



Law Society of Ireland

Annual Report and Accounts

2007/2008

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**REPORT OF
THE
PRESIDENT**

2007/2008

Plus ça change, plus c'est la même chose – it was ever thus.

Under our system, each president serves for one term and, by definition, writes one annual report. Naturally therefore, to prepare my report, I read those of my predecessors. The striking feature is the consistency of theme from year to year, and how each of us who have had the honour to be President of the Law Society reaches the same conclusions.





Attending the Walter Swift Symposium on 16 July 2008 at Blackhall Place were (l to r): Law Society president James MacGuill, Chief Justice John L Murray, Innocence Project director Barry Scheck, Walter Swift and Niamh Gunn. The symposium was held within weeks of the exoneration of Walter Swift, after 26 years of imprisonment in the US (Pic: Lensmen)

Firstly, it has been an honour and a privilege to serve as president and, while it has not always been a barrel of laughs, I wouldn't change a moment. Many colleagues were kind enough to commiserate with me, in the belief that the current 'difficulties' facing the profession made my year in office more difficult. A number of points arise. Firstly, every one of my predecessors has had challenges to face, and that simply comes with the territory. Secondly, one of the wonderful things about our collegiate profession is that, at times of difficulty, people really strive to pull together. The support from the profession has been unbelievable. Finally, for those of you who share my terror at being asked to deliver a 'funny' after-dinner speech, it was a clear advantage to be president in a year when nobody expected a Law Society figure to be humorous! During the year, while the media were obsessed with regulatory issues affecting a few, the Society kept its focus on the economic and practice issues concerning the majority – I believe we have succeeded on both fronts. Clearly changed economic circumstances are outside the control of individual colleagues, but what is within our collective control is the ability to adapt

our practices to reflect current needs and seize present opportunities. As a profession, we have been down this road many times before. We have learned the lesson that constantly improving the service we provide for our clients is the best guarantee of our own professional success. My immediate predecessor, Philip Joyce, leads a task force to assist colleagues in identifying new opportunities on the one hand, and to provide sound practice-management guidance on the other.

Core values

A constant theme in previous reports has been the surprise, even to 'insiders', at the extent of work done by volunteer members of Society committees. This year was no exception. I want to pay tribute to all our committee members, who give so generously of their time, especially when practice conditions are challenging. In the course of this year, their good work has led to the publication of significant reports following legal research, including the launch of the e-conveyancing proposal, the Law Reform Committee proposal on environmental law, and, significantly, the report of the Legal Aid Task Force on the scope of

available legal aid. In each case, the focus of the research is the provision of greater protection for the individual client – a core value of our profession.

The Society had particular concerns about the *Immigration, Residence and Protection Bill* and made a lengthy submission to the government. It has, however, been a very busy year for legislation that directly affects the solicitors' profession.

We have had the *Civil Law (Miscellaneous Provisions) Act 2008*, which has made some detailed changes to the regulatory system. We are awaiting the committee stage of the *Legal Services Ombudsman Bill*, which promises to radically change the legal landscape in Ireland. Last but not least, we have had *Acht na nDlí-Chleacechtóirí (An Ghaeilge) 2008*, abolishing the mandatory and archaic Irish examinations and putting in their place a progressive and proactive scheme to advance the use of the Irish language.

Tá lúchair orm a rá gur éirigh leis an athrú ó bhrú a chur ar dhaoine go tacaíocht a thabhairt do dhaoine.

Tá borradh faoin tsuim sa Scoil Dlí, agus suim suntasach á léiriú san ardcúrsa atá ullmhaithe do na

comhghleacaithe atá ag cleachtadh cheana féin.

Beidh na cúrsaí seo ar fáil arís an bhliain seo chugainn agus mholfainn do chách feidhm a bhaint astu. ‘Mol an óige agus tiocfaidh siad.’

Reciprocal relations

Moving from the national to the international, the Society continues to foster reciprocal relations with sister organisations throughout the world. These contacts provide access to invaluable expertise as to how other jurisdictions have dealt with the difficulties we are now encountering. The regard in which the Law Society of Ireland is held is reflected in the fact that the Canadian Bar Association will hold its annual conference for 2009 here in Dublin from 13-16 August. I would urge all colleagues who have an opportunity to do so to assist in the running of the conference to make our Canadian colleagues welcome, as they in turn have welcomed us. We are also beginning work towards the holding of the IBA conference in Dublin in 2012.

In the course of the year, the Society hosted many visiting groups of lawyers keen to hear our perspective on various issues of concern to them. The ironic high point

had to be the visit of the judges from northern Norway, whose government is considering setting up a system of tribunals and who were (for some reason) directed to Ireland in their quest for knowledge. They enjoyed their meeting with us and left with a lot of information not easily gleaned from textbooks!

At the time of writing, I still await a reply from ex-president Musharraf to the Society's letter of protest at his treatment of the judges in Pakistan.

Continuing the international theme, our conference in Budapest was a great success and I would like to repeat our thanks to keynote speakers Barry Donoghue, John Bruton and Brian Lenihan. Our ever-efficient conference organiser, James McCourt, is still monitoring the postbag for libel writs intended for our after-dinner speaker, Louth colleague and friend Dermot Lavery.

Next year's conference will be held in Bilbao from 23-26 April 2009. The conference will be shorter by one day and the timing has changed, reflecting the fact that the first weekend after Easter is still holiday time in Bilbao. We look forward to the opportunity of very good interaction with the local colleagues there, who have made the intended conference very welcome.

Pride and privileges

While there were many high points in the year, for me personally the greatest moment of pride was to learn that a wholly innocent American man was released from prison having served 26 years of a sentence for a crime he did not commit, largely due to the efforts of now colleague, and then trainee, Niamh Gunn.

Niamh most graciously acknowledged the encouragement she received from Law School personnel, serving as a timely antidote to those critics who maintain that lawyers are selfishly, rather than selflessly, motivated. The Society intends to engage on a more formal level with the Innocence Project, and its directors Barry Scheck and Madeline deLone, to both support and learn from their invaluable work. I would like to particularly thank the Chief Justice of Ireland, Mr Justice John Murray, for presiding over a wonderful symposium last July addressed by Niamh, Barry Scheck and Walter Swift, which served as an inspiration to us all.

One of the great privileges of presidency is the opportunity to welcome new colleagues to the profession. This year, more than 500 colleagues received their parchments at 12 ceremonies. While these are wonderful family occasions, they are also an important opportunity for us collectively to restate our core principles and, in these difficult times, to reflect on the many challenges and opportunities that do exist. I was impressed by the energy and application of our new colleagues, and our profession is in good hands. I would like to thank those who addressed the parchment ceremonies, including Professor Lonnie Rose, Brian Lenihan, Carol Coulter, Sir Brian Kerr (Lord Chief Justice of Northern Ireland), Turlough O'Donnell SC, Garda Commissioner Fachtina Murphy, Niamh Gunn, Moya Quinlan (the undisputed doyen of our profession), Judge Michael Reilly (inspector of prisons),



At the Law Society's annual dinner on 11 April 2008 were (l to r): senior vice-president John D Shaw, president James MacGuill, then Minister for Foreign Affairs and now Minister for Justice Dermot Ahern and junior vice-president Donald Binchy (Pic: Lensmen)

Fr Peter McVerry, Dr Maurice Manning (chairman of the Irish Human Rights Commission) and, at the time of writing, colleague and now Minister for Justice, Equality and Law Reform Dermot Ahern has confirmed that he

The performance levels and *esprit de corps* are truly exceptional. While some of the pressures are highly visible – particularly, say, on the regulatory or educational sides – there is also immense invisible work

president, senior vice-president, junior vice-president, director general and deputy director general. I, therefore, would like to thank Philip, John, Donald, Ken and Mary for their work during the year.

“We have learned the lesson that constantly improving the service we provide for our clients is the best guarantee of our own professional success.”

will address a future ceremony. A high point of the day for all concerned is the address of President of the High Court Mr Justice Richard Johnson, who always manages to bring humour to the occasion while setting challenges and telling home truths. On occasion, he was deputised for by other members of the High Court bench, to whom we are also grateful.

Credit where it's due

Each of my predecessors, I am sure, experienced the same trepidation when it came to expressing gratitude for the hard work and input of various people. The fear, of course, is that someone will be left out and, given the inevitability of that error, I apologise in advance. On behalf of you all, I want to thank the truly excellent staff in the Law Society.

undertaken in many other parts of the organisation, and all have earned equal credit.

A particular word of thanks, however, must go to Maria Hoey, who started with the Society last year in the unenviable position of secretary to the president. She has shown remarkable ingenuity in coping with my various foibles.

All important decisions are made by the Law Society's Council, and I would like to thank my fellow Council members for their support and 'guidance' throughout the year. Colleagues will be relieved to learn that the president does not get his own way all the time.

On a day-to-day basis, decisions are made by the Coordination Committee of the Society, comprising the immediate past-president,

I can say without hesitation that, in having Ken Murphy and Mary Keane as part of our professional team, the Law Society of Ireland is the envy of law societies around the world, and justifiably so. My own colleagues in MacGuill & Company have been immensely helpful and extraordinarily uncomplaining. I hope it is not all being stored up for November!

Above all, I want to thank my wife Lisa and son Conor for their patience through the year.

James MacGuill,
President



Guests at the Waterford Law Society's annual dinner on 4 April 2008 included Law Society president James MacGuill and director general Ken Murphy, pictured here with Waterford Law Society president Morette Kinsella and Council member Tom Murran (Pic: Ciaran Conneely)

**COUNCIL OF
THE LAW
SOCIETY OF
IRELAND**

2007/2008



President: James MacGuill

Senior vice-president: John D Shaw

Junior vice-president: Donald P Binchy

Council members: James Cahill, Paul E Connellan, John E Costello, Colin Daly, Maura Derivan, Gerard J Doherty, Patrick Dorgan, Niall Farrell, Stuart J Gilhooly, Gerard G Griffin, Michael Irvine, Phillip M Joyce, Liam A Kennedy, Martin G Lawlor, Barry MacCarthy, James B McCourt, Simon J Murphy, Thomas Murrán, Michelle Ní Longáin, Michele O'Boyle, Daniel E O'Connor, John O'Connor, Kevin D O'Higgins, James O'Sullivan, Michael Quinlan, Moya Quinlan, Louise Rouse, John P Shaw

Past presidents: Owen M Binchy, Geraldine M Clarke

Provincial delegates: Leinster: Andrew J Cody

Munster: Frances Twomey

Ulster: Margaret M Mulrine

Connaught: Rosemarie J Loftus

Dublin Solicitors' Bar Association: John Glynn, John P O'Malley, Alma M Sheehan

Southern Law Association: Helen Collins, Patricia Harney, Eamon Harrington, Mortimer Kelleher, Patrick Mullins

Law Society of Northern Ireland: James Cooper, Joe Donnelly, Rory McShane, John Pinkerton

Achievements during the year

The Council met regularly throughout the year (reports from individual Council meetings are made available in the *Gazette*). During the course of the year, the Council has considered, directed and played a pivotal role in the formulation of the Society's position concerning the development of legislation affecting practitioners in areas such as the *Immigration, Residence and Protection Bill 2007*, the *Legal Practitioners (Irish Language) Bill 2007*, the enactment of the *Civil Law (Miscellaneous Provisions) Act 2008* and the *Legal Services Ombudsman Bill 2008*. The Council also considered and approved the work, reports, submissions and proposals of numerous Society committees, for example, the NALA-approved practice note on solicitors' terms and conditions of engagement, and proposals for the development of the Benburb Street site, as well as various Society initiatives, such as LawCare and the relocation of the Society's regulatory functions.

**REPORT OF
THE
DIRECTOR
GENERAL**

2007/2008



It was in the headlines on 15 October 2007 that most solicitors first heard the name Michael Lynn. On that day, the Law Society obtained an order from the President of the High Court freezing Lynn's accounts and transferring control of all the files in his practice to the Society in order to protect the interests of his clients.

In the following weeks and months, Michael Lynn's name and face, together with those of another solicitor, Thomas Byrne, became notorious, as weekly court applications by the Society revealed more and more evidence of their dishonesty and mortgage fraud, causing losses to financial institutions of amounts estimated to be collectively in excess of

committee members ensured that proper decisions, based on the evidence, were taken by the committee. The best of legal, forensic accounting and public relations advice was retained and relied on by the Society.

The collapse of the Lynn and Byrne practices placed highly exceptional and wholly unprecedented demands on the Society's regulation

consultation and advice, the newly-installed President MacGuill gave three separate speeches, all of which were reported on the front page of *The Irish Times* and widely elsewhere. They conveyed the Society's measured response.

Speaking to 70 new solicitors at their parchment ceremony on the day he took office, on 9 November,

“By the time that Society representatives met with the Joint Oireachtas Committee on Justice in Leinster House on 5 March 2008, the effectiveness of the Society's handling of the issue was being recognised.”

€100 million. In late October, November and December 2007, national news bulletins frequently led with the latest twists in the Lynn and Byrne stories. What had happened? How had it happened? How many other solicitors might have been engaged in such practices? Was the certificate of title system fatally flawed? Would the Society's compensation fund be wiped out, with resultant levies on all solicitors? Was this all caused by “the failure of self-regulation” of solicitors? Or was it primarily a product of greed and reckless lending by financial institutions?

By any standards, this was a major crisis for the Society and the profession. The pressure on the Society was intense and unrelenting. It was vital that those in positions of responsibility in the Law Society remained calm, clear thinking, focused and effective in the discharge of their duties. Sensible, sure-footed and swift action was essential.

All of these necessary professional and personal qualities were displayed by the Society's officers and by the Society's Regulation Department, led by the director of regulation, John Elliot. In addition, the chairman of the Regulation of Practice Committee, John O'Connor, and the other hardworking

department. Both Lynn and Byrne operated unusually large practices (as compared with the size of practices typically dealt with by the practice closures section) and it is estimated that the total volume of files in both cases combined was equal to at least eight normal practice closures.

In addition, a huge amount of work was generated by the requirements of the Criminal Assets Bureau and the Garda Fraud Squad. Moreover, there was an unprecedented surge in claims. Even excluding invalid claims from financial institutions that were not clients, the valid claims from clients far exceeded all previous records. All of this took place against a background of the pressures produced by daily media scrutiny.

Throughout all of this, a remarkable team spirit was maintained within the Society. All on the front line displayed great personal dedication, professionalism and an appetite for very hard work.

The crisis broke in the final three weeks of the presidency of Philip Joyce and continued into the presidency of James MacGuill. The Society was fortunate in that both presidents are, by nature, calm, sensible, strategic thinkers. Following wide

MacGuill hit back against false and damaging reports in the media and explained that the Society would not make detailed rebuttals of these reports “because it is not prepared to compromise the rights to justice of any individual”. However, he took the opportunity to make a strong statement that “the solicitors' profession is founded on core values that protect, not the profession, but the public. The profession's dedication to integrity is as great today as it has been throughout our history, and I believe it always will be.”

Later that month, at the Justice Media Awards presentation dinner, the president said that “opinion-formers and other commentators assume that the legal profession supports self-regulation. We don't – and won't – promote self-regulation. As we have pointed out repeatedly, it is fundamentally misleading to describe the current system of regulation of solicitors in Ireland as ‘self-regulation’.”

He pointed out that the system of regulation operates under statute and is characterised by “all-pervasive external supervision and control by independent people, including the President of the High Court, the Minister for Justice, the independent adjudicator, and the non-

lawyer nominees of IBEC, ICTU and the Director of Consumer Affairs”.

“These people of integrity and standing would not tolerate a system that worked other than in the public interest,” he said.

Independence and accountability

On 20 December, speaking alongside Minister for Justice Brian Lenihan at a parchment ceremony, MacGuill welcomed the government’s decision to produce draft legislation to introduce a legal services ombudsman, together with a non-lawyer majority on the Society’s Complaints and Client Relations Committee, to further increase – in the public interest – the independence, transparency and accountability of the system.

Minister Lenihan in turn welcomed the Society’s support for the agreed package of legislative reforms. He was also pleased that the Law Society and the Irish Banking Federation had been engaged in discussions with the view to ensuring the maintenance of a proper balance between the needs of good conveyancing, mortgage lending and banking practice.

