2011.

The next actuarial valuation of the scheme will take place at 31 December 2012.

The pension charge for the year was €301,523 (2010: €264,284).
FACTS ABOUT THE PROFESSION

GENDER PROFILE: MEMBERS

Gender profile: members

- Female: 4,918 (50%)
- Male: 4,918 (50%)

GENDER PROFILE: PRACTISING SOLICITORS

Gender profile: practising solicitors

- Male: 4,918 (50%)
- Female: 4,896 (50%)

PRACTISING STATUS

- Law firms: 7,240
- Corporate: 1,272
- State: 243
- Abroad: 37
- Not practising: 1,022
- Members: 9,814

FIRMS BY NUMBER OF SOLICITORS

- 1 solicitor: 945
- 2 solicitors: 573
- 3 solicitors: 279
- 4 solicitors: 163
- 5 solicitors: 69
- 6 to 10 solicitors: 106
- 11 to 20 solicitors: 36
- 21+ solicitors: 22
- Total: 2,193
STAFF LIST

DIRECTOR GENERAL
Ken Murphy

HUMAN RESOURCES
Maureen Seabrook, Human Resources Manager

POLICY, COMMUNICATION AND MEMBER SERVICES
Mary Keane, Director of Policy, Communication and Member Services and Deputy Director General
Patricia Doolan, Personal Secretary
Maria Hoey, Personal Secretary (President and Director of Policy, Communication and Member Services)
Gabriel Brennan, eConveyancing Project Manager
Louise Campbell, Support Services Executive
Colette Carey, Committee Executive
Anthea Moore, Secretary
Colleen Farrell, Committee Executive
Carmel Kelly, Web Editor
Joyce Mortimer, Human Rights Executive
Emma-Jane Williams, Policy Development Executive

Career Support
Keith O’Malley, Head of Career Support
Karen Sutton, Career Advisor
Teresa Sokolic, Career Support Executive
Malgorzata Rola, SkillNet Administrator

Gazette
Mark McDermott, Editor, Gazette and PR Executive
Catherine Dunne/Valerie Farrell, (J/S) Secretary (Editor, Gazette)

Library
Mary Gaynor, Head of Library and Information Services
Eddie Mackey, Executive Assistant Librarian
Mairead O’Sullivan, Executive Assistant Librarian
Margaret Byrne, Librarian
Louise Gilsenan, Library Assistant
Clare Tarpey, Library Assistant

REGULATION DEPARTMENT
John Elliot, Registrar of Solicitors and Director of Regulation
Lesley Butler, Personal Secretary (Registrar of Solicitors and Director of Regulation)

Practice Regulation (Practising Certificates and Professional Indemnity Insurance)
Sorcha Hayes, Practice Regulation Manager
Clara Carty, Secretary
Nicola Kelly, Practice Regulation Administrator
Mary Ann McDermott, Secretary

Financial Regulation
Seamus McGrath, Senior Investigating Accountant
Tina Beattie, Executive Officer (part-time)
Tim Bolger, Investigating Accountant
Damien Colton, Investigating Accountant
Mary Devereux, Investigating Accountant
Jim Dobson, Investigating Accountant
Colm Dunne, Investigating Accountant
Kara Groarke, Executive Officer
Noreen McCarthy, Investigating Accountant
Andrew O’Brien, Claims Administrator
Niamh O’Connell, Investigating Accountant
Jim O’Dowd, Investigating Accountant
Rory O’Neill, Investigating Accountant
Jim Ryan, Investigating Accountant
Edward Sheehan, Investigating Accountant
Tracy Bennett, Secretary
Christina D’Arcy, Secretary
Linda Dolan, Administration Assistant
Darren Magnier, Clerical Assistant
Yvonne McMahon, Secretary

Complaints and Client Relations
Linda Kirwan, Head of Complaints and Client Relations
Tony Watson, Deputy Head of Complaints and Client Relations
Helena Blaney, Solicitor (part-time)
Daragh Buckley, Solicitor (part-time)
Martin Clohessy, Complaints Executive
Eleanor Hannon, Solicitor
Kay Lynch, Solicitor
Cathy O’Brien, Solicitor (part-time)
Catriona O’Mara, Solicitor (part-time)
Orlaith Gallagher/Helen Mountaine, (J/S) Office Manager
Pamela Connolly, Secretary

Deborah Finn, Secretary
Doreen Fitzsimons/Ursula Lynch, (J/S) Secretary
Rita Hogan/Carmel Molloy, (J/S) Secretary
Yvonne McGarvey/Colette O’Leary, (J/S) Secretary
Eamonn Maguire, Secretary (part-time)

Regulatory Litigation
Joan O’Neill, Senior Solicitor
Mary Fenelon, Solicitor (part-time)
David Irwin, Solicitor
Anne Molloy, Secretary (part-time)
Susan Murray, Administrator and Secretary (part-time)
Jean O’Cuilinn, Secretary (part-time)
Simon Treanor, Secretary

