

Tom Heerey, Microsoft, Dublin

Financial

Law Society of
Ireland Reports
and Consolidated
Financial
Statements for the
financial year ended
31 December 2023



THE LAW SOCIETY OF IRELAND

STATEMENT OF RESPONSIBILITIES OF THE FINANCE COMMITTEE

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

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

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

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

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

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

Opinion on the financial statements of the Law Society of Ireland

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

- Give a true and fair view of the assets, liabilities and financial position of the Group and Law Society as at 31 December 2023, and of the surplus of the Group and the Law Society for the year then ended, and
- Have been prepared in accordance with the applicable financial reporting framework.

The financial statements we have audited comprise:

The Group financial statements:

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

The Law Society financial statements:

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

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

Basis for opinion

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

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Law Society's ability to continue as a going concern for a period of at least 12 months from the date when the financial statements are authorised for issue.

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

Other information

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

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

Other information (continued)

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

We have nothing to report in this regard.

Responsibilities of the Finance Committee

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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



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

Date: 21 June 2024

THE LAW SOCIETY OF IRELAND

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	<i>Notes</i>	2023 €	2022 €
INCOME			
Fees and subscriptions	4	20,458,480	18,384,972
Education activities	5	14,076,633	12,178,248
Advertising	4	627,362	662,930
Four Courts' rooms	4	949,058	719,411
Interest income	4 & 6	57,400	54
Other income	7	132,768	168,020
Sundry income		54,018	38,304
		36,355,719	32,151,939
EXPENDITURE			
Operating charges:			
- General activities	4	(21,610,794)	(19,396,217)
- Education activities	5	(13,481,998)	(12,403,404)
Other expenditure	7	(558,153)	(454,526)
		(35,650,945)	(32,254,147)
SURPLUS/(DEFICIT) FOR FINANCIAL YEAR BEFORE REVALUATIONS, EXCEPTIONAL ITEMS AND TAXATION			
		704,774	(102,208)
Fair value gain/(loss) arising on revaluation of investments	6	1,021,423	(1,768,921)
Fair value loss on revaluation of development land	8	(8,750,000)	-
DEFICIT BEFORE TAXATION	9	(7,023,803)	(1,871,128)
Taxation	10	(93,619)	(41,280)
DEFICIT AFTER TAXATION	17	(7,117,422)	(1,912,408)
OTHER COMPREHENSIVE INCOME			
Actuarial gain on defined-pension benefit liability	19	202,000	10,263,000
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL YEAR		(6,915,422)	8,350,592
Retained earnings at the beginning of the financial year		62,930,139	54,579,547
Retained earnings at the end of the financial year		56,014,717	62,930,139

THE LAW SOCIETY OF IRELAND**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023**

	<i>Notes</i>	2023 €	2022 €
Fixed Assets			
Tangible fixed assets	11	27,307,728	36,461,170
Current Assets			
Investments	12	25,766,457	23,745,035
Stock	13	69,253	87,402
Debtors	14	2,674,099	2,938,645
Cash at bank and in hand		21,557,805	21,915,267
		50,067,614	48,686,350
Creditors: Amounts falling due within one year	15	(22,639,625)	(22,944,381)
Net Current Assets		27,427,989	25,741,969
PROVISIONS FOR LIABILITIES AND CHARGES	16	-	-
NET ASSETS EXCLUDING PENSION SURPLUS/(LIABILITY)		54,735,717	62,203,139
Pension surplus/(liability)	19	1,279,000	727,000
NET ASSETS INCLUDING PENSION SURPLUS/(LIABILITY)		56,014,717	62,930,139
ACCUMULATED RESERVES			
Law Society reserves		34,526,016	40,513,352
Law School reserves		13,566,739	13,194,541
Litigation Fund		1,146,698	1,081,268
Capital Expenditure Fund		1,720,188	1,683,304
Capital Reserve Fund		4,577,468	3,673,217
LSRA Levy Fund		(801,391)	2,057,457
Pension Reserve Fund		1,279,000	727,000
TOTAL	17	56,014,717	62,930,139

The financial statements were approved and authorised for issue by the Finance Committee on 27 May 2024 and signed on its behalf by:

Rosemarie Loftus
Chairperson of the Finance Committee

Barry MacCarthy
President of the Law Society of Ireland

THE LAW SOCIETY OF IRELAND

**LAW SOCIETY BALANCE SHEET
AS AT 31 DECEMBER 2023**

	<i>Notes</i>	2023 €	2022 €
Fixed Assets			
Tangible fixed assets	<i>11</i>	16,051,483	16,452,249
Current Assets			
Investments	<i>12</i>	25,766,457	23,745,035
Stock	<i>13</i>	57,746	78,046
Debtors	<i>14</i>	14,049,460	23,070,095
Cash at bank and in hand		21,362,540	21,644,952
		61,236,203	68,538,129
Creditors: Amounts falling due within one year	<i>15</i>	(22,796,824)	(23,059,544)
Net Current Assets		38,439,379	45,478,285
PROVISIONS FOR LIABILITIES AND CHARGES	<i>16</i>	-	-
NET ASSETS EXCLUDING PENSION SURPLUS/(LIABILITY)		54,490,862	61,930,534
Pension surplus/(liability)	<i>19</i>	1,279,000	727,000
NET ASSETS INCLUDING PENSION SURPLUS/(LIABILITY)		55,769,862	62,657,534
ACCUMULATED RESERVES			
Law Society reserves		34,020,976	39,433,692
Law School reserves		13,826,923	13,454,725
Litigation Fund		1,146,698	1,081,268
Capital Expenditure Fund		1,720,188	1,683,304
Capital Reserve Fund		4,577,468	3,673,217
LSRA Levy Fund		(801,391)	2,057,457
Pension Reserve Fund		1,279,000	727,000
TOTAL	<i>17</i>	55,769,862	62,657,534

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THE LAW SOCIETY OF IRELAND**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

		2023 €	2022 €
	Notes		
Cash flows from operating activities			
(Loss)/surplus before taxation		(7,023,849)	(1,871,128)
Depreciation charge		1,385,822	1,421,342
Interest received		(57,400)	(54)
Fair value loss/(gain) on investments		(1,021,423)	1,768,921
Decrease/(increase) in stock		18,149	(1,624)
Decrease/(increase) in debtors		264,546	(556,595)
(Decrease)/increase in creditors		(102,707)	5,079,757
Income tax paid		(93,619)	(99,545)
Net impact of pension movement		(552,000)	762,000
Fair value loss on land revaluation		8,750,000	-
Net cash flows from operating activities		1,567,519	6,287,760
Cash flows from investing activities			
Interest receivable	6	57,400	54
Purchase of tangible fixed assets	11	(982,381)	(968,674)
Sale of tangible fixed assets	11	-	-
Purchase of investments	12	(1,000,000)	-
Net cash flows from investing activities		(1,924,981)	(968,620)
Net increase/(decrease) in cash and cash equivalents		(357,462)	5,319,140
Cash and cash equivalents at beginning of financial year		21,915,267	16,596,127
Cash and cash equivalents at end of financial year		21,557,805	21,915,267

**Consolidated Analysis of Net Debt
For the financial year ended 31 December 2023**

	At 1 January 2023 €	Cash flows €	At 31 December 2023 €
Cash at bank and in hand	21,915,267	(357,462)	21,557,805
	<u>21,915,267</u>	<u>(357,462)</u>	<u>21,557,805</u>

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of Preparation

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

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

General Information and Basis of Accounting

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

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

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

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

Basis of Consolidation

The Law Society consolidates its interests in subsidiary undertakings as detailed in note 21, which make up the financial statements to 31 December 2023.