By the time that Society representatives met with the Joint Oireachtas Committee on Justice in Leinster House on 5 March 2008, the effectiveness of the Society’s handling of the issue was being recognised and the chief concerns expressed by Oireachtas members related to the certificate of title system – concerns that, in the

course of an hour answering questions from TDs and senators, the Law Society representatives were able to put to rest.

In May, in the case of Michael Lynn, and in June, Thomas Byrne, the Society succeeded in carrying the disciplinary process to completion with the striking off the roll of the two solicitors, coupled with unprecedented fines of €2 million and €1 million respectively, plus costs. From initial investigation of these solicitors to their striking off the roll, these were by far the two speediest strike-off cases in the history of the profession.

The combined net payments from the Society’s compensation fund in these two cases to date have been approximately €4 million – a regrettably large amount, but nothing remotely of the order of the likely payments that panicky predictions envisaged when the news of the cases first came to light. The calm and proportionate response at government level has been to continue with measures to reform the system of regulation of solicitors, broadly speaking, in the same way and to the same extent as had been announced in advance of the first discovery of the true nature of Michael Lynn’s activities.

As the focus on this crisis faded, the profession’s attention turned to another, which, sadly, will be likely to stay with the profession for much longer, namely the economic downturn that has plunged the Irish econ-

omy into recession for the first time in 25 years. The speed with which the economic slide took place – from an economic growth rate of over 6% to -1% in less than two years – has shocked everyone. The near total collapse of the market for residential and commercial conveyancing, together with the decline in the general level of economic activity, has caused a deep decline in the profession’s income, with significant levels of underemployment and unemployment in the profession as a result. While much of this is the result of global forces beyond anyone’s control, exemplified by the unprecedented crisis in the world banking system, the Society is seeking to be of practical assistance to the profession at this difficult time.

Among the initiatives taken by the Society in this regard have been the publication on its website of information for members in relation to banking arrangements. In addition, a direct approach has been made to the Minister for Finance to seek to extend the Irish Deposit Protection Scheme so that, as far as money held in solicitors’ client accounts is concerned, the guarantee should be per client rather than per account.

‘Excellence’ is the watchword

One of the consequences of the economic downturn has been the 11% drop in the numbers commencing the Professional Practice Course I in September 2008. Education and training,



The meeting of the leaders of the law societies of Ireland, Northern Ireland, Scotland, and England & Wales occurred at Blackhall Place from 23-24 June 2008. It focused on ‘How law societies can best represent their members’ (Pic: Lensmen)



Then Minister for Justice Brian Lenihan and director general Ken Murphy share some thoughts at the 20 December parchment ceremony (Pic: Jason Clarke Photography)

at pre- and post-qualification stages, will play an important role in helping the profession adapt to changes in the market for legal services. As ever, 'excellence' is the watchword. Accordingly, the Society, on its own initiative, commissioned a major external review of the education and training carried out in the Law School. The review's primary conclusion was that "the quality of the courses provided by the Law School is high. Materials are of an excellent standard, courses and classes are well structured and designed, and tutors are provided with detailed preparation and class materials." Nevertheless, a number of significant changes were suggested by the review, and these have been in the process of implementation over the last year.

Other major developments in education in the Society this year included the achievement of securing very significant funding from the Department of Trade, Enterprise and Employment under the Skillnet programme. This has enabled the Society to greatly increase the number of CPD seminars provided outside Dublin and also to increase the number of skills workshops.

The *Legal Practitioners (Irish Language) Act 2008* abolished the first

and second Irish exams. In their place, the Society is now running a more meaningful Legal Practice Irish Course on PPCI and PPCII. A major initiative has been the release of the Society's first completely online diploma. The first transfer course for barristers seeking to become solicitors also took place in 2008, and an equivalent course was provided by the King's Inns for those seeking to transfer in the opposite direction.

Powerhouse of energy

This annual report, even if read as a whole, records only a fraction of the valuable work done on behalf of the profession and the public over the last year. I have avoided touching on almost anything that President James MacGuill mentions in his report.

Although I focused on the high-profile Lynn and Byrne cases, there were a great many other cases dealt with by the Society this year. Many of these also made headlines, as the Society sought to uphold high standards of conduct by solicitors and thereby protect both the public and the reputation of the profession.

Those who came in contact in any way with James MacGuill recognised that, in this year of exceptional challenges for the Society and the

profession, the president was also exceptional. A powerhouse of energy and ideas – expressed thoughtfully, and often very amusingly, in an endless flow of memos – he is passionate about the solicitors' profession and its fundamental mission in defending democracy and the rights of citizens. Perhaps unexpectedly – for a president with so many strong, thought-out opinions and such a gift for expressing them – he was always anxious to hear and take into account the views of others.

Indeed, wide consultation was one of the characteristics of his leadership of the Society this year. Apart from, unprecedentedly, holding two full meetings in Blackhall Place to brief and listen to the presidents, secretaries and PROs of all bar associations, he and I travelled all over the country to meet with an unusually large number of bar associations, as well as meeting individually the managing partners of many of the profession's largest firms. The views of a very wide range of individuals outside the profession were also sought and carefully considered.

In front of 150 or so guests at the annual dinner of the Law Society of Northern Ireland on 26 September, the president of the Law Society of Northern Ireland, Donald Eakin, paid an extraordinarily warm tribute to James. Acknowledging that he and his Southern counterpart were in almost every respect very different people from very different backgrounds, President Eakin praised James MacGuill for "his generosity in terms of his time, his consideration, his commitment and his friendship" before adding, in relation to the Law Society of Ireland's challenges over the past year, "I cannot think of anyone who would have been better able to deal with them, nor indeed better able to lead a Society in such turbulent times."

Having had the privilege of working closely with him throughout this truly 'turbulent' year, nor can I.

Ken Murphy,
Director General

**REPORTS OF
THE
DEPARTMENT
DIRECTORS**

2007/2008



The work of the Society's committees is coordinated through the Policy, Communication and Member Services Department.

During 2008, a bespoke training programme was provided for all committee chairs, vice-chairs and secretaries. The training programme addressed the issues of setting expectations, upholding standards, and organising for success. Committees were facilitated to set objectives for the year and to become more effective in the use of time and resources in order to deliver agreed results. For 2008/2009, this initiative will be progressed through a training scheme designed around the theme of 'Working towards excellence in representation'.

During 2008, 7,562 solicitor subscribers (84% of the Society's members) received the Society's legal e-zine and CPD Focus e-newsletter directly to their desktop, with an impressive 94% 'open' rate and an average 85% of recipients reading one or more articles. The hit rate for the website showed a staggering 350% increase on 2007, with 693,874 unique visitors in the 12 months to 1 September 2008. The Society continued to assist the profession with their recruitment needs during the year. In the eight-month period to 31 August 2008, 321 vacancies were advertised on the Society's free online recruitment register, with 199 being successfully filled through the service. Since its relaunch in 2007, the self-service online locum register has provided access by the profession to over 90 locum solicitors, and the service was accessed by 90 firms in the eight months to the end of August 2008.

With a monthly circulation of 12,000, the *Gazette* provided a further valuable method of recruitment for members, together with a mix of relevant, interesting articles and vital practice information produced in a professional, vibrant manner.

The Society's library continued to provide its comprehensive service to members from an impressive range of legal sources, with an average of 520 requests for materials each month and with many members electing to receive materials in PDF format directly to their desktop. The more traditional methods of library usage remained strong, with 2,721 books borrowed by members in the seven months to 31 July 2008.

The Society's support services for members were enhanced by the introduction of the LawCare service from 1 January 2008. LawCare is a free and confidential advisory service to help lawyers, their immediate families and staff to deal with health issues and related emotional problems such as stress, depression and addiction. In its first six months, the service opened 28 new case files and conducted 93 follow-up telephone calls. In comparative terms, the take-up for the service has been greater in Ireland than in any other jurisdiction. The main issues raised with the service were those of stress and work pressure. The Society's support services executive and representatives from LawCare are available to attend bar association meetings to outline the services provided by LawCare.

Mary Keane, Deputy Director General

The period under review has been dominated by the cases of Michael Lynn and Thomas Byrne, both of whom were swiftly struck-off the Roll of Solicitors and fined sums of unprecedented magnitude.

In both cases, we are continuing to send out files of the closed practices to clients' new solicitors when requested. We continue to receive applications from banks for production of documents. Where there are disputed priorities, application must be made by the banks to the High Court. We continue to cooperate with the Criminal Assets Bureau and the Fraud Squad. We are processing claims on the compensation fund, which are being dealt with in accordance with the terms of the statutory scheme. It is still too early to estimate the total amount of such claims that will be granted.

The sheer scale of the administrative operation to close the Lynn and Byrne practices presented a challenge to the department's Practice Closures Section on a wholly unprecedented level.

We have seen a substantial increase in the number of freezing orders applied for. Such cases are always urgent and time-consuming, and the trend has placed significant additional pressure on the Regulation Department.

There has also been a notable increase in the number of complaints about breaches of solicitors' undertakings, which are dealt with by the department's Complaints and Client Relations Section. This can be directly attributed to an increased focus on undertakings by financial institutions.

The implementation of the new professional indemnity insurance regulations has proceeded smoothly. It should be of considerable assurance to clients and the profession that situations are being prevented by the new regulations in which clients previously did not have the protection of insurance cover.

John Elliot, Registrar of Solicitors and Director of Regulation





The year under review has been a busy one. Numbers on the student courses fell slightly this year (albeit by just one student) – the first such fall since 2001. However, numbers attending post-qualification education activities have increased significantly.

The year has seen major changes for the Professional Practice Courses. A new subject has been introduced to the course – legal skills (covering advocacy, negotiations, general presentation skills, interviewing, legal research and drafting). These skills had been taught in the past, but will now be given considerably more teaching time and will be assessed. There has been major investment in video cameras and IT resources to allow students to be recorded and have their on-camera performance reviewed. In addition, there will be an increased focus on client care. There have also been revisions to the PPCII.

The Cork courses continue to thrive, with 106 students completing their PPCI in Cork last year and 80 students their PPCII. A notable achievement was that of Cork students Val Moran and Anthony Murphy, who came third in the International Negotiations Competition in London.

There has been a huge growth in post-qualification education over the last year. The number of diplomas offered has more than doubled, and over 700 solicitors from all over Ireland have attended these courses. New courses on offer this year were the Diplomas in Family Law and Commercial Litigation as well as the Cork-based Certificate in Applied Conveyancing. A number of online courses will be provided during the coming year, most notably the Diploma in Employment Law.

CPD continues to be a major part of the Law Society's educational activities. The CPD programme has grown considerably, and new IT, legal skills and management courses have been provided. Seminars have been run in a number of new venues throughout Ireland. The securing of grant funding from Skillnets has enabled us to provide a range of training that would not otherwise be feasible. It has also enabled us to offer CPD training at a discount to those firms who signed up as members of the Skillnet.

TP Kennedy, Director of Education

The department's job is to provide infrastructure and support to the departments providing the core business functions of regulation, education and representation, as well as a myriad of services to 'external' clients.

The external services include Four Courts consultation room hire, the company formation service, publications sales, premises hire and catering and bar services – all of which are important commercial activities and account for approximately 10% of total turnover. On the internal side, the department's main activities are finance, IT, premises/facilities and internal services such as printing, post, telephone, reception, cleaning, security and maintenance. With turnover in excess of €27 million (split almost 50/50 between general activities and education activities), the finance function is a key element in ensuring that we receive value for money from both operational and capital expenditure. As well as this, the finance section undertakes various projects and, in 2007/2008, these included a review of the Society's staff pension scheme, which resulted in a change of investment strategy and investment manager, an updating of the Society's five-year financial plan, a review of investments and a fraud-risk review. As 'risk manager' for the Society, the department is responsible for the general and professional indemnity insurances, for maintaining a risk register of Society activities, and for ongoing business continuity planning. The department is also responsible for the Society's eco-friendly programme.

On the facilities side, as well as ongoing business driven by diverse uses of Blackhall Place, a building management system has been implemented to ensure the efficient and economical operation of the Blackhall building. The facilities section also manages the rental of four properties housing Law Society activities. A feasibility study of the potential uses of the Benburb Street site is almost completed.

On the commercial side, 2007/2008 has been challenging for the important member services managed by the department. These include 26 consultation rooms in the Four Courts, the company formation service (which forms over 900 companies per annum), publications sales (including *Requisitions on Title* and *Conditions of Sale*), premises hire and catering services in Blackhall Place. The surplus that is generated from these activities makes a significant contribution to keeping down the cost of the annual practising certificate.

The department is constantly called upon to undertake a myriad of tasks, planned and unplanned. These are undertaken efficiently and willingly, thanks to the hard work of all staff in the department.

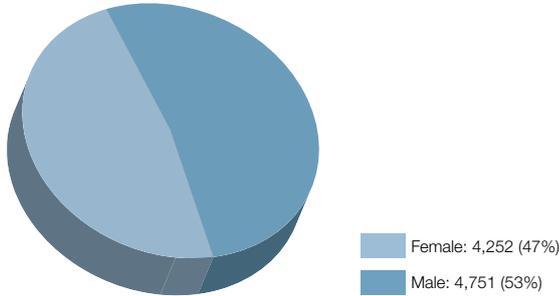


**FACTS
ABOUT THE
PROFESSION**

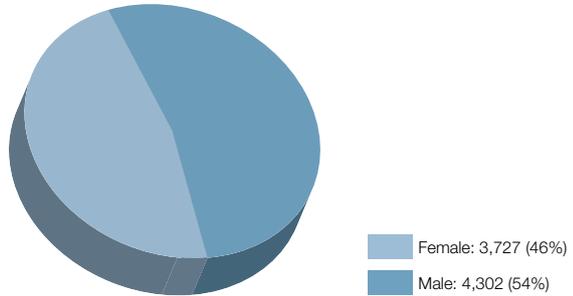
2007/2008

For your information...

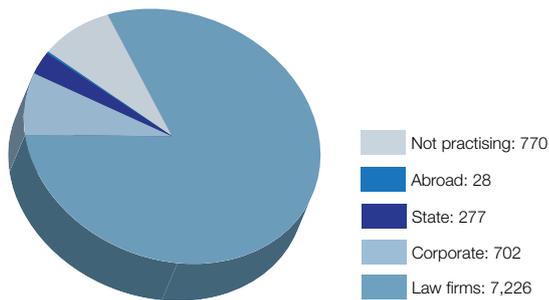
Gender profile: members



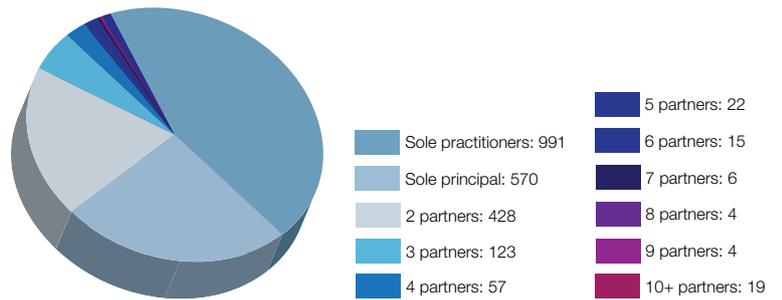
Gender profile: practising solicitors



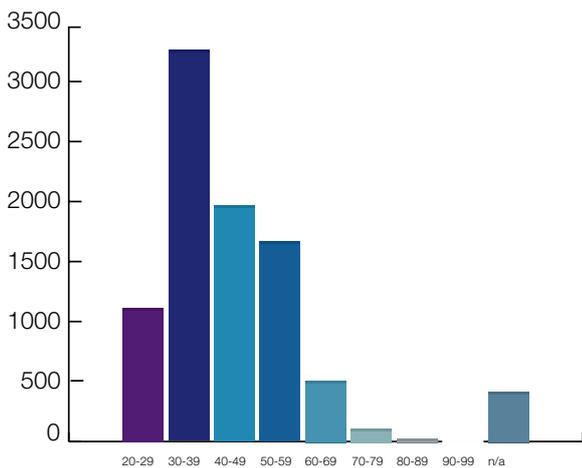
Practice status



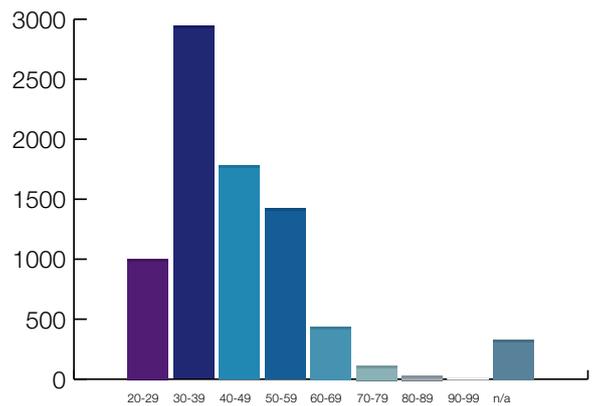
Law firm profile



Age profile: members



Age profile: practising solicitors



**REPORTS OF
THE
LAW SOCIETY
COMMITTEES**

2007/2008

Law Society committees

The Society's committees are appointed by the Council from the November Council meeting in each year until the November Council meeting of the following year. The incoming president selects the chairman and members of each committee and places their names before the Council for approval. The Council regulations distinguish the committees into two categories: 'standing committees' (in the bye-laws, committees of the Council) and 'non-standing committees' (in the bye-laws, committees of the Society). In addition, various subcommittees, task forces and working groups are established to deal with various matters, legislative and operational, as they arise.