Practice Closures
Therese Clarke, Senior Solicitor
Catherine O’Flaherty, Solicitor
Clare O’Sullivan, Solicitor (part-time)
Sheila O’Sullivan, Solicitor (part-time)
David Mulvihill, Locum Solicitor
Aodhnaí Burke, Secretary
Tracey Butler, Secretary
Sally Carney, Secretary (part-time)
Suzanne Chesney, Secretary (part-time)
Shane Farrell, Clerical Assistant
Gerald Harty, Clerical Assistant
Cathriona McCabe, Secretary
Geraldine Molloy, Secretary (part-time)

EDUCATION DEPARTMENT
TP Kennedy, Director of Education
Lynda Sheane, Personal Secretary
Geoffrey Shannon, Deputy Director of Education
Tara Caffrey, Personal Secretary (Deputy Director of Education)
Paula Sheedy, Education Officer
Carmel Kearney, Secretary
Fiona O’Flaherty, Secretary (part-time)
Maritta Moran, Secretary
Katherine Kane, Education Executive
Joan Dunne, Receptionist
Donna O’Reilly, Receptionist
Phelimena Whyte, Secretary/Admissions Administrator
Catherine Byrne, Secretary/Administrator (part-time)

Traineeship
Fionna Fox, Training Executive
Mary Walker, Secretary
Jacqueline Robb, Secretary (part-time)
Professional Training
Attracta O'Regan, Head of Professional Training
Denise Hope, Secretary
Michelle Nolan, Communications Executive
Pauline Smyth, Secretary

CPD
Anthea Coll, CPD Executive
Sharon Boggans, Secretary

Diplomas
Freda Grealy, Diplomas Manager
Deirdre Flynn, Diplomas Executive
Tina Dwyer, Secretary
Jane Callaghan, Secretary
Caroline Foley, Secretary
Olga Gaffney, Diplomas Executive
Julie Shackleton, Diplomas Executive

PPCI and II
Anne Walsh, Administration Manager
Julianne Ward, Secretary
Maura Butler, Course Manager
Paddy Courtney, Course Manager
Joanne Cox, Course Manager
Rachael Hession, Course Manager (part-time)
Jane Moffatt, Course Manager
Eva Massa, Course Manager
Colette Reid, Course Manager
Teresa Cunningham, Secretary
Zoe Donnelly, Secretary
Robert Lowney, Secretary
Irene O'Reilly, Secretary
Antoinette Moriarty, Student Development Advisor (part-time)
Emma Cooper, Student Development Advisor (part-time)

FINANCE DEPARTMENT
Cillian MacDomhnaill, Director of Finance and Administration
Gayle Ralph, Personal Secretary
Belinda O'Keeffe, Executive Assistant

Accounts
Paul Baily, Finance Manager
Edward McDermot, Accountant
Patrick McCormack, Accountant (part-time)
Brigid Pender, Accounts Assistant
Oliver Shanks, Accounts Assistant
Grace Tambala, Accounts Assistant
Peggy Ryan, Payroll Clerk (part-time)

Information Technology
Tom Blennerhassett, IT Manager
Veronica Donnelly, Computer Services Manager
Damien Carr, IT Support
Linda Cash, IT Support (part-time)
Patricia Faulkner, IT Support (part-time)
Caroline Kennedy, IT Systems Administrator – Education Centre
Paul Mooney, Technical Support – Education Centre
Peter Maxwell, IT Web Support

Four Courts Office
Paddy Caulfield, Manager
Mary Bissett
Dolores Maguire (part-time)

Facilities/Internal Services
Tony Morgan, Facilities Manager
Catherine Monaghan, Secretary
Carol O'Riordan, Head Receptionist (part-time)
Deirdre Gilhooly, Receptionist
Kay Byrne, Receptionist (part-time)
Thelma Gorman, Receptionist (George's Court)
Sadie Adams, Printing/Post
Esther McCormack, Printing/Post
Desmond White, Printing/Post
Paul Kiberd, Head of Security
Eamonn Clinch, Facilities Supervisor
Christy Caulfield, Security/Porter/Maintenance
Charles Mulvey, Security/Porter/Maintenance
Chris Ryan, Security/Porter/Maintenance
Anthony Casey, Security/Porter/Maintenance
Ann Murphy, Cleaning
Paul Connolly, Cleaning (part-time)
Eileen Brennan, Cleaning (part-time)
Joan McKeever, Cleaning
John Leonard, Security (part time)
Michael Troy, Security (part-time)
Patrick Leahy, Security (part-time)
John Smyth, Security (part-time)
Jim Byrne, Security (part-time)
Henry Peyton, Security (part-time)
Tom Flanagan, Security (part-time)

Law Club of Ireland
Alan Greene, Bar Manager
Graham Helps, Bar and Hospitality Assistant