Going Concern

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

Income

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

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****1. ACCOUNTING POLICIES (CONTINUED)****Tangible Fixed Assets and Depreciation**

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

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

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

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

Financial Instruments

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

Financial assets and liabilities

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

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

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

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

(i) Investments

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

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (continued)

(ii) Fair value measurement

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

Publications

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

Retirement Benefits

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

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

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

Exceptional items

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

Taxation

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

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

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****1. ACCOUNTING POLICIES (CONTINUED)****Taxation (continued)**

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

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

Stocks

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

Grants

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

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Law Society of Ireland's accounting policies, which are described in note 1, the Finance Committee members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Defined Benefit Pension Scheme

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

Development Land

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

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. STAFF COSTS	2023 General activities €	2023 Other €	2023 Total €	2022 Total €
Salaries and wages	11,892,378	60,682	11,953,060	11,230,605
PRSI	1,275,297	6,705	1,282,002	1,125,222
Pension costs	1,044,096	11,973	1,056,069	1,725,190
Total	<u>14,211,771</u>	<u>79,360</u>	<u>14,291,131</u>	<u>13,429,017</u>

The average aggregate number of employees during 2023 was 154 (2022: 152).

KEY MANAGEMENT REMUNERATION

The total remuneration for key management personnel, who consist of 8 Directors and 9 Section Heads/Managers, for the financial year totalled €2,059,307 (2022: €3,015,794). This amount includes the President's Subvention, as approved by Council, of €132,500 (2022: €127,500). Remuneration includes salary, social security costs and pension costs.

4. GENERAL ACTIVITIES (including funds)	2023 €	2022 €
INCOME		
Fees and subscriptions		
Practising certificates	13,694,226	12,155,575
Members' subscriptions	999,869	985,645
Admission fees	233,400	154,500
Fund Contributions:		
- LSRA Fund	3,835,985	3,366,548
- Litigation Fund	678,000	656,522
- Capital Expenditure Fund	113,000	2,641
- Capital Reserve Fund	904,000	1,063,541
	<u>20,458,480</u>	<u>18,384,972</u>
Services and interest		
Advertising	627,362	662,930
Four Courts' rooms	949,058	719,411
Interest (note 6)	57,400	54
Total income	<u>22,092,300</u>	<u>19,767,367</u>

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

4. GENERAL ACTIVITIES (including funds) (continued)	2023	2022
	€	€
OPERATING CHARGES		
General activities		
Payroll and related expenditure	1,930,387	2,648,762
Corporate and operational expenditure	4,332,984	3,842,609
Representation and policy expenditure	4,084,182	4,057,414
Regulation expenditure	10,039,911	7,699,753
Services		
Advertising	848,921	866,385
Four Courts' rooms	374,409	281,294
Total operating charges	21,610,794	19,396,217
Surplus	481,506	371,150
5. EDUCATION ACTIVITIES		
	2023	2022
	€	€
INCOME		
Professional practice course fees	8,535,715	6,934,919
Indentures and registration	520,875	471,240
Examination fees	1,027,858	906,731
Diploma courses	2,617,587	2,609,406
Continuing professional development	590,831	456,422
Other income	783,767	799,531
Total income	14,076,633	12,178,249
OPERATING CHARGES		
Pay and related expenditure	6,187,502	6,116,751
Administration expenditure	2,817,306	2,469,062
Direct expenditure	3,595,684	3,092,250
Premises expenditure	881,506	725,341
Total operating charges	13,481,998	12,403,404
Surplus/deficit	594,635	(225,156)

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. INTEREST AND INVESTMENT GAINS/(LOSSES)	2023 €	2022 €
Interest – Law Society (note 4)	57,400	54
Fair Value gain/(loss) arising on revaluation of investments	1,021,423	(1,768,921)
	1,078,823	(1,768,867)

7. OTHER INCOME/EXPENDITURE	2023 €	2022 €
Income		
Bar and catering income	18,158	44,155
Bed-and-breakfast income	69,360	54,548
Functions and consultation room income	45,250	31,925
Rental income	-	37,392
	132,768	168,020
Expenditure		
Bar and catering cost of sales	425,722	332,962
Bed-and-breakfast cost of sales	21,672	23,572
Premises expenditure	11,130	8,352
Professional fees	9,701	12,436
Other administration expenditure	89,928	77,203
	558,153	454,526
Deficit	(425,385)	(286,505)

8. REVALUATION OF DEVELOPMENT LAND

The development land, included in tangible fixed assets, was valued at €11,250,000 by qualified external valuers Mason Owen & Lyons on a fair value basis at 31 December 2023.