Standing committees

The Solicitors Acts provide that the functions of the Society set out in the acts (that is, the statutory functions) are exercisable by the Council, and further provide that the Council may delegate the exercise of any functions of the Council to a committee established for that purpose. As a result of this power, the Council appoints what are known as 'standing committees', which exercise statutory functions on behalf of the Council.

Complaints and Client Relations Committee

The committee, which is split into two divisions, met 17 times this year, including two plenary sessions to consider policy issues. The number of complaints investigated (1,745) has increased, and consequently the committee's workload has increased commensurately.

The most significant feature of the statistical review of the complaints made to the Society in the last 12 months is the increase in the number of complaints concerning undertakings. Although most of these complaints were ultimately resolved, nonetheless the investigation of these complaints suggests that some solicitors do not fully understand the significance of an undertaking and the extent of the obligations imposed on a solicitor who gives an undertaking.

At the time of writing, the *Civil Law (Miscellaneous Provisions) Act* has just been passed, and this heralds the introduction of a lay majority on any committee dealing with complaints about inadequate legal services and excessive fees. The operative section will come into force on 1 January 2009. The act also provides that the Society may make limited awards of compensation (up to a ceiling of €3,000) to clients who have suffered any financial or other loss because of the inadequacy of the services provided to them.

The *Legal Services Ombudsman Bill*, which provides for the establishment of the Office of the Legal Services Ombudsman, is still pending.

My thanks to my vice-chairman and members of the committee who, together with the solicitors and staff in the Complaints Section, have carried out and supported the work of the committee with dedication and commitment throughout the year.

John P Shaw, chairman



John P Shaw



James MacGuill

Coordination Committee

The Coordination Committee operates as the oversight committee for the projects undertaken by each of the Society's committees. It reviews the benefits 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 advice 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. During 2007/2008, the committee held two all-day meetings with the chairmen of the Society's standing committees to discuss strategic issues facing the Society and the profession, both in the short and long-term. In addition to its own monthly meetings, the committee held a series of special meetings to consider feedback from the profession arising from the president and director general's meetings with bar associations, the large firms and more-recently qualified solicitors (the '21st century solicitors').

During the past year, the committee coordinated the Society's position on a number of key issues, including the relocation of the Society's Regulation Department, a number of proposed amendments to the *Solicitors Acts* and a comparative review of models of regulation and representation internationally. In addition, it provides a 'sweeper' function for issues falling outside the remit of the other committees, with examples including the notices issued to solicitors' firms from the Irish Copyright Licensing Agency, a request for funding from BAILII, correspondence with the Department of Justice on issues relating to elder abuse, the Society's participation in an OECD study, requests for appointments to other bodies and requests for membership of Society committees.

James MacGuill, chairman



James O'Sullivan

Education Committee

The work of the Education Committee continues to increase, and while student numbers remain high at 671, the numbers of those seeking to gain entry to the profession seems to be levelling off for the first time in a number of years.

A major review of education and training was concluded late in 2007. Following on from this, a number of important changes were made. PPCII was shortened in duration from 16 to 11 weeks. The amount of legal skills that will be taught in the September PPCI will increase threefold. More fundamentally, the committee will be considering recommendations of the review group in relation to in-office training over the coming months.

This year has also seen the abolition of the first and second Irish examinations by the *Legal Practitioners (Irish Language) Act 2008*. To meet the new requirements of the act, a legal practice Irish course was provided on PPCII and will run on PPCI for the future. This course focuses on the spoken language and combines some practical instruction to students.

The law school in Cork continues to thrive, with 106 students completing their PPCI course there last year and 80 students their PPCII.

This year has seen the first transfer course for barristers. Barristers and solicitors of three or more years' standing can now take a four-week course to transfer to the other profession. The first such course run by the Law Society commenced on 5 August and was attended by 19 barristers.

The diploma programme continues to grow and has increased from five in 2006/07 to 11 in 2007/08.

During the last year, CPD seminars have been brought to a large number of regional venues. Very significant funding was obtained from the Department of Enterprise for CPD under the Skillnets programme.

Finally, a sincere word of thanks to my committee colleagues and special words of thanks to TP Kennedy, Geoffrey Shannon, Paula Sheedy, Fionna Fox and Attracta O'Regan for all of their help and assistance. Additionally, to the hardworking staff in the Education Centre, without whom we could not function.

James O'Sullivan, chairman

Finance Committee

The outcome for the Society's 'group' for the year was a surplus after taxation of €4,041k (2006: €3,286k). This figure includes amounts allocated to the Education Centre Fund and the Property Fund. Most of the year-on-year improvement came from education, which experienced above-budget income and significant cost savings.

The after-tax financial outcome for the Society's core operations, that is, general activities (representation and regulation) and education activities, was €1,066k (2007: €915k), which represents an overall surplus of 4.8% on operating income.

General activities incurred an unbudgeted pretax deficit of €144k, arising from some significant unbudgeted expenditures, including provisions for legal fees and costs associated with the PR campaign.

The grouping of accounts can distort the view of individual operations and the table below shows the management accounts and adjusted audited outcome for each of the group's entities.

Entity	Management accounts	Audited statements
General activities	-144,3671	41,104
Funds	3,035,537	3,035,537
Education activities	1,487,962	2,091,737
Law Club of Ireland	-13,638	
Benburb Street Property Co Ltd	-76,000	
Friary Property Services Ltd	12,325	-849,353
Ellis Quay Property Services Ltd	17,201	
Group taxation	277,525	-277,525
Total	4,041,495	4,041,495

Our income streams

Total income rose by 11% to €26,300k (2006: €23,600k). Fees and subscription income increased by 12%, education income by 14% and income from other sources grew by 2%. Commercial activities and interest performed well, despite a marked slowdown in the second part of 2007, generating an income of €2,055k (2006: €2,115k).

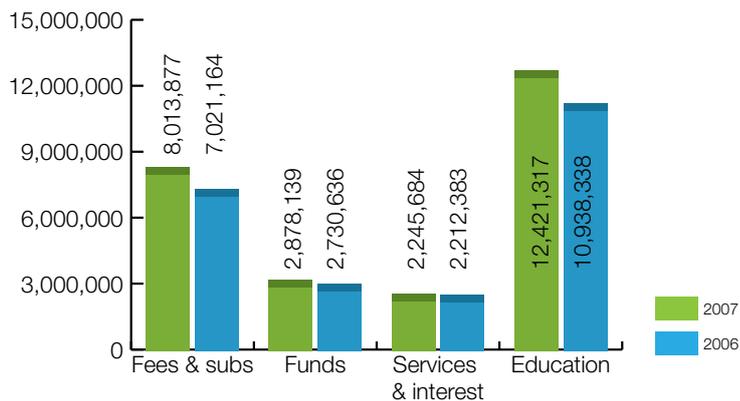
It is significant that education income, at €12,421k, now significantly exceeds fees and subscription (€10,892k) as the main source of income. This can be broadly analysed as €8m from professional practice course fees, €2m from exam fees and indentures, and €2m from PQE seminars and diplomas.

Student intake for PPCL courses was 660 (2006: 667). Diploma courses and CPD income grew by 44%, to €2,228k.



Gerard Doherty

Income 2007



Practising certificate fee income increased by €925k. In 2007, there were 7,876 (2006: 7,416) practising certificate holders, an increase of 460. There were 8,684 members (2006: 8,188), an increase of 496. There were 642 admissions to the roll in 2007.

Net income to the Education Centre Fund and the Property Fund for 2007 was €3,064k (2006: €2,780k).

Our expenditure

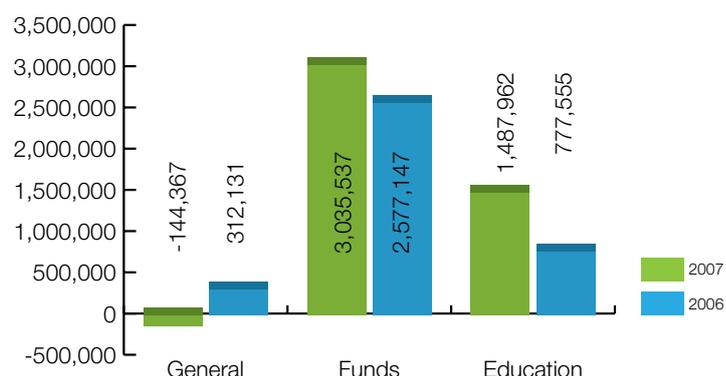
Overall expenditure rose to €21,983k (2006: €20,169k). On the general activities side, operating charges grew by €1,402k. Significant increases occurred in legal fees, arising from the defence of judicial review actions in relation to the Society's regulatory functions, PR costs, and in general regulatory costs, which cover the Solicitors Disciplinary Tribunal, the Independent Adjudicator and complaints processing. Education activities operating charges increased by only €527k, reflecting significant economies arising from the restructuring of the professional practice courses.

Our balance sheet

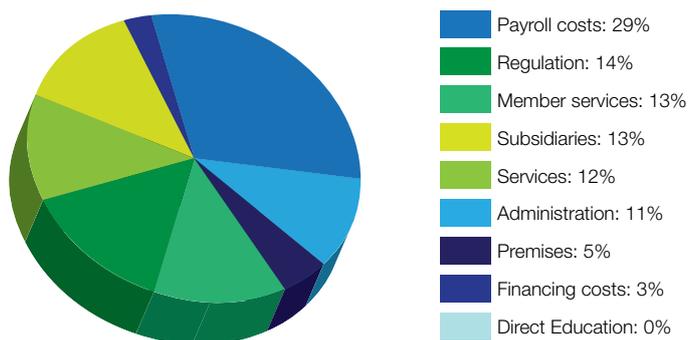
The balance sheet remained strong, with net assets of €27,502k, an increase of €4,041k from 2006.

The balance sheet reserves include two contingency funds for capital expenditure and litigation, which act as a reserve to meet costs in these areas as they arise. There are also two 'sinking' funds, the Education Centre Fund to buy back the Education Centre in 2014 under a sale and leaseback arrangement and a Property Fund to pay for the Benburb Street site over a ten-year period.

Surplus 2007



Areas of expenditure 2007 (%)

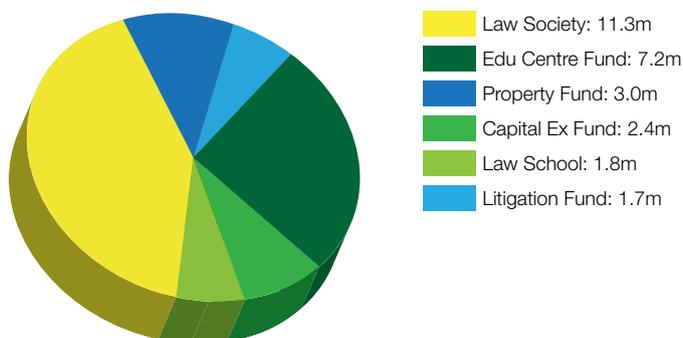


The drawdown amount on the Benburb Street site mortgage at the end of 2007 was €3.1m (2006: €6.8m) and the interest cost for the year was €29k (2006: €203k).

Our subsidiaries and related undertakings

The group 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 made a loss of €14k. Benburb Street Property Company Ltd, which owns and manages the Benburb Street site, made a loss of €76k. Friary Property Services Ltd, which rents and manages the Disciplinary Tribunal offices, made a surplus of €12k and the Ellis Quay Property Services Ltd, which rents and manages the CPD offices and Law School facilities in Cork, made a surplus of €9k.

Reserves 2007 (€m)



2008

Despite significant economic uncertainty, the financial performance of the Society for 2008 will essentially be on budget, but there will be slight shortfalls in practising certificate income, education income and income from commercial activities.

The Finance Committee is conscious of the impact of this downturn on the profession and is committed to working to keep the practising certificate cost for practitioners to a minimum, despite ever-increasing costs, particularly on the regulation side. The committee continues its stewardship to ensure value for money for all operational and project spending, and that the Law Society continues to serve its members in the most effective manner.

Gerard Doherty, chairman



Simon Murphy

Money-Laundering Reporting Committee

Under section 57(2) of the *Criminal Justice Act 1994*, as substituted by section 36 of the *Criminal Justice (Terrorist Offences) Act 2005*, where the Law Society suspects that a money-laundering offence or an offence of financing terrorism has been or is being committed by a practising solicitor, the Law Society is obliged by law to report that suspicion to the Garda Síochána and the Revenue Commissioners.

The fulfilment of this obligation has been delegated to the Money-Laundering Reporting Committee. The committee reports to the Council of the Law Society on the making of reports under section 57(2) on a 'no-names' basis. The existence of the offence often referred to as 'tipping-off' means that the Law Society must ensure the highest standard of confidentiality in administering its money-laundering reporting procedure.

The Law Society's reporting obligations are separate from the obligations of solicitors to report suspicions to the authorities pursuant to section 57(1) of the 1994 act.

Simon Murphy, chairman



Niall Farrell

Professional Indemnity Insurance Committee

The new Professional Indemnity Insurance Regulation Scheme came into force on 1 November 2007, and many new issues arose during the year requiring the committee's input. The committee will continue to monitor how the new regulations are working out in practice.

One issue that is of concern is that of 'succeeding practices'. Practitioners need to read the regulations very carefully with merging or taking over files from another office. Without advance planning, a firm could end up being deemed a succeeding practice unknowingly, and this could have unintended implications for its insurance cover.

The committee was glad to note that only a very small number of firms failed to renew their professional indemnity insurance in time. It seems that the profession appreciated the importance of doing this and not becoming a defaulting firm. When a firm becomes a defaulting firm, the assigned risks pool will cover its liabilities but the solicitors will be personally responsible to reimburse the assigned risks pool for any claims made.

We are heartened to see that there is still healthy competition in the market and that premia have not increased significantly. The committee appreciates the central role being played by the Solicitors' Mutual Defence Fund Limited and their cooperation with the committee in assisting with the administration of the assigned risks pool.

As ever, I am very appreciative of the efforts of Rosemary Fallon and her tireless work in professional indemnity insurance matters. I would also like to thank Dan O'Connor, my vice-chairman, and the other committee members who have volunteered their time during the year to assist the profession and their colleagues.

Niall Farrell, chairman

Regulation of Practice Committee

The Regulation of Practice Committee administers the compensation fund, which the Society is required to maintain in order to compensate clients for losses arising due to dishonesty on the part of solicitors or their employees. The committee also polices the profession's compliance with the *Solicitors' Accounts Regulations* and with aspects of the *Solicitors Acts* not assigned to other regulatory committees.