9. DEFICIT BEFORE TAXATION	2023 €	2022 €
The deficit before taxation is stated after charging:		
- Depreciation	1,385,822	1,421,342
- Auditor's remuneration	35,301	30,950
and after crediting:		
- Deposit interest	57,400	54
All income recognised arose in the Republic of Ireland.		

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

10. TAXATION	2023	2022
	€	€
Based on the surplus for the financial year:		
Taxation charge	93,619	41,280
Prior financial year under provision	-	-
	<u>93,619</u>	<u>41,280</u>
The effective tax rate for the financial year is lower than the standard rate of corporation tax in Ireland, which is 12.5%. The differences are explained below:		
	2023	2022
	€	€
(Loss) / Surplus before taxation	<u>(7,023,803)</u>	<u>(1,871,128)</u>
(Loss) / Surplus for financial year multiplied by standard rate of corporation tax of 12.5%	(877,975)	(233,891)
Effects of:		
Net income and expenditure not subject to taxation	570,516	(157,118)
Depreciation in excess of capital allowances	388,692	422,371
Higher tax rates on interest and rental income	12,386	9,918
Retention tax paid	-	-
Prior year under provision	-	-
Total tax charge for period	<u>93,619</u>	<u>41,280</u>

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

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

11. TANGIBLE FIXED ASSETS											
Group		Premises €	Development Land €	Leasehold Improvements €	Furniture, Fittings & Equipment €	IT Equipment €	Motor Vehicles €	Total €			
Cost/Valuation:											
At 1 January 2023		22,619,986	20,000,000	2,044,890	6,725,843	9,006,036	72,375	60,469,130			
Additions		167,139	-	274,355	144,876	368,937	27,075	982,381			
Less Disposal		-	-	-	-	-	-	-			
Less Impairment		-	(8,750,000)	-	-	-	-	(8,750,000)			
At 31 December 2023		22,787,125	11,250,000	2,319,245	6,870,719	9,374,973	99,450	52,701,511			
Depreciation:											
At 1 January 2023		8,306,732	-	2,041,842	6,153,762	7,433,250	72,375	24,007,961			
Charge for financial year		453,621	-	3,041	223,223	678,862	27,075	1,385,822			
Less depreciation on disposals		-	-	-	-	-	-	-			
At 31 December 2023		8,760,353	-	2,044,883	6,376,985	8,112,112	99,450	25,393,783			
Net book value:											
At 31 December 2023		14,026,772	11,250,000	274,362	493,734	1,262,861	-	27,307,728			
At 31 December 2022		14,659,674	20,000,000	3,048	572,081	1,572,787	-	36,461,170			

The development land was valued at €11,250,000 by qualified external valuers Mason Owen & Lyons on a fair value basis at 31 December 2023. The original cost of the development land when purchased in 2005 was €21,718,981.

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

11. TANGIBLE FIXED ASSETS (CONTINUED)

Law Society

	Premises €	Leasehold Improvements €	Furniture, Fittings & Equipment €	IT Equipment €	Motor Vehicles €	Total €
Cost:						
At 1 January 2023	22,619,986	2,044,890	6,407,694	9,006,036	72,375	40,150,981
Additions	167,139	274,355	141,964	368,937	27,075	979,470
Less disposals	-	-	-	-	-	-
At 31 December 2023	22,785,125	2,319,245	6,549,658	9,374,973	99,450	41,130,451
Depreciation:						
At 1 January 2023	8,306,732	2,041,842	5,844,533	7,433,250	72,375	23,698,732
Charge for financial year	452,299	3,041	217,637	678,862	27,075	1,380,236
Less depreciation on disposals	-	-	-	-	-	-
At 31 December 2023	8,760,353	2,044,883	6,062,170	8,112,112	99,450	25,078,968
Net book value:						
At 31 December 2023	14,026,772	274,362	487,488	1,262,861	-	16,051,483
At 31 December 2022	14,313,254	3,048	563,161	1,572,787	-	16,452,249

Group and Law Society

Total assets under construction that have not been depreciated in the financial year:
Premises: €25,312 (2022: €25,312)