Audited accounts

The income and expenditure account of the compensation fund reflects a deficit (representing an excess of expenditure over income after taxation) of €2,944,736 for the year ended 31 December 2007, as compared with a deficit of €400,771 for the year ended 31 December 2006. The increase of €2,543,965 in the deficit for 2007 as compared with 2006 is attributable to a decrease in 2007 of €319,697 in income, an increase of €2,244,024 in expenditure, as compared with 2006, together with a decrease in taxation amounting to €19,756.

The decrease of €319,697 in income in 2007 is attributed mainly to a decrease of €894,948 in recoveries from defaulting solicitors. Practising certificate income increased by €188,401. A legal action against a financial institution was successfully completed and a settlement of €300,000 received.

The increase of €2,244,024 in expenditure as between the two years is substantially attributable to an increase in the provision for claims of €2,034,338. Practice closure expenses increased by €102,916.

As referred to above, there was a decrease of €19,756 in the charge for taxation in 2007 as compared with the charge for 2006. The fund is liable to income tax on investment income and gains.

The net assets of the fund as at 31 December 2007 stood at €27,588,029, compared with €34,474,970 as at 31 December 2006. The decrease of €6,886,941 in the net asset position of the fund as between the two years' end is reflected in a decrease of €2,944,736 in revenue reserves together with a decrease of €3,942,205 in the revaluation reserve on the fund's investments. The preponderance of the fund's assets are invested in publicly quoted stocks, shares, and government securities. These investments are recognised in the accounts at prevailing market valuations at year's end.

As at 31 December 2007, the net assets of the fund, which were valued at €27,588,029, were financed by accumulated revenue reserves of €22,474,681 and unrealised surplus on investments held at the balance sheet date amounting to €5,113,348.

Developments since December 2007

In the seven months ending 31 July 2008, 420 claims were received. Excluding invalid claims refused, these claims amounted to €13,436,317. Payments were made in the sum of €7,458,943 in respect of claims, and claims amounting to €5,977,374 are still under consideration.

The net assets of the fund are valued at €15 million as at 31 July 2008. The annual contribution to the fund remained at €400 per solicitor for 2008. Insurance cover for €30 million in excess of €5 million is in place for the year ending 31 December 2008. The Society will be seeking to recover under the insurance policy. The Society is confident that it will make substantial recoveries.

The committee met on 26 occasions, for eight scheduled, 12 special and six emergency meetings. In the course of the year, the Society's investigating accountants conducted approximately 300 investigations of practices.



John O'Connor

Additionally, the secretariat dealt with a very high level of claims on the compensation fund (415 compared with 216 in the previous year).

During the year the committee decided to:

- Refer 17 solicitors to the Solicitors Disciplinary Tribunal on foot of findings disclosed in the investigation reports on their practices,
- Refer six solicitors to the Disciplinary Tribunal for failure to file accountants' reports on time,
- Apply to the High Court for an order freezing the accounts of nine solicitors where dishonesty was discovered,
- Suspend the practising certificates of five solicitors,
- Levy contributions amounting to €144,000 towards the costs of investigations,
- Refer a firm of reporting accountants to its professional body, and
- Make applications pursuant to section 18 of the *Solicitors (Amendment) Act 2002* in two cases where solicitors failed to comply with Society directions.

The paramount concern of the committee at all times is the protection of the public interest and the maintenance of the good reputation of the profession as a whole and, when necessary, this requires the Society to pursue matters of serious concern in the High Court. It is unfortunate, but unavoidable, that the fulfilment of this duty has recently necessitated an unprecedented level of activity on the part of the Society in the High Court, including a significant increase in the number of applications for freezing orders.

The Society has submitted that these cases should be heard in public rather than *in camera*, as the Society believes that it is very important for the public and the profession to know which solicitors are before the court and why they are before the court. I believe that we have the most transparent professional regulatory system of any profession in Ireland, of which the Society and the profession should justly feel proud.

While certain cases, especially those of Michael Lynn and Thomas Byrne, have attracted considerable media attention, it is important to recognise that these cases are completely unrepresentative of the everyday business of regulation, whereby the Society works day in and day out to protect clients' interests and to encourage improved standards.

The committee decided to appeal to the Supreme Court the judgment of the High Court as to the appropriate sanction in the disciplinary case against Colm Carroll and Henry Colley, due to the view of the committee that the sanction imposed by the High Court was inadequate in the circumstances of the case.

To meet the increasing demands on the regulatory function, our investigation team has been strengthened by the recruitment of two additional investigating accountants and a dedicated specialist claims administrator to handle claims on the compensation fund.

I would like to extend my sincere thanks to the committee vice-chairman, Michael Quinlan, and to the other members of the committee for their much-appreciated participation throughout the year. I would like to pay particular thanks to the lay observers, Frank Bowen and Cecil Donovan, whose contribution has been of great assistance to the committee. I would also like to thank the Registrar of Solicitors and Director of Regulation, John Elliot, and his team in the Regulation Department for all their hard work.

John O'Connor, chairman

Non-standing committees

Non-standing committees are appointed by the Law Society's Council where the Council believes the work of the Society may be better effected by such a committee. They do not perform statutory functions.

Arbitration and Mediation Committee

The work of the Arbitration and Mediation Committee reflects the changes in day-to-day practice that many practitioners are experiencing. Some delays in the court system, the unpopularity of litigation, and some public examples of people finding a resolution for their disputes through compromise are all factors that have contributed to a growth of interest in methods of dispute resolution other than litigation.

The Law Society was a patron of the International Council for Commercial Arbitration conference, which took place at Croke Park from 8-10 June 2008. The conference brought international arbitration practitioners from around the world to Dublin for the first time. The biannual conference was a resounding success, and it enabled Ireland and the Law Society to showcase some of our leading practitioners in this area. Members of the committee were instrumental in planning and organising the conference and working closely with colleagues from the Bar Council in ensuring that everything went smoothly. Follow-up action, in terms of generating more work in this area, is being pursued with other stakeholders active in domestic and international arbitration.

A new *Arbitration Bill* has been published, coinciding with the ICCA conference. A subcommittee has been meeting to discuss the bill and its implications for solicitors in dealing with domestic and international arbitrations.

This year also witnessed the publication of a very detailed and considered report on alternative dispute resolution, to which members of the committee made a contribution, duly acknowledged by the LRC. A reading of the report provides a good update on where Ireland currently stands in this area and the possibilities for solicitors in developing their practice in this area. The committee continues to be involved with the LRC in promoting legislation where it is needed.

It has been a very busy year for the committee. Special thanks to each and every member of the committee for the sterling work done throughout the year. Without the wholehearted enthusiasm and support of Colleen Farrell, the committee's secretary, it would not have been possible to move forward on each of the different areas, and for that I want to especially thank her.



Joseph Kelly

Joseph Kelly, chairman



Mark Ryan

Business Law Committee

Among its principal activities during the year, the committee was involved in a major review of the operation and implementation of the *Competition Act 2002*, on which the committee made a detailed submission. In relation to practice issues, the committee has:

- Engaged with one of the major financial institutions on the form of opinions that practitioners are expected to give in certain commercial transactions,
- Been in regular contact with the Companies Registration Office on matters of interest to members of the profession, and
- Made representations to the Irish Banking Federation concerning certain indemnities incorporated into the terms and conditions of several banks.

In anticipation of the publication of the *Companies Consolidation and Reform Bill*, the committee regularly makes proposals to the Company Law Review Group for changes in the law.

At EU level, there are significant initiatives being proposed towards the reform of contract law and towards a simplified business environment in the areas of company law, accounting and auditing – among them, the proposal for a European private company. The committee is actively involved in reviewing and making proposals on these initiatives.

I would like to express my sincere thanks to the committee's vice-chairman, John Olden, its secretary, Joanne Wright, and all other members of the committee for their contribution to the work undertaken by the committee during the year.

Mark Ryan, chairman



Barry MacCarthy

Conveyancing Committee

The committee works to assist the profession in matters of conveyancing practice and procedure and to offer a guide as to best practice.

This year, it has had numerous meetings with the IBF to agree a revision of the certificate of title system for residential mortgage lending. It is hoped that agreement will be reached shortly on the changes needed to improve the operation of the system for both solicitors and lenders.

The committee has published 12 practice notes in the *Gazette* and four articles in the Society's e-zine during the year. Colleagues regularly look for guidance on practical issues that arise, and queries are dealt with at our monthly meetings. Numerous queries are also dealt with by the conveyancing helpline, operated by the committee secretary, which received 859 calls during the year. The committee recently issued guidelines to members on building energy rating certificates and on advising clients on equity release schemes.

A subcommittee consisting of members from the Conveyancing and Taxation Committees has produced and issued a new VAT special condition for the contract for sale and are currently working on new VAT requisitions and a precedent VAT clause for leases. The committee has continued to keep its standard documents under review.

The committee made a formal submission to the Law Reform Commission on multi-unit developments and had a follow-up meeting with the Department of Justice. It also had a number of meetings with the Property Registration Authority and the Department of Justice to discuss the new Registry of Deeds rules and proposed changes to the Land Registry rules.

Barry MacCarthy, chairman

Corporate and Public Sector Committee

The committee continued to strive to represent the views and promote the interests of in-house solicitors. The committee welcomed a number of new members. Arising from its agenda, the committee particularly focused on the following:

- Hosting a board meeting of the European Companies Lawyers Association (ECLA) in Blackhall Place on 16 November 2007 and representing the Law Society at the ECLA board meetings held in Manchester on 11 April 2008. The committee continues to liaise with ECLA and with the Corporate and Public Lawyers Association (CPLA), with a number of committee members also being members of the CPLA.
- Seeking to build upon the relationship between the Law Society and its in-house members through an updated committee's section of the Law Society website, articles in the *Gazette*, and a letter issued in September 2008 to the 824 Law Society members working in-house, updating them on the work of the committee.
- Organising a seminar, in conjunction with the Society's CPD Focus team, tailored for in-house solicitors, to be held on 27 November 2008 in Blackhall Place, entitled 'Value and Values: a Management Seminar for In-House Solicitors'.
- Updating the Law Society's information booklet designed to assist solicitors commencing employment in the corporate and public services sectors, which the committee aims to complete this year.

I would like to thank all the committee members for their hard work this year, with special thanks to Andrew O'Flanagan, vice-chairman, and our secretary, Louise Campbell.

Edward Hughes, chairman



Edward Hughes

Society launches eVision report

E-conveyancing envisages a paperless process for property transactions. It involves placing the complete conveyancing system on an electronic platform. The Society has been engaged, with the Law Reform Commission and other agencies, in developing an e-conveyancing strategy and vision and established a task force in 2005 to progress this mandate. In July 2008, the Society's eConveyancing Task Force launched a report entitled *eConveyancing: Back to Basic Principles – Vision of an Electronic System of Conveyancing* ('eVision'). This is intended to provide a framework for discussion and stimulate other stakeholders in the conveyancing process. It will encourage them to examine their procedures and involvement in the current conveyancing process and thus initiate the changes required to facilitate e-conveyancing. It is hoped that this vision will provide a workable model for e-conveyancing in Ireland.



At the eVision launch on 22 July 2008 were (l to r): Neil Butler, Deirdre Fox, Majella Egan, Tom O'Malley, Dan O'Connor, Eamonn Keenan and Gabriel Brennan (Pic: Lensmen)



Dara Robinson

Criminal Law Committee

A major feature of the year has been the growing disquiet within the profession regarding the deficiencies of, and anomalies within, the Criminal Legal Aid Scheme. The issues arising were addressed by the committee in robust discussions with the Department of Justice, Equality and Law Reform, which are continuing.

Committee members participated in a number of seminars relating to the practical application and impact of the raft of criminal law legislation introduced in recent times and also contributed *Gazette* articles on a variety of issues of interest to criminal law practitioners.

Committee members have represented the Society on eight court users' groups, one special project group, and on the government-established Committee on Codification of the Criminal Law. The committee's participation in the planning of the pilot scheme for video consultations with clients in Cloverhill Prison came to fruition with the launch of the pilot scheme in April. The committee also initiated discussions with all relevant parties regarding the streamlining of consultations and the listing of cases in the Cloverhill High Court bail list, which is under continuing review.

As part of its legislation-monitoring process, committee members presented briefings on a number of bills and heads of bill. A detailed submission was also made to the DPP in relation to the DPP's 'Reasons Project'.

Numerous other issues appeared on the committee's agenda over the year and I am very grateful to each member of the committee for their sustained interest in the work of the committee on behalf of the profession and for their valued support.

Dara Robinson, chairman



Colm Costello

Curriculum Development Unit

The continued importance the Law Society places on curriculum development was reflected in the increase in the size of the unit by the addition of two new members this year.

The unit continued the work carried on under the chairmanship of Dominic Dowling last year by continuing to place emphasis on the inculcation of skills in the Law School.

The Skills Task Force, under the chairmanship of Colette Reid, started work in January 2008 and has already completed phase one of the project. A new skills core subject will be introduced for the 2008 PPCI. Aside from a particular emphasis on civil advocacy, trainee solicitors will be guided on professional development, legal research, legal writing and drafting, legal presentation skills, interviewing and advising, and negotiation skills.

Of course, there is already an element of skills training in the core subject areas, and this new core subject will be integrated with existing training within those courses.

As solicitors will only be too painfully aware, the behaviour and unacceptable practice of a small number have come under particular scrutiny this year. Therefore, I am pleased to note the particular emphasis being placed on the teaching of ethics to trainee solicitors, under the guidance of Eva Massa. Such training includes an examination of the students' appreciation of the key ethical demands placed on a practising solicitor, much to the surprise of some students, who may have thought that there was no possibility of failing such an examination.

Civil legal aid booklet an ‘invaluable resource’, says minister

On 5 September, the Minister for Social and Family Affairs, Mary Hanafin, launched the Legal Aid Task Force booklet. The booklet, *Civil Legal Aid in Ireland: Information for the Profession*, conveniently brings together practical details about existing civil legal aid schemes in Ireland, so that those entitled to the benefit of such schemes can avail of them. This is the first time that all of this information has been brought together in a single publication. The information will be of interest to members of the legal profession, community activists, NGOs and members of the public. The booklet is available on the Law Society website (www.lawsociety.ie) and through the Legal Aid Board.

The booklet was hailed as an “invaluable resource” by the minister and was welcomed by various organisations, including FLAC, which said the publication was an “important step in raising awareness of people’s entitlements”. The chair of the Legal Aid Board, Anne Colley, also welcomed the booklet as another means of widening the awareness and appreciation of the work that the board is engaged in.



The Minister for Social and Family Affairs, Mary Hanafin, at the launch of Civil Legal Aid in Ireland: Information for the Profession at Blackhall Place on 5 September 2008 (Pic: Lensmen)

I am also pleased to report that significant progress has been made in in-office training. Under Fionna Fox, an ‘Online Training Service’ offers online support services to trainees and also helps ensure that they satisfy all of the requirements arising under the indenture deed.

The curriculum development unit was very kindly welcomed to the Belfast Law School by Ruth Craig. This was a welcome opportunity to observe how our sister law school carries out its training mandate.

I would like to record my thanks to all the members of the unit, namely Louise Rouse, Jill Callanan, Ruth Craig, Deirdre Crowley, Dominic Dowling, Sinead Hayes, Brian Magee, Carol Plunkett, Liam Ryan, Nigel Savage and, last but not least, TP Kennedy.

Obviously, I would also like to pay tribute to Geoffrey Shannon, our secretary, and all of the teaching staff of the Law School, who constantly meet the continuing challenges placed on them arising out of an ever-evolving legal environment.

Colm Costello, chairman

Employment and Equality Law Committee

The committee made a comprehensive submission to the Department of Enterprise, Trade and Employment with regard to the *Employment Law Compliance Bill 2008*, detailing recommendations and proposed amendments to the bill. The committee liaised with the Department of Justice, Equality and Law Reform with respect to concerns about the delay in cases coming on for hearing before the Equality Tribunal.

The committee aims to keep practitioners up-to-date with developments in employment and equality case law and legislation. To achieve this, committee members have been involved in a major series of CPD seminars covering a broad range of employment and equality law issues. Articles in the *Gazette* and the Society’s e-zine have covered such areas as compulsory retirement,

Ian Moore



employment injunctions and the establishment of the National Employment Rights Authority. The Society's Employment Law Diploma is now in its third year and we have been working with the Society on the diploma's development as an online course.