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

12. INVESTMENTS

Group and Law Society	2023	2022
	€	€
Balance at 1 January	23,745,034	25,513,956
Additions	1,000,000	-
Fair value (loss)/gain	1,021,423	(1,768,922)
Balance at 31 December	25,766,457	23,745,034

The investments are comprised of the following:

- (a) JP Morgan Money Market Fund ('JPMMF')
- (b) Davy Defensive Growth Fund ('DDGF')
- (c) Davy Passive Growth Fund ('DPGF')
- (d) German Government Bond ('GGB')
- (e) SRI (ESG) Global Funds ('ESGGF')

The Law Society's investments are monitored by the Investment Sub-Committee and managed in line with its Treasury and Investment Policy which is updated regularly.

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

13. STOCK	2023	2022
	€	€
Group		
Stock in trade	69,253	87,402
	<u> </u>	<u> </u>
Law Society		
Stock in trade	57,746	78,046
	<u> </u>	<u> </u>

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

14. DEBTORS	2023	2022
	€	€
Group		
Amounts falling due within one year:		
Debtors and prepayments	2,653,738	2,912,624
Amounts due from Law Society of Ireland Scholarship Fund	20,361	26,021
	<u> </u>	<u> </u>
	2,674,099	2,938,645
	<u> </u>	<u> </u>
Law Society		
Amounts falling due within one year:		
Debtors and prepayments	2,398,288	2,855,813
Amounts due from Law Society of Ireland Scholarship Fund	20,361	26,021
Amounts due from subsidiary undertakings:		
- Benburb Street Property Company Limited	11,375,360	20,142,260
- Blackhall Technologies Limited	255,451	46,001
	<u> </u>	<u> </u>
	14,049,460	23,070,095
	<u> </u>	<u> </u>

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

15. CREDITORS	2023 €	2022 €
Group		
Amounts falling due within one year		
Creditors and accruals	10,510,511	8,297,018
Amounts due to Law Society Compensation Fund	5,084,040	9,068,630
Deferred income*	6,300,836	4,776,243
PAYE/PRSI	668,491	698,448
VAT	75,747	62,762
Income tax	-	41,280
	22,639,625	22,944,381
Law Society		
Amounts falling due within one year		
Creditors and accruals	10,587,021	8,357,321
Amounts due to Law Society Compensation Fund	5,084,040	9,068,630
Amounts due to subsidiary undertakings:		
- The Law Club of Ireland	40,661	29,500
Deferred income*	6,300,836	4,775,811
PAYE/PRSI	668,491	698,448
VAT	115,775	88,554
Income tax	-	41,280
	22,796,824	23,059,544

* Deferred income represents fees for the 2024 financial year received in the financial year to 31 December 2023

16. PROVISIONS FOR LIABILITIES AND CHARGES	2023 €	2022 €
Group and Law Society		
Provision for settlement of SMDF liability		
Opening balance	-	(624,850)
Final settlement	-	624,850
Closing balance	-	-

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****17. ACCUMULATED RESERVES**

Group	Total €	Law Society accumulated reserves €	Law School accumulated reserves €	Litigation Fund €	Capital Expenditure Fund €	Capital Reserve Fund €	Pension Reserve Fund €	LSRA Levy Fund €
Balance at 1/1/2023	62,930,139	40,513,352	13,194,541	1,081,269	1,683,304	3,673,216	727,000	2,057,458
Surplus/(loss) for year	(6,915,422)	(6,676,225)	372,198	678,192	113,010	904,252	552,000	(2,858,849)
Transfers	-	688,889	-	(612,763)	(76,126)	-	-	-
Balance at 31/12/2023	56,014,717	34,526,016	13,566,739	1,146,698	1,720,188	4,577,468	1,279,000	(801,391)
Law Society								
	Total €	Law Society Accumulated Reserves €	Law School Accumulated Reserves €	Litigation Fund €	Capital Expenditure Fund €	Capital Reserve Fund €	Pension Reserve Fund €	LSRA Levy Fund €
Balance at 1/1/2023	62,657,734	39,980,762	13,454,725	1,081,269	1,683,304	3,673,216	727,000	2,057,458
Surplus/(loss) for year	(6,887,872)	(6,648,675)	372,198	678,192	113,010	904,252	552,000	(2,858,849)
Transfers	-	688,889	-	(612,763)	(76,126)	-	-	-
Balance at 31/12/2023	55,769,862	34,020,976	13,826,923	1,146,698	1,720,188	4,577,468	1,279,000	(801,391)