The committee completed a review of precedent employment contracts, which have been made available to practitioners. The committee also liaised closely with the Society's Legal Aid Task Force.

The committee will continue to monitor developments in the progress of the *Employment Law Compliance Bill 2008* and, where appropriate, will make representations focused primarily on issues of natural justice and the act being readily understood. The committee will hold a seminar on the legislation for practitioners once the legislative process is finalised.

The committee will hold a number of information seminars throughout the country to promote the committee's precedent employment agreement and employment booklet and a greater understanding by practitioners of the contents.

Once again, my thanks to Barbara Joyce for her patience in working with us on the preparation of the CPD seminar programme. This year, we were also pleased to welcome several new members who have enthusiastically engaged in the work of the committee. I thank all committee members for their contribution, and particularly Geraldine Hynes, vice-chair, and our secretary, Rory O'Boyle, for their work and support throughout the year.

Ian Moore, chairman

EU and International Affairs Committee

The primary role of the committee is to monitor and report on relevant legal developments at EU and international level that impact on, and are of interest to, the profession.

In what was a busy year, the committee, in conjunction with a number of local bar associations, organised a series of EU law seminars on topics as diverse as EU public procurement law and the EU arrest warrant.

In September, the committee, in conjunction with the American Bar Association, organised the ABA Section of International Law 'Fall Meeting 2007', Dublin module. Conference topics included 'Cartel criminalisation in Ireland and Europe' and 'Northern Ireland: the historical conflict resolution and the application of the rule of law'.

The committee continues to establish and maintain fruitful relationships with both European and international legal organisations. In December, the committee co-hosted, with the German-Irish Business Association, an extremely interesting talk by EU Commissioner Charlie McCreevy. In addition, in conjunction with the European Commission Representation in Ireland, the annual debate in February was well attended by students from the law schools in Dublin and Cork, King's Inns and Belfast. The committee also remains the reporting body for delegates to the Council of Bars and Law Societies of Europe, the Union Internationale du Notariat Latin and the International Bar Association.

We continue to work with the Law Society and the Bar Council in conjunction with Irish Aid on programs relating to the rule of law in the developing world.

I wish to express my sincere gratitude to the committee for all their hard work and to committee secretary, Eva Massa, for her sterling work and enthusiastic endeavour.

Philip Andrews, chairman



Philip Andrews

Family Law Committee

The Family Law Committee this year launched the *Family Law Handbook*, which replaces the *Family Law in Ireland Code of Practice* leaflet. Family law in Ireland has seen very significant changes in recent times. Solicitors, and all who deal with the difficulties that arise when family relationships break down, need to adapt both to changes in the legal environment and to changes in society in general, and it is hoped that this publication will be of enormous benefit to those currently practising family law, as well as those just entering into practice.

Such was the success of the 2006 Family Law Conference that it was necessary to hold a two-day seminar/workshop at the end of November last year. Speakers covered a vast array of interesting and relevant topics. A further conference is planned for 5 December and will examine key developments in family law.

Among the most notable achievements this year was the submission drafted by the committee in response to a request by the Joint Committee on the Constitutional Amendment on Children. The purpose of the submission was to discuss the potential effects emanating from the proposed constitutional amendment concerning the rights of the child. However, after exhaustive discussions at committee level with regard to the proposed constitutional amendments, it was decided by government not to proceed with the referendum.

Practitioners in the area of family law will be aware of the increased focus nowadays on trying to resolve family disputes outside of the adversarial court process. They also recognise the wide range of dispute resolution models that can be promoted within the legal profession for the benefit of the community. It was with this in mind that the committee jointly hosted a conference with the Legal Aid Board on alternative dispute resolution in family law matters. It is hoped that the committee will consult further over the coming months with the Legal Aid Board on other pertinent matters.

Finally I would like to take this opportunity to express my gratitude and appreciation to all committee members for their time, commitment and hard work during the course of the year, with particular thanks to our dynamic and hard-working secretary Colleen Farrell.

Sinead Kearney, chairman



Sinead Kearney

'Rule of Law Project' seeks justice for all

The objective of the Law Society's and Bar Council's joint 'Rule of Law Project' is to develop and enhance the rule of law in the developing world, with the assistance of Irish aid. The intention is to make human rights, democracy, good governance and justice available to all people.

At present, there are four ongoing Rule of Law projects in Ethiopia, South Africa, Kosovo and Bosnia. The first three largely concentrate on the education of members of the judiciary, lawyers and trainee lawyers in many areas of law.

The Bosnian project is dedicated to the reconstruction of the court system. Significant work has already been achieved in the writing of a set of court rules.

These projects are managed by individual members of the Law Society and Bar Council and involve the commitment and dedication of teams of solicitors and barristers who design the project, seek independent funding and organise everything from the basic practicalities to the delivery of the project – all in their own time.



Pakistani lawyers were assaulted by police during a peaceful anti-Musharraf protest in Lahore on 29 November 2007

(Pic: Arif Ali/AFP/Getty Images)



Stuart Gilhooly

Gazette Editorial Board

This is a committee that is only as good as our colleagues in the profession allow us to be. We meet every two months, and our function is not to edit the magazine, but rather to provide guidance and ideas for the editorial team, which is superbly marshalled by Mark McDermott.

However, we require quality contributions from the profession and, in general, that is exactly what we get. Our main task is to review the quality of the recent issues and, more importantly, decide upon material for future magazines. Our main criteria remain relevance and readability. Our job is to seek expertise in the main diverse areas of law that the readers want to see in their magazine. It requires some effort and feedback from colleagues, but we believe it is worth it on a number of levels.

If you are asked to provide an article, please remember that the personal satisfaction of having an article printed in your trade magazine can be huge and, in addition, you have the knowledge that the magazine has been improved again by the provision of your expertise.

It is essential for the continued success of the *Gazette* that we tap into the large reservoir of talent out there in our profession and provide something for all solicitors, no matter what area of law you specialise in. As usual, I wish to thank the committee, as well as editor Mark McDermott and his team, for their excellent contributions throughout the year.

Stuart Gilhooly, chairman



Olivia Agbonlahor, with her son Great and daughter Melissa, outside the High Court in Dublin (Pic: Collins Photo Agency)

Society calls for major amendments to Immigration Bill 2008

In an 86-page submission to the Oireachtas Committee on Justice, Equality, Defence and Women's Rights, the Law Society called for 57 major amendments to the *Immigration, Residence and Protection Bill 2008*.

While the Society welcomed the unique opportunity to consolidate and clarify the law in relation to immigration and protection and to ensure compliance with international and regional standards, grave concern was expressed in relation to the manner in which the state chose to implement these changes.

In order to ensure "legal certainty, clarity and accessibility", the Society recommended that the bill be divided into two bills, dealing with immigration law and protection law issues separately. It also called for a re-examination of the manner in which the bill allowed for a large amount of executive discretion. The submission noted that it would make it "extremely difficult to verify that the provisions of the bill comply with international, regional and domestic human rights standards" if these amendments were not introduced.

It also recommended the deletion of provisions that allow for summary deportation, a reduction in the time in which to bring a judicial review application, non-suspensory judicial review, and the penalty for legal representatives who take a case that is, in the opinion of the judge, "frivolous or vexatious".

The Society stated that all "of these provisions are in breach of recognised constitutional and international human rights standards".

Guidance and Ethics Committee

Nine scheduled meetings of the Guidance and Ethics Committee were held. Virtually all meetings were very well attended by the volunteer members, all of whom were enthusiastic and contributed positively, applying themselves to the various issues that arose and, it appears, continue to arise with a degree of increasing urgency. The committee could not function efficiently without the commitment and competence of its secretary, Therese Clarke. Brendan Twomey clearly enjoys legal research and has been a very able vice-chairman throughout the year.

The main effort of the committee for 2008 was to improve awareness within the profession of documents and precedents that have been prepared by the committee over the years. Committee members linked into various seminars and CPD sessions to promote the committee's work and its publications.

- The committee has published a precedent letter of engagement (terms and conditions) and letter of disengagement for use by solicitors in conjunction with their section 68 requirements. This will help improve the quality of service for solicitors who adopt it.
- A new section 68 leaflet has been prepared and will be available to the profession shortly. Both of these precedent documents have received a plain-English certification.
- The committee is also looking at the administration of oaths and will consider whether to recommend to the Council of the Law Society that they promote a change in legislation to allow solicitors administer oaths in routine documents in conveyancing transactions.
- In April, a meeting of a panel of solicitors to assist solicitors in difficulty with the Law Society was held. That proved to be a very useful exercise in upgrading the information available to panel members, and especially for those without experience with complaints handling.
- The committee is currently researching the issue of conflict of interest and is tracking very interesting research being done by the Canadian bar. The committee hopes to issue a report that will be of use to solicitors in recognising conflicts before they arise, and to assist solicitors handling them when conflicts do arise.
- Also considered was the issue of solicitors certifying their own title to a lending institution on foot of a personal mortgage by the solicitor. This matter will now be considered at Council level.

James Cahill, chairman

Human Rights Committee

The Human Rights Committee continued its busy programme of activities and to develop new initiatives.

We hosted the 2007 Annual Human Rights Conference (in conjunction with the Irish Human Rights Commission) on the topic of human rights and criminal justice. The 2008 conference will focus on the *European Convention on Human Rights*, five years on.

The committee continues to promote the advancement of human rights through a study on the impact of the *European Convention on Human Rights Act 2003* on Irish law (jointly sponsored by the DSBA), due to be published in late 2008. The committee also sponsored a report on the disclosure of criminal convictions in conjunction with a number of community/legal groups. We also



James Cahill

Colin Daly



made submissions on the *Immigration, Residence and Protection Bill 2008*, the National Strategy on Human Trafficking and the *Returns Directive*.

In May 2008, the Chief Justice of Canada, Beverley McLachlin, delivered a tour de force Annual Human Rights Lecture on the topic of the protection of human rights in Canada.

We continued our educational initiatives with the annual Human Rights Essay Competition and the regular human rights page in the *Gazette*. The committee and the Irish Human Rights Commission are sponsoring a Human Rights Schools Art Exhibition to celebrate the 60th anniversary of the *Universal Declaration on Human Rights*.

I would like to thank the vice-chairman, Michael Kealey, and all committee members for giving so generously of their time, interest and expertise. I would like to thank the Council and staff of the Law Society for their support and encouragement to the committee, and in particular my thanks go to Elaine Dewhurst, newly appointed secretary to the committee, for her unfailing good humour, dedication and expert help.

Colin Daly, chairman



Peter Fahy

Law Reform Committee

The committee has been engaged in a series of influential reports in the past year. A report entitled *Enforcement of Environmental Law: the Case for Reform* was launched in April 2008 and received a very positive response from both practitioners and the government. The committee is also engaged in an ongoing report on divorce law in Ireland, which is due to be completed in late 2008 or early 2009. The committee's latest project relates to the law on consumer debt in Ireland.

The ninth annual Law Reform Student Essay Competition was a great success. The competition received a great number of entries of outstanding quality. The committee would like to pay special tribute to the three judges, Mr Justice John McMenamin, Prof Irene Lynch-Fannon and Mr Michael Irvine, for their expert adjudication of the competition. The committee will also be launching *Law and Practice: Essays on Reform*, which contains a selection of the best essays



Enforcement of environmental law: the case for reform

The Society's Law Reform Committee launched *Enforcement of Environmental Law: The case for reform* in April. The report examines the roles of the state and its citizens in enforcing and complying with environmental law in Ireland and identifies systematic failures in the Irish environmental enforcement landscape.

Among the chief recommendations are 16 comprehensive alterations to the current enforcement mechanisms. The responsibility of corporate enterprises is one of the major themes addressed in the report, along with greater access to the system for citizen enforcers, including providing a right of access to information and a statutory right to complain. It advocates that the remit of the Legal Aid Board should be expanded to include such public-interest actions. Other more fundamental reforms are also recommended, such as the adoption of environmental agreements and pre-emptive cost orders.

submitted to the Law Society's competition later this year. Each essay, selected for its individual excellence, critically examines specific areas of law, examines ways in which it might be improved, and has proposals for reform.

The committee also made a submission to Cosc on the National Strategy on Domestic, Sexual and Gender-based Violence in Ireland. The committee is planning a series of seminars in the area of law reform in the coming months.

As chairman, I would like to thank vice-chairman Philip Smith and all committee members and co-opted members of subgroups, the environmental law subgroup in particular, for their tireless work during the year. I would also like to thank our secretary, Elaine Dewhurst, for her dedication and commitment to law reform.

Peter Fahy, chairman

Litigation Committee

The Litigation Committee remains one of the busiest and most eclectic of Law Society committees. Comprising specialists from the areas of commercial, personal injuries, mental health, insurance and general civil litigation, we continue to provide guidance and information to our colleagues.

In addition to this, we have engaged in a number of initiatives designed to assist the profession. We are currently finalising a revised booklet of medico-legal recommendations to take into account the changes brought about by PIAB and recent court decisions.

The committee has entered into negotiations with the Mental Health Commission in relation to the quality assurance proposals and other service related matters. Two committee members undertook a project of providing workshops around the country to assist attending colleagues to ensure the fairest possible result for our clients in personal injury cases, and this has proved to be an overwhelming success.

We intend to produce a handbook for personal injury practitioners next year and will be seeking to encourage a substantial increase in the level of solicitor advocacy over the next 12 months.

I would like to thank of all my committee members for their hard work and attendance during the year and particularly pay tribute to secretary Colette Carey and her assistant Anthea Moore, who continue to deal with a myriad of different queries daily with no end of skill and good humour.

Stuart Gilhooly, chairman

Probate Administration and Trusts Committee

Padraig Courtney, our hard-working secretary, receives queries from all around the country on a regular basis. Many of them he handles himself, but a large part of each meeting is spent addressing practical common concerns. The queries range from ethical dilemmas, such as whether to act for the estate of a deceased person, to the practical issues of what to charge and how long to keep a file. Queries such as these prompted Tom Martyn to write a feature article in the July *Gazette* on the subject of solicitor executors. Many of the difficulties reported to the Law Society by way of complaint in probate cases could be avoided if the solicitor kept beneficiaries informed of the progress of the administration on a regular basis.

The committee is concerned that the disc distributed to members of the



Stuart Gilhooly

Justin McKenna



profession in 2006 in the matter of enduring powers of attorney should be utilised to greater effect than would appear to be the case.

I am pleased to welcome Cliona O'Tuama, an Irish solicitor in London, as consultant to the committee. She will bring valued expertise from her long experience as a practitioner in England and Wales.

I would like to thank especially my vice-chairman, Nora Lillis, for her tireless assistance. I am also mindful of the special effort made by committee members to attend meetings in headquarters, particularly those such as Tom, Pat and Richard, who travel many miles to offer their contributions.

Justin McKenna, chairman



Patrick Dorgan

Public Relations Committee

The year under review was not the ideal year to be chairman of the PR Committee! Hardly had the new committee got down to business than the Lynn/Byrne issues broke and caused a great deal of controversy in both the press and the profession.

The committee is acutely aware that there are two 'audiences' for our PR – the public at large and the profession itself. In relation to the public, it quickly became obvious that, because of the legal restraints on the Society, it could not comment publicly at all in relation to these issues, much as it might have liked to have done. It was also clear that there would never be any objective or dispassionate debate or reporting on the issues in the media and that therefore the best PR approach was to say nothing. Professional advice was sought, which confirmed that view. A significant amount of the committee's time was then taken up in explaining this approach to the profession by every means possible, and especially utilising meetings between the president and the director general and the presidents and secretaries of bar associations and attendance at local bar association meetings.

In line with the approach of the Society not to be distracted by controversies from its day-to-day business, the committee reviewed the feedback on the advertising campaign carried out last year for the Society – both from the profession and from Behaviour and Attitudes, the research firm engaged for this purpose. Buoyed by the 74% of solicitors who said that the Society should continue with advertising to promote the profession (even if a smaller number – about 50% – were not in favour of the cartoon format), the committee has commissioned various presentations from advertising agencies and other specialists, and it is hoped that a new and quite different media campaign will commence in the autumn.

The committee continues to advise the Council and the executive in relation to PR strategies and has also worked hard at fostering media and similar training for the large number of colleagues who have been interviewed on various topics on both local and national radio and TV.

In addition, individual members of the committee routinely appear on local and national radio and in other media to project local and national messages relevant to the profession.

I would like to thank Mark McDermott and the staff of the *Gazette* office for their hard work and commitment, not only to committee affairs, but also to PR issues and the image of the professional generally.

Patrick Dorgan, chairman

First solicitor Taoiseach in history of state

A solicitor was elected Taoiseach for the first time in the history of the state on 7 May 2008. Brian Cowen was admitted to the Roll of Solicitors in 1983, subsequently practising in the firm O'Donovan & Cowen in Tullamore, Co Offaly. Mr Cowan was elected to the Dáil in 1984 in a by-election following the untimely death of his father. He has continued to represent the voters of Laois-Offaly since then. In the May 2007 general election, he recorded the highest vote of any candidate in the country, recording 19,102 first preferences.

Within hours of Mr Cowen's election as Taoiseach, President of the Law Society James MacGuill wrote to him: "It is my very great honour and privilege on behalf of the solicitors' profession to congratulate you on your election as Taoiseach today." He continued: "As citizens, we wish you every success and good fortune in discharging your onerous responsibilities. As colleagues, we take a particular pride in your achievements to date and wish you well in the future."



Brian Cowen speaks to the media following his election as Taoiseach on 7 May 2008 (Pic: Photocall Ireland)

Taxation Committee

The committee's main focus this year was its collaboration with the Conveyancing Committee in revising the VAT special condition in the contract for sale in order to take account of major changes in the VAT on property regime. The joint subcommittee also worked towards the production of an appropriate clause for leases and a precontract enquiries list. This was a lengthy and technically difficult task that is continuing with the revision of the relevant requisitions on title/precontract enquiries.

The establishment of a Commission on Taxation prompted the committee to review the many tax issues and system anomalies that it believed could be highlighted to the commission, and a comprehensive submission was made.

Committee members continued to represent the profession, and tax practitioners in particular, on Revenue's Main Tax Administration Liaison Committee and six of its subcommittees, as well as contributing to a special Revenue think tank set up to deal with issues relating to the VAT on property changes. The committee also took the opportunity to participate in Revenue's consultation process in advance of the introduction of e-stamping in 2009. The annual *Tax Guide* and the Society's annual prebudget submission to the Minister for Finance made their respective scheduled appearances.

Other matters appearing on the agenda included the monitoring of relevant legislation, dealing with practitioner queries, and liaison with the Society's Probate, Administration and Trusts Committee on matters of mutual interest.

I would like to thank the members of the committee and Colette Carey, the committee secretary, for their dedication, interest and support throughout what has been an exceptionally busy committee year. A special word of thanks is due to Michael O'Connor and the members of the joint subcommittee for their ongoing work in relation to the new VAT on property provisions.

Pat Bradley, chairman



Pat Bradley



Patrick Madigan

Technology Committee

The main functions of the Technology Committee are to monitor developments in technology that are relevant to the legal profession and to promote the use of technology as a business resource within the profession. In addition, it provides assistance and advice to individual members on a one-to-one basis throughout the year.

The committee held a practical workshop in the Sligo Institute of Technology on 23 May, where delegates gained experience on how to use the internet as a research tool and how to use the Courts Service online facilities.

The committee is in the process of organising a conference on 'Virtual Reality – Towards Electronic Conveyancing' in November. The conference will give a complete overview of what the Society has proposed in its 'eVision' plan in relation to e-conveyancing and will also have presentations on e-stamping by Revenue, e-registration by the Property Registration Authority and EFT by the banks. The committee's representatives on the eConveyancing Task Force have contributed to the production of the eVision plan, which was presented to the LRC in July. A watching brief is being kept on the development of digital signatures, as this will play a significant part in e-conveyancing.

A number of meetings and presentations have taken place with the Revenue Commissioners on the e-stamping project. Detailed specifications have been submitted so that the system will be of benefit to the profession.

A report on security issues that practitioners should be aware of has just been finalised and will be published in a forthcoming issue of the *Gazette*.

The committee is arranging to meet with IT suppliers who deal primarily with the legal profession to view the systems they have on offer.

The committee's page on the Law Society website is a valuable source of information for the profession. It includes a number of guides on issues relating to technology. It also provides several links to forms available in electronic format that can be accessed and downloaded in seconds. The committee is trying to establish a list of 'frequently asked questions' and invites solicitors to submit questions that it will answer and include on the page.

A special thanks to our secretary, Veronica Donnelly, and all of the hard-working members of the Technology Committee, including our newest member, Raymond Smith.

Patrick Madigan, chairman



Calcutta Run celebrates 10th anniversary by breaking €2M barrier!

The annual Calcutta Run – which celebrated its tenth anniversary in 2008 – surpassed its target by raising €340,000 for the GOAL orphanages in Calcutta and the Fr Peter McVerry Trust in Dublin. The grand total pushed the overall funds raised over the last ten years to an astonishing €2 million.

The target was achieved by a mix of enthusiastic solicitors, trainees, Law Society staff, families and friends, who set off from the Society's headquarters on the 10k run/walk through Phoenix Park, before heading back to Blackhall Place to be met by a cheering crowd of supporters. Thanks to sponsor support, every cent raised goes to both charities.

(Pic: Lensmen)

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 Ann Marie Kearney
 TP Kennedy
 Peter White
Consultant: John Fish
Secretary: Eva Massa

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Vice-chair: Hilary Coveney
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 Noeline Blackwell
 Geraldine Carthy
 Helene Coffey
 Stephanie Coggans
 Carol Ann Coolican
 Eugene Davy
 Rosemary Horgan
 Marie Keane
 Joan O'Mahony
 Deirdre O'Riordan
 Moya Quinlan
 Aidan Reynolds
 Geoffrey Shannon
Consultants:
 Ann Fitzgerald
 Pauline O'Reilly
Secretary: Colleen Farrell

Gazette Editorial Board

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 Aisling Kelly
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Human Rights

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 Joseph Kelly
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 David Martin
 Dermot McEvoy
 Cormac O'Hanlon
 Patrick O'Riordan
 Owen O'Sullivan
 Kenneth Ruane
 Frances Twomey
Consultants:
 Joseph Deane
 Patrick Groarke
Secretary: Colette Carey

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Chair: Justin McKenna
Vice-chair: Nora Lillis
 Pat Bradley
 Paula Fallon
 Richard Hammond
 Tom Martyn
 Susan O'Connell
 Kevin O'Higgins
 Margaret Walsh
Consultant: John O'Connor
Secretary: Padraic Courtney

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Chair: Patrick Dorgan
Vice-chair: Niall Farrell
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 Dominic Dowling
 John Glynn
 Michael Kealey
 James McCourt
 Ken Murphy
 Tom Murran
 Michelle Ní Longáin
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Secretary: Mark McDermott

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Chair: Pat Bradley
Vice-chair: Tom Martyn
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 John Cuddigan
 Ciaran Desmond
 Caroline Devlin
 Donal Kennedy
 Aileen Keogan
 David Lawless
 Greg Lockhart
 Michael O'Connor
 Des Rooney
 Emmet Scully
 James Somerville
Consultants:
 Brian Bohan
 John O'Connor
Secretary: Colette Carey

Technology

Chair: Patrick Madigan Jnr
Vice-chair: Neil Butler
 Anthony Brady
 John Furlong
 Jim Heney
 Eamonn Keenan
 Frank Nowlan
 Tom O'Malley
 Reamonn Smith
 Paul Tracey
Secretary: Veronica Donnelly

Parchment ceremonies 2007/08

Over 500 trainees received their parchments from the Law Society during the year 2007/08. In all, 12 parchment ceremonies were held at Blackhall Place, attended by members of the judiciary, President of the Law Society James MacGuill, director general Ken Murphy, special guests and the families of graduates. Here, we present some snapshots of the happy occasion that is parchment day!



**FINANCIAL
STATEMENTS
FOR
THE YEAR
ENDING
2007**

Statement of responsibilities of the Finance Committee

The Finance Committee is responsible for ensuring that financial statements are prepared each year that give a true and fair view of the state of affairs of the group and the Society and of the group's surplus or deficit for that period. In preparing those financial statements, the Finance 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 unless it is inappropriate to presume that the Society will continue in business.

The Finance Committee is responsible for keeping proper accounting records that 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 auditors' 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 2007, 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 auditors' 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 responsible 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 auditors, is to audit the financial statements in accordance with the *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 2007 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 the *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 the information and explanations that 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 2007 and of the surplus of the group for the year then ended.

Deloitte & Touche

Chartered accountants and registered auditors,

Dublin, 15 May 2008

Statement of accounting policies

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The Society consolidates its interests in subsidiary undertakings as detailed in note 22 and its interest in the related undertaking the Law Club of Ireland, which it controls, all of which make up the financial statements to 31 December 2007.

Income

Income is recognised in the income and expenditure account in the year to which it relates.

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.

Development site:	not depreciated
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 the lower of cost and net realisable value.

Publications

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

Pension costs

Contributions to a multi-employer defined benefit pension scheme 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 profit at current rates.

Deferred tax is accounted for on a full provision basis, as required by Financial Reporting Standard 19, to the extent required by that standard, 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.

Consolidated income and expenditure account for the year ended 31 December 2007

	Notes	2007	2006
		€	€
INCOME			
Fees and subscriptions	4	10,892,014	9,751,800
Education activities	5	12,421,317	10,938,338
Publications		1,105,332	1,142,903
Four Courts rooms		680,569	644,174
Company formations		269,241	328,153
Interest and investment income	7	190,542	72,437
Other income	8	743,284	727,243
Sundry income		-	24,716
		26,302,299	23,629,764
EXPENDITURE			
Operating charges:			
– general activities	4	10,031,739	8,631,113
– education activities	5	10,042,057	9,514,582
Financing costs	6	316,846	490,534
Other expenditure	8	1,592,637	1,532,457
		21,983,279	20,168,686
SURPLUS FOR YEAR BEFORE TAXATION	2	4,319,020	3,461,078
Taxation charge	9	(277,525)	(174,547)
SURPLUS FOR YEAR AFTER TAXATION	17	4,041,495	3,286,531
Allocated as follows:			
General activities		(243,937)	100,020
Education activities		1,249,895	609,364
Education Centre fund		1,151,454	964,593
Property fund		1,884,083	1,136,837
Capital expenditure fund		-	475,717
Total		4,041,495	3,286,531

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 15 May 2008 and signed on its behalf by:

Gerard Doherty, Chairman of the Finance Committee

James MacGuill, President of the Law Society of Ireland

Consolidated balance sheet as at 31 December 2007

FIXED ASSETS	Notes	2007 €	2006 €
Tangible fixed assets	10	36,421,654	36,451,741
CURRENT ASSETS			
Investments	13	6,500,498	5,765,858
Stocks	14	19,219	23,161
Debtors	15	1,769,424	1,856,307
Cash at bank and in hand		72,022	161,430
		<u>8,361,163</u>	<u>7,806,756</u>
CURRENT LIABILITIES			
CREDITORS (amounts falling due within one year)	16	(6,822,629)	(6,643,117)
NET CURRENT ASSETS		<u>1,538,534</u>	<u>1,163,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		37,960,188	37,615,380
CREDITORS (amounts falling due after more than one year)	16	(10,457,824)	(14,154,511)
NET ASSETS		<u>27,502,364</u>	<u>23,460,869</u>
RESERVES			
Accumulated reserves	17	<u>27,502,364</u>	<u>23,460,869</u>

The financial statements were approved by the Finance Committee on 15 May 2008 and signed on its behalf by:

Gerard Doherty, Chairman of the Finance Committee
James MacGuill, President of the Law Society of Ireland

Balance sheet as at 31 December 2007

FIXED ASSETS	Notes	2007	2006
		€	€
Tangible fixed assets	10	<u>14,582,083</u>	<u>14,559,278</u>
CURRENT ASSETS			
Investments	13	6,500,498	5,765,858
Debtors	15	<u>23,974,629</u>	<u>24,017,797</u>
		30,475,127	29,783,655
CURRENT LIABILITIES			
CREDITORS (amounts falling due within one year)	16	<u>(6,934,771)</u>	<u>(6,633,140)</u>
NET CURRENT ASSETS		<u>23,540,356</u>	<u>23,150,515</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		38,122,439	37,709,793
CREDITORS (amounts falling due after more than one year)	16	<u>(10,457,824)</u>	<u>(14,154,511)</u>
NET ASSETS		<u>27,664,615</u>	<u>23,555,282</u>
RESERVES			
Accumulated reserves	17	<u>27,664,615</u>	<u>23,555,282</u>

The financial statements were approved by the Finance Committee on 15 May 2008 and signed on its behalf by:

Gerard Doherty, Chairman of the Finance Committee
James MacGuill, President of the Law Society of Ireland

Consolidated cash flow statement for the year ended 31 December 2007

	Notes	2007 €	2006 €
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	7,020,442	4,239,285
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		82,375	72,437
TAXATION			
Corporation tax (paid)/received		(456,062)	78,054
CAPITAL EXPENDITURE			
Purchase of tangible fixed assets		(1,503,811)	(23,158,869)
MANAGEMENT OF LIQUID RESOURCES			
Purchase of investments		(2,000,000)	(3,233,191)
Disposal of investments		1,373,527	1,904,607
		(626,473)	(1,328,584)
FINANCING			
(Decrease)/increase in debt		(3,696,687)	6,814,117
INCREASE/(DECREASE) IN CASH	19	819,784	(13,283,560)

Notes to the consolidated financial statements for the year ended 31 December 2007

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 outlined in note 22. 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 and the Law Society of Ireland Scholarship Funds.

2. SURPLUS BEFORE TAXATION

	2007	2006
	€	€
The surplus before taxation is stated after charging:		
– Depreciation	1,533,898	1,484,254
– Auditors' remuneration	34,000	32,000
– Finance charges	287,528	287,528
	<u>287,528</u>	<u>287,528</u>
and after crediting:		
– Deposit interest	82,375	72,457
	<u>82,375</u>	<u>72,457</u>

3. STAFF COSTS

	2007	2007	2007	2007	2006
	General	Education	Other	Total	Total
	activities	activities			
	€	€	€	€	€
Salaries and wages	4,309,250	3,484,641	492,383	8,286,274	7,887,115
PRSI	440,880	348,720	72,456	862,056	755,701
Pension costs	661,145	228,703	14,371	904,219	632,404
	<u>5,411,275</u>	<u>4,062,064</u>	<u>579,210</u>	<u>10,052,549</u>	<u>9,275,220</u>

The average aggregate number of employees during 2007 was 143 (2006: 151).

4. GENERAL ACTIVITIES (INCLUDING FUNDS)	2007	2006
	€	€
INCOME		
Fees and subscriptions		
Practising certificates	7,170,987	6,245,656
Members' subscriptions	663,181	630,318
Admission fees	179,709	145,190
Fund contributions:		
– Capital expenditure fund	-	475,718
– Education Centre fund	964,916	915,075
– Property fund	1,913,221	1,339,843
	<hr/>	<hr/>
	10,892,014	9,751,800
Services and interest		
Publications	1,105,332	1,142,903
Four Courts rooms	680,569	644,174
Company formations	269,241	328,153
Interest and investment income (note 7)	190,542	72,437
Sundry income	-	24,716
	<hr/>	<hr/>
Total income	13,137,698	11,964,183
OPERATING CHARGES		
General activities		
Pay and related expenditure	3,437,048	2,834,874
Administration expenditure	1,321,023	1,121,150
Premises expenditure	643,668	676,660
Members' services expenditure	1,532,821	1,226,498
Regulation services expenditure	1,642,968	1,329,632
Admission expenditure	40,878	28,514
Services		
Company formations	236,582	236,168
Publications	970,692	956,595
Four Courts rooms	206,059	221,022
	<hr/>	<hr/>
Total operating charges	10,031,739	8,631,113
Finance cost	29,318	203,006
	<hr/>	<hr/>
Surplus	3,076,641	3,130,064
	<hr/> <hr/>	<hr/> <hr/>

5. EDUCATION ACTIVITIES	2007	2006
	€	€
INCOME		
Professional practice course I fees	5,112,291	5,331,773
Professional practice course II fees	2,901,205	2,138,950
Indentures and registration	526,336	437,248
Examination fees	1,457,227	1,288,345
Diploma courses	1,034,350	578,173
Continuing professional development	1,194,637	964,983
Miscellaneous income	195,271	198,866
	<hr/>	<hr/>
Total income	12,421,317	10,938,338
	<hr/>	<hr/>
OPERATING CHARGES		
Pay and related expenditure	4,219,240	4,063,354
Administration expenditure	1,963,983	1,900,061
Direct expenditure	3,017,610	2,901,673
Premises expenditure	841,224	649,494
	<hr/>	<hr/>
Total operating charges	10,042,057	9,514,582
	<hr/>	<hr/>
Financing costs	287,528	287,528
	<hr/>	<hr/>
Surplus	2,091,732	1,136,228
	<hr/> <hr/>	<hr/> <hr/>
6. FINANCING COSTS	2007	2006
	€	€
Financing costs (note 12) – education	287,528	287,528
Interest payable on loans – general	29,318	203,006
	<hr/>	<hr/>
	316,846	490,534
	<hr/> <hr/>	<hr/> <hr/>
7. INTEREST AND INVESTMENT INCOME	2007	2006
	€	€
Interest – accumulated reserves	4,004	22,919
Interest – Education Centre fund	78,371	49,518
Gain on disposal of investments	108,167	-
	<hr/>	<hr/>
	190,542	72,437
	<hr/> <hr/>	<hr/> <hr/>

8. OTHER INCOME/EXPENDITURE	2007 €	2006 €
Income:		
Catering income	534,157	479,939
Bar income	122,807	155,302
Bed and breakfast income	44,472	46,761
Functions and consultation room income	21,365	23,295
Rental income	14,229	18,819
Sundry income	6,254	3,127
	<u>743,284</u>	<u>727,243</u>
Expenditure:		
Catering cost of sales	269,171	271,917
Catering expenditure	533,366	518,495
Bar cost of sales	68,239	82,917
Bar expenditure	143,040	137,682
Rental expenditure	388,679	191,291
Premises expenditure	8,740	15,366
Professional fees	72,880	236,257
Other administration expenditure	108,522	78,532
	<u>1,592,637</u>	<u>1,532,457</u>
9. TAXATION CHARGE		
	2007 €	2006 €
Based on the surplus for the year:		
Taxation charge	<u>277,525</u>	<u>174,547</u>

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

	2007 €	2006 €
Surplus for year before taxation	<u>4,319,020</u>	<u>3,461,078</u>
Surplus for year multiplied by standard rate of corporation tax of 12.5%	539,878	432,635
Effects of:		
Income not subject to taxation	(340,410)	(308,568)
Net deductions allowable for tax purposes	(18,749)	(3,358)
Depreciation for year in excess of capital allowances	64,054	44,875
Higher tax rates on interest and rental income	12,311	7,734
Capital gains tax	20,441	1,229
	<u>277,525</u>	<u>174,547</u>

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 2007 or 2006.

10. TANGIBLE FIXED ASSETS

Group

	Premises	Development site	Leasehold improvements	Furniture fittings and equipment	Computer equipment	Motor vehicles	Total
	€	€	€	€	€	€	€
Cost							
At 1/1/2007	14,555,020	21,718,981	184,757	6,974,847	3,861,889	121,775	47,417,269
Additions	217,161	-	14,498	882,201	389,951	-	1,503,811
At 31/12/2007	14,772,181	21,718,981	199,255	7,857,048	4,251,840	121,775	48,921,080
Depreciation							
At 1/1/2007	2,803,345	-	166,280	5,314,095	2,675,613	6,195	10,965,528
Charge for year	293,392	-	32,989	723,528	453,575	30,444	1,533,898
At 31/12/2007	3,096,737	-	199,240	6,037,622	3,129,188	36,639	12,499,426
Net book value							
At 31/12/2007	11,675,444	21,718,981	15	1,819,426	1,122,652	85,136	36,421,654
At 31/12/2006	11,751,675	21,718,981	18,477	1,660,752	1,186,276	115,580	36,451,741

Society

	Premises	Furniture fittings & equipment	Computer equipment	Motor vehicles	Total
	€	€	€	€	€
Cost					
At 1/1/2007	14,410,734	6,687,778	3,861,889	121,775	25,082,176
Additions	217,161	874,300	389,951	-	1,481,412
At 31/12/2007	14,627,895	7,562,078	4,251,840	121,775	26,563,588
Depreciation					
At 1/1/2007	2,774,488	5,066,602	2,675,613	6,195	10,522,898
Charge for year	293,392	685,901	448,870	30,444	1,458,607
At 31/12/2007	3,067,880	5,752,503	3,124,483	36,639	11,981,505
Net book value					
At 31/12/2007	11,560,015	1,809,575	1,127,357	85,136	14,582,083
At 31/12/2006	11,636,246	1,621,176	1,186,276	115,580	14,559,278

10. TANGIBLE FIXED ASSETS (CONTINUED)**Group and Society**

Included in the above are assets relating to education activities:

	Cost	Accumulated depreciation	Net book value
	€	€	€
Premises	5,876,183	857,888	5,018,295
Furniture, fittings and equipment	2,904,637	1,711,413	1,193,224
Computer equipment	2,063,536	1,213,851	849,685
	<hr/>	<hr/>	<hr/>
	10,844,356	3,783,152	7,061,204
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

11. ASSETS FINANCED BY FINANCING ARRANGEMENT

Included in tangible fixed assets are the following assets, which are the subject of a financing arrangement (note 12):

	Cost	Accumulated depreciation	Net book value
	€	€	€
Education Centre premises	5,827,485	846,526	4,980,959
Education furniture, fittings and equipment	53,767	53,767	-
	<hr/>	<hr/>	<hr/>
	5,881,252	900,293	4,980,959
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. FINANCING ARRANGEMENT

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.

13. INVESTMENTS

	2007	2006
	€	€
Group and Society – at cost	6,500,498	5,765,858
	<u> </u>	<u> </u>

The investments are comprised of the following:

- a) With-profits bond policy ('policy'),
- b) TAM equity and bond investments ('TAM'),
- c) Managed fund ('managed fund'),
- d) High-yield fund ('fund'); and
- e) Trilogy fund ('Trilogy')

The policy is linked to a tailored global equity basket. The terms provide for a minimum redemption of 100% of the sum invested upon maturity. TAM, managed fund, fund and Trilogy do not carry capital protection. The managed fund has a low risk profile, while the fund and Trilogy are fully exposed to the volatility in equity markets.

The investment by the Society in subsidiary undertakings is carried at €Nil (2006: €Nil).

14. STOCKS

	2007	2006
	€	€
Group		
Stocks in trade	19,219	23,161
	<u> </u>	<u> </u>

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

15. DEBTORS

	2007 €	2006 €
Group		
Amounts falling due within one year:		
Debtors and prepayments	1,301,850	922,406
Amounts due by the Law Society Compensation Fund	185,430	622,756
Deferred finance costs	51,356	51,356
Corporation tax	3,990	-
VAT	21,375	5,175
	<hr/> 1,564,001	<hr/> 1,601,693
Amounts falling due after more than one year		
Deferred finance costs:		
– Due within 2 to 5 years	205,423	205,423
– Due after more than 5 years	-	49,191
	<hr/> 1,769,424	<hr/> 1,856,307
	<hr/> <hr/>	<hr/> <hr/>
Society		
Amounts falling due within one year		
Debtors and prepayments	1,221,109	847,558
Amounts due from the Law Society Compensation Fund	185,430	622,756
Amounts due from subsidiary undertakings		
– The Law Club of Ireland	54,881	34,272
– Friary Property Services Limited	77,399	95,484
– Benburb Street Property Company Limited	22,000,000	22,000,000
– Ellis Quay Property Services Limited	162,309	111,757
Deferred finance costs	51,356	51,356
Corporation tax	11,497	-
VAT	5,225	-
	<hr/> 23,769,206	<hr/> 23,763,183
Amounts falling due after more than one year		
Deferred finance costs:		
– Due within 2 to 5 years	205,423	205,423
– Due after more than 5 years	-	49,191
	<hr/> 23,974,629	<hr/> 24,017,797
	<hr/> <hr/>	<hr/> <hr/>

16. CREDITORS

Group	2007	2006
	€	€
Amounts falling due within one year		
Bank overdrafts	496,621	1,405,813
Creditors and accruals	3,010,276	2,082,564
Deferred income	3,071,600	2,758,359
PAYE/PRSI	187,627	182,169
VAT	56,505	39,665
Corporation tax payable	-	174,547
	<hr/>	<hr/>
	6,822,629	6,643,117
	<hr/> <hr/>	<hr/> <hr/>

Deferred income represents fees for the 2008 financial year received in the year to 31 December 2007.

Society	2007	2006
	€	€
Amounts falling due within one year:		
Bank overdrafts	461,709	1,395,295
Creditors and accruals	2,917,099	2,010,331
Deferred income	3,071,600	2,758,359
Amounts due to subsidiary undertakings		
– The Law Club of Ireland	159,133	92,284
– Friary Property Services Limited	55,778	-
– Ellis Quay Property Services Limited	94,380	-
PAYE/PRSI	175,072	169,742
VAT	-	32,582
Corporation tax payable	-	174,547
	<hr/>	<hr/>
	6,934,771	6,633,140
	<hr/> <hr/>	<hr/> <hr/>

Deferred income represents fees for the 2008 financial year received in the year to 31 December 2007.

Group and Society	2007	2006
	€	€
Amounts falling due after more than one year:		
– Due within 2 to 5 years – bond funding scheme	124,307	124,307
– Due after more than 5 years – Education Centre	7,216,087	7,216,087
– Bank loan	3,117,430	6,814,117
	<hr/>	<hr/>
	10,457,824	14,154,511
	<hr/> <hr/>	<hr/> <hr/>

The bonds of €124,307, 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 12).

The bank loan is secured on a site on Benburb Street.

17. ACCUMULATED RESERVES

Group

	Total	Society accumulated reserves	Capital expenditure fund	Education Centre fund	Litigation fund	Property fund	Law School accumulated reserves
	€	€	€	€	€	€	€
Balance at 1/1/2007	23,460,869	10,699,099	2,843,546	6,066,297	2,133,339	1,136,837	581,751
Surplus for year	4,041,495	(243,937)	-	1,151,454	-	1,884,083	1,249,895
Transfers	-	865,238	(454,184)	-	(411,054)	-	-
Balance at 31/12/2007	27,502,364	11,320,400	2,389,362	7,217,751	1,722,285	3,020,920	1,831,646

Society

	Total	Society accumulated reserves	Capital expenditure fund	Education Centre fund	Litigation fund	Property fund	Law School accumulated reserves
	€	€	€	€	€	€	€
Balance at 1/1/2007	23,555,282	10,793,512	2,843,546	6,066,297	2,133,339	1,136,837	581,751
Surplus for year	4,109,333	(176,099)	-	1,151,454	-	1,884,083	1,249,895
Transfers	-	865,238	(454,184)	-	(411,054)	-	-
Balance at 31/12/2007	27,664,615	11,482,651	2,389,362	7,217,751	1,722,285	3,020,920	1,831,646

Group and Society

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

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

	Total	General activities	Education activities	Education Centre fund	Property fund	Other
	€	€	€	€	€	€
Surplus before tax (notes 4 and 5)	5,168,373	3,076,641	2,091,732	-	-	-
Surplus before tax (note 8)	(849,353)	-	-	-	-	(849,353)
Taxation (note 9)	(277,525)	(31,728)	(238,067)	-	-	(7,730)
Surplus after tax	4,041,495	3,044,913	1,853,665	-	-	(857,083)
Income allocated to specific fund	-	(3,035,537)	-	1,151,454	1,884,083	-
Inter-group trading	-	(253,313)	(603,770)	-	-	857,083
Surplus per group accumulated reserves	4,041,495	(243,937)	1,249,895	1,151,454	1,884,083	-

18. RECONCILIATION OF SURPLUS BEFORE TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007	2006
	€	€
Surplus before taxation	4,319,020	3,461,078
Depreciation charge	1,533,898	1,484,254
Interest received	(82,375)	(72,437)
Profit on disposal of investments	(108,167)	-
Decrease/(increase) in stock	3,942	(2,265)
Decrease/(increase) in debtors	90,873	(501,680)
Increase/(decrease) in creditors	1,263,251	(129,665)
	<hr/>	<hr/>
Net cash inflow from operating activities	7,020,442	4,239,285
	<hr/> <hr/>	<hr/> <hr/>

19. (a) ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	2007	2006
	€	€
Decrease in cash during the year	(89,408)	(11,877,747)
Decrease/(increase) in bank overdrafts during the year	909,192	(1,405,813)
Decrease/(increase) in debt during the year	3,696,687	(6,814,117)
Net (debt)/funds at 1 January	(15,398,894)	4,698,783
	<hr/>	<hr/>
NET FUNDS AT 31 DECEMBER	(10,882,423)	(15,398,894)
	<hr/> <hr/>	<hr/> <hr/>

(b) ANALYSIS OF NET FUNDS/(DEBT)

	At	Cashflow	At
	1/1/2007		31/12/2007
	€	€	€
Cash and bank balances	161,430	(89,408)	72,022
Bank overdrafts	(1,405,813)	909,192	(496,621)
	<hr/>	<hr/>	<hr/>
Debt due after one year	(1,244,383)	819,784	(424,599)
	(14,154,511)	3,696,687	(10,457,824)
	<hr/>	<hr/>	<hr/>
	(15,398,894)	4,516,471	(10,882,423)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
=			

20. RELATED PARTY TRANSACTIONS

During the year, the Society incurred expenditure on behalf of, and recharged it to, the compensation fund in the amount of €2,565,674 (2006: €2,348,714). The amount due from the compensation fund at the year-end is outlined in note 15.

21. 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 1 January 2007. 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 2.25% higher per annum than pension increases.

From 1 January 2005, the Society introduced, on a discretionary basis, indexation to pensions in payment on an annual basis. Increases are the lesser of the CPI increase or 3%. Members of the scheme who wish to be considered for this in the future have increased their contribution rate to 8% of pensionable salary. The actuarial results at 1 January 2007 indicated that the market value of the assets of the scheme was €10,590,000 and that the actuarial value of the assets was sufficient to cover 89% 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 agreed that the Society's annual contribution continue at 18% of pensionable salaries. The actuary carried out an update of the discontinuance position at 1 January 2007 and confirmed that the scheme was fully funded at that date, on that basis.

The pension charge for the year was €904,219 (2006: €632,404).

22. SUBSIDIARY AND RELATED UNDERTAKINGS

The Society holds investments in subsidiary and 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

23. CAPITAL COMMITMENTS

	2007	2006
	€	€
At the end of the year, the following expenditure had been authorised by the Finance Committee:		
Contracted for	276,833	-
Not contracted for	90,039	811,894
	<hr/>	<hr/>
	366,872	811,894
	<hr/> <hr/>	<hr/> <hr/>

24. CONTINGENT LIABILITIES

The Society is, from time to time, a party to legal proceedings and claims, which arise in the ordinary course of its activities. The Finance Committee is satisfied that there are no claims that require provision by the Society at 31 December 2007. Legal costs incurred by the Society to 31 December 2007, in connection with these matters, have been charged in the income and expenditure account.

Responsibilities of the Regulation of Practice Committee

The Regulation of Practice Committee is responsible for ensuring that financial statements are prepared each year that give a true and fair view of the state of affairs of the Law Society of Ireland Compensation Fund and of its surplus or deficit 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,
- Prepares the financial statements on the going-concern basis.

The Regulation of Practice Committee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the compensation fund. The Regulation of Practice Committee is also responsible for safeguarding the assets of the compensation fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of the 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 2007, which comprise the income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the statement of accounting policies and the related notes 1 to 13. 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 auditors' 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 the *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 2007 and of its result for the year then ended.

Basis of audit opinion

We conducted our audit in accordance with the *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 that 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 2007 and of its deficit for the year then ended.

Deloitte & Touche

Chartered accountants and registered auditors,

Dublin,

15 May 2008

Statement of accounting policies

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland.

Accounting convention

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

Investments

Investments are shown at market value. The difference between cost and market value is taken to a revaluation reserve.

Claims

Provisions are made in respect of notified claims and related expenses, if the Regulation of Practice Committee considers it likely that the compensation fund is liable for such claims and expenses. Recoveries are recognised when receipt is certain.

Deferred taxation

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.

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

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

Income and expenditure account for the year ended 31 December 2007

	Notes	2007 €	2006 €
INCOME			
Contributions receivable		3,050,689	2,862,288
Income and returns on investments	2	708,814	651,470
Recoveries from defaulting solicitors		1,004,577	1,899,525
Disciplinary fines and investigation levies		157,410	127,904
Litigation settlement	3	300,000	-
		5,221,490	5,541,187
EXPENDITURE			
Provision for claims		4,199,917	2,165,579
Insurance		288,267	327,999
Costs allocated from the Law Society of Ireland		948,828	867,176
Investigation and support staff salaries and expenses		1,305,715	1,252,819
Practice closure expenses		337,800	251,161
Legal and professional fees		1,078,916	1,063,230
Portfolio management fee		(64,597)	(63,605)
Miscellaneous expenses		29,089	15,552
		8,123,935	5,879,911
DEFICIT BEFORE TAXATION	4	(2,902,445)	(338,724)
Taxation	5	(42,291)	(62,047)
DEFICIT AFTER TAXATION		(2,944,736)	(400,771)

All of the deficit after taxation arose from continuing operations.

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

John O'Connor, Chairman of the Regulation of Practice Committee

James MacGuill, President of the Law Society of Ireland

Statement of total recognised gains and losses for the year ended 31 December 2007

	2007 €	2006 €
Retained deficit for the financial year	(2,944,736)	(400,771)
Movement in unrealised surplus arising on revaluation of investments	<u>(3,942,205)</u>	<u>890,277</u>
Total recognised gains and losses for the year	<u><u>(6,886,941)</u></u>	<u><u>489,506</u></u>

Balance sheet as at 31 December 2007

	Notes	2007 €	2006 €
FIXED ASSETS			
Financial assets	6	30,387,217	36,204,022
CURRENT ASSETS			
Debtors and prepayments	7	35,329	98,750
Bank balances		482,674	704,454
		518,003	803,204
CREDITORS (amounts falling due within one year)	8	(893,067)	(1,117,166)
NET CURRENT LIABILITIES		(375,064)	(313,962)
TOTAL ASSETS LESS CURRENT LIABILITIES		30,012,153	35,890,060
PROVISIONS FOR LIABILITIES AND CHARGES	9	(2,424,124)	(1,415,090)
NET ASSETS		27,588,029	34,474,970
REVENUE RESERVES	10	22,474,681	25,419,417
REVALUATION RESERVE	11	5,113,348	9,055,553
		27,588,029	34,474,970

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

John O'Connor, Chairman of the Regulation of Practice Committee
James MacGuill, President of the Law Society of Ireland

Notes to the financial statements for the year ended 31 December 2007

1. 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 other activities of the Law Society of Ireland.

2. Income and returns on investments

	2007	2006
	€	€
Surplus on sale of investments	315,214	280,949
Dividends and interest receivable	393,600	370,521
	<hr/>	<hr/>
	708,814	651,470
	<hr/> <hr/>	<hr/> <hr/>

3. LITIGATION SETTLEMENT

During the course of 2007, the Society settled a litigation case against a bank for €300,000.

4. DEFICIT BEFORE TAXATION

	2007	2006
	€	€
The deficit before taxation is stated after charging:		
Auditors' remuneration	5,500	5,250
	<hr/> <hr/>	<hr/> <hr/>

5. TAXATION

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

	2007	2006
	€	€
Income tax	70,000	90,000
Adjustment in respect of prior years	(21,709)	(35,664)
	<hr/>	<hr/>
	48,291	54,336
Deferred tax (credit)/charge	(6,000)	7,711
	<hr/>	<hr/>
	42,291	62,047
	<hr/> <hr/>	<hr/> <hr/>

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:

	2007	2006
	€	€
Deficit before taxation	(2,902,445)	(338,724)
Deficit multiplied by standard rate of income tax of 20%	(580,489)	(67,745)

Effects of:

Income not subject to taxation	(981,255)	1,004,091
Expenses not deductible for tax purposes	1,631,744	1,161,836
Adjustment in respect of prior years	(21,709)	(35,664)
	<hr/>	<hr/>
	48,291	54,336
	<hr/> <hr/>	<hr/> <hr/>

6. FINANCIAL ASSETS	2007	2006
	€	€
Listed investments – at market value		
Market value at end of year	30,387,217	36,204,022
7. DEBTORS AND PREPAYMENTS		
(amounts falling due within one year)		
	€	€
Other debtors	35,329	31,533
Taxation recoverable	-	67,217
	35,329	98,750
8. CREDITORS		
(amounts falling due within one year)		
	€	€
Accruals	707,637	494,410
Amounts due to the Law Society of Ireland	185,430	622,756
	893,067	1,117,166
9. PROVISIONS FOR LIABILITIES AND CHARGES		
	€	€
Provision for claims		
At beginning of year	1,371,729	1,580,731
Provision made	4,199,917	2,165,579
Claims paid	(3,184,883)	(2,374,581)
At end of year	2,386,763	1,371,729
Deferred tax		
At beginning of year	43,361	35,650
(Credit)/charge for the year	(6,000)	7,711
At end of year	37,361	43,361
	2,424,124	1,415,090

The entire deferred tax provision at 31 December 2007 and 2006 related to investment income, which is not taxed until received.

10. RECONCILIATION OF REVENUE RESERVES	2007	2006
	€	€
Accumulated surplus at beginning of year	25,419,417	25,820,188
Deficit for year	(2,944,736)	(400,771)
	<hr/>	<hr/>
Accumulated surplus at end of year	22,474,681	25,419,417
	<hr/> <hr/>	<hr/> <hr/>
 11. REVALUATION RESERVE	 2007	 2006
	€	€
Unrealised surplus on investments:		
At beginning of year	9,055,553	8,165,276
Movement during year	(3,942,205)	890,277
	<hr/>	<hr/>
At end of year	5,113,348	9,055,553
	<hr/> <hr/>	<hr/> <hr/>

12. RELATED PARTY TRANSACTIONS

During the year, the expenditure of the compensation fund included expenses and payroll costs totalling €2,565,674, 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 disclosed at note 8.

13. PENSIONS

The compensation fund and the Law Society of Ireland 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 compensation fund 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 1 January 2007. The assumptions that have the most significant effect on the results of the valuation are those relating to the discount rate, the investment return, and the rates of increase in salaries. In preparing that valuation, it was assumed that the discount rate would be 6% per annum pre-retirement and 5% post-retirement, that the investment return pre-retirement would be 1.5% higher per annum than future salary increases, and that future salary increases would average 4.5% per annum.

The actuarial report at 1 January 2007 indicated that the market value of the assets of the scheme was €10,590,000 and that the actuarial value of the assets was sufficient to cover 89% of the benefits that had accrued to members, after allowing for expected future increases in pensionable remuneration.

It was recommended that the compensation fund's annual contributions be 10.7% of pensionable salaries. The actuary carried out an update of the discontinuance position at 1 January 2007 and confirmed that the scheme was fully funded at that date, on that basis.

From 1 January 2005, the compensation fund has introduced, on a discretionary basis, indexation to pensions in payment on an annual basis. Increases are the lesser of the CPI increase or 3%. Members of the scheme who wish to be considered for this in the future have increased their contribution rate to 8% of pensionable salary and the Society has increased its contribution to 18% of pensionable salaries.

The pension charge for the year was €122,191 (2006: €115,667).

DIRECTOR GENERAL

Ken Murphy

HUMAN RESOURCES

Maureen Seabrook, Human Resources Manager

POLICY, COMMUNICATION AND MEMBER SERVICESMary Keane, Director of Policy, Communication and Member Services and Deputy Director General
Patricia Doolan, Personal Secretary (Director General)

Maria Hoey, Personal Secretary (President and Director of Policy, Communication and Member Services)

Emma-Jane Williams, Policy Development Executive

Elaine Dewhurst, Parliamentary and Law Reform Executive

Colette Carey, Committee Executive

Anthea Moore, Secretary

Mark McDermott, Editor, *Gazette*, and PR ExecutiveCatherine Kearney/Valerie Farrell, (J/S) Secretary (Editor, *Gazette*)

Martina Flynn, Webmaster

Carmel Kelly, Web Editor

Colleen Farrell, Committee Executive

Louise Campbell, Support Services Executive

Gabriel Brennan, E-conveyancing Project Manager

Library

Margaret Byrne, Librarian

Mary Gaynor, Deputy Librarian

Eddie Mackey, Assistant Librarian

Louise Gilsonan, 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)

Tina Beattie, Executive Officer (part-time)

Sorcha Hayes, Executive Officer

Andrew O'Brien, Claims Administrator

Christina D'Arcy, Secretary

Linda Dolan, Administration Assistant

Yvonne McMahon, Secretary

Investigating Accountants

Seamus McGrath, Senior Investigating Accountant

Tim Bolger, Accountant

Mary Devereux, Accountant

Jim Dobson, Accountant

Colm Dunne, Accountant

Noreen MacCarthy, Accountant

Munro Moore, Accountant

Niamh O'Connell, Accountant

Rory O'Neill, Accountant

Jim O'Dowd, Accountant

Jim Ryan, Accountant

Edward Sheehan, Accountant

Practising Certificates and Professional Indemnity Insurance

Rosemary Fallon, Executive Officer

Nicola Darby, Practice Regulation Administrator

Mary Ann McDermott, Secretary

Practice Closures

Therese Clarke, Senior Solicitor

Catherine O'Flaherty, Solicitor

Tracey Butler, Secretary (part-time)

Suzanne Chesney, Secretary (part-time)

Anne Collins, Secretary

Geraldine Molloy, Secretary (part-time)

Complaints and Client Relations

Linda Kirwan, Head of Complaints and Client Relations

Tony Watson, Deputy Head of Complaints and Client Relations

Helene Blayney, Solicitor (part-time)

Daragh Buckley, Solicitor (part-time)

Martin Clohessy, Complaints Executive

Eleanor Hannon, Solicitor

Fiona Ni Cheallaigh, Solicitor

Deborah Finn, Secretary

Doreen Fitzsimons/Ursula Lynch, (J/S) Secretary

Orlaith Gallagher/Helen Mountaine (J/S) Secretary

Yvonne McGarvey/Colette O'Leary, (J/S) Secretary

Eamonn Maguire, Secretary

Pamela Ryan, Secretary

Regulation Solicitors

Joan O'Neill, Senior Solicitor

Mary Fenelon, Solicitor (part-time)

David Irwin, Solicitor

Anne Molloy, Secretary (part-time)

Jean O'Cuilinn, Secretary (part-time)

Eimear Ryan, Secretary

EDUCATION DEPARTMENT

TP Kennedy, Director of Education

Lynda Sheane, Personal Secretary (Director of Education)

Geoffrey Shannon, Deputy Director of Education

Sinéad Freeman, Personal Secretary (Deputy Director of Education)

Gretta Collins, Secretary

Fionna Fox, Training Executive

Mary Walker, Secretary

Jacqueline Robb, Secretary

Gaelle Dutordeir, Secretary

Maritta Moran, Secretary

Paula Sheedy, Education Officer

Tara Caffrey, Information and Diplomas Executive

Carmel Kearney, Secretary

Emer Roche, Secretary

Michelle Nolan, CPD Focus Skillnet Executive (part-time)

Pauline Smyth, Secretary

Deirdre Healy, Administration Manager

Anne Walsh, Development Executive

Julianne Ward, Secretary

Attracta O'Regan, Head of CPD

Barbara Joyce, CPD Coordinator

Mary Totsi, Secretary

Anne O'Toole, CPD Secretary

Denise Hope, CPD Secretary

Alison Egan, CPD Executive

Aideen Byrne, Secretary

Freda Grealy, Diplomas Manager

Rory O'Boyle, Diplomas Executive

Tina Dwyer, Secretary

Joanne Taylor, Secretary

Sharon Hughes, Secretary

Joan Doyle, Receptionist

Suzanne Fahey, Receptionist

Anne Walsh, Acting Administration Manager

Caroline Bentley, Secretary

Course Managers

Maura Butler

Padraic Courtney

Colette Reid

Eva Massa

Joanne Wright

Rachel Hession

Fiona Hickey

Catherine Byrne, Secretary/Course Administrator

Philomena Whyte, Secretary/Admissions Administrator

Zoe Donnelly, Secretary

Catriona Moran, Secretary

Alison Gallagher, Secretary (part-time)

Sarah Jane Stack, Secretary (part-time)

Bernice Mallon Murphy, Secretary

Teresa Cunningham, Secretary

Irene Groves, Secretary

Antoinette Moriarty, Student Development Advisor

Emma Cooper, Student Development Advisor

Cork

Valerie Riordan, Course Leader

Gail Sheerin, Administration Executive

Karen Henebry, Course Executive

Jane Moffatt, Course Manager

Mary Singleton, Course Executive

Nora Stack, Course Executive (part-time)

Trina Murphy, Secretary/Recruitment Administrator

Caroline Foley, Secretary

Catriona Barry, Secretary

FINANCE AND ADMINISTRATION DEPARTMENT

Cillian MacDomhnaill, Director of Finance and Administration

Gayle Ralph, Personal Secretary (Director of Finance and Administration)

Maree Crowley, Executive Assistant

Accounts

Seamus Turley, Management Accountant

Edward McDermott, Accountant

Patrick McCormack, Accountant (part-time)

Sibongile Grace Tambala, Accounts Assistant

Brigid Pender, Accounts Assistant

Kevin Hegarty, Accounts Assistant

Oliver Shanks, 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

Adrian Buliman, Technical Support – Education Centre

Company Formation

Rita Hogan/Carmel Molloy (J/S)

Susan Murray (part-time)

Lorraine Cullen

Four Courts Office

Mary Bissett

Paddy Caulfield

Dolores Maguire (part-time)

Facilities/Internal Services

Tony Morgan, Manager

Catherine Monaghan, Secretary

Carol O'Riordan, Head Receptionist (part-time)

Deirdre Mooney, Receptionist

Kay Byrne, Receptionist (part-time)

Sadie Adams, Printing/Post

Esther McCormack, Printing/Post

Desmond White, Printing/Post

William King, Head of Security

Eamonn Clinch, Head Porter/Maintenance

Christy Caulfield, Portering/Maintenance

Charles Mulvey, Security/Porter/Maintenance – Education

Chris Ryan, Maintenance

Ann Murphy, Cleaning (part-time)

Sheila Stone, Cleaning

Eileen Brennan, Cleaning (part-time)

Joan McKeever, Cleaning (part-time)

John Gallagher, Security (part-time)

John Leonard, Security (part-time)

Michael Troy, Security (part-time)

Patrick Leahy, Security (part-time)

John Smyth, Security (part-time)

Martin Fitzsimons, Security (part-time)

William Ralph, Security (part-time)

Blackhall Catering

Aidan Gilhooly, Catering Manager

Trevor Morris, Head Chef

Alan Adams, Kitchen Porter

Brenda Hayden, Waitress

Kathleen Breen, Canteen Assistant

Joan Hurst, Canteen Assistant (part-time)

Christina O'Brien, Catering Assistant (part-time)

Elizabeth Taaffe, Catering Assistant

Lorraine Norris, Chef

Aaron Kearney, Commis Chef

Deirdre Plunkett, Supervisor, Friary Café

Barbara Egan, Catering Assistant, Friary Café

Frances Drum, Catering Assistant (part-time), Friary Café

Law Club of Ireland

Alan Greene, Bar Manager

Graham Helps, Bar Assistant



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