Group and Law Society

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

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Total €	General Activities €	Education Activities €	Litigation Fund €	Capital Expenditure Fund €	Capital Reserve Fund €	Pension Reserve Fund €	LSRA Levy Fund €	Other €
Surplus before tax & exceptional items (Note 4 & 5)	1,076,141	481,506	594,635	-	-	-	-	-	-
Deficit before tax (Note 7)	(425,385)	-	-	-	-	-	-	-	(425,385)
Sundry income	54,018	54,018	-	-	-	-	-	-	-
Taxation (Note 10)	(93,619)	(93,619)	-	-	-	-	-	-	-
Investment gain (Note 6)	1,021,423	1,021,423	-	-	-	-	-	-	-
	1,632,578	1,463,328	594,635	-	-	-	-	-	(425,385)
Surplus after tax	-	-	-	-	-	-	-	-	-
Remeasurement of pension fund	202,000	-	-	-	-	-	202,000	-	-
Income allocated to specific fund	-	(5,531,439)	-	678,192	113,010	904,252	-	3,835,985	-
Expense allocated to specific fund	-	6,694,834	-	-	-	-	-	(6,694,834)	-
Inter-group trading	-	(307,948)	(117,437)	-	-	-	-	-	425,385
Reallocation of pension costs	-	(245,000)	(105,000)	-	-	-	350,000	-	-
Impairment on development Land	(8,750,000)	(8,750,000)	-	-	-	-	-	-	-
Total comprehensive income	(6,915,422)	(6,676,225)	372,198	678,192	113,010	904,252	552,000	(2,858,849)	-

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****18. FINANCIAL INSTRUMENTS****Group**

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

	2023	2022
	€	€
Financial Assets		
<i>Measured at fair value through the income statement</i>		
Listed investments (Note 12)	25,766,457	23,745,034
<i>Measured at undiscounted amounts receivable</i>		
Debtors and prepayments (Note 14)	2,653,738	2,912,624
Amounts owed from related undertakings (Note 14)	20,361	26,021
	28,440,556	26,683,679
Financial Liabilities		
<i>Measured at undiscounted amounts payable</i>		
Creditors and accruals (Note 15)	10,510,511	8,297,018
Amounts owed from related undertakings (Note 15)	5,084,040	9,068,630
	15,594,551	17,365,648

Law Society

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

	2023	2022
	€	€
Financial Assets		
<i>Measured at fair value through the income statement</i>		
Listed investments (Note 12)	25,766,457	23,745,034
<i>Measured at undiscounted amounts receivable</i>		
Debtors and prepayments (Note 14)	2,398,288	2,855,813
Amounts owed from subsidiaries (Note 14)	11,630,811	20,188,261
Amounts owed from related undertakings (Note 14)	20,361	26,021
	39,815,917	46,871,940
Financial Liabilities		
<i>Measured at undiscounted amounts payable</i>		
Creditors and accruals (Note 15)	10,587,021	8,357,321
Amounts owed to related undertakings (Note 15)	5,084,040	9,068,630
Amounts owed to subsidiaries (Note 15)	40,661	29,500
Amount due on sale of SMDF Limited (Note 16)	-	-
	15,711,722	17,455,451

19. PENSION COMMITMENTS

The Law Society operates a defined benefit pension scheme and a defined contribution pension scheme. The information set out in this note relates to the defined benefit pension scheme. The scheme is funded by the payment of contributions to a separately administered trust.

Determination of contributions and funding

The contributions are determined by a qualified actuary on the basis of valuations every three years, using the prospective benefits method. The most recent valuation was completed as at 31 December 2021. The assumptions which have the most significant effect on the results of the valuation are those relating to the discount rate, the rates of increase in salaries and the rate of increase in pensions in payment. In preparing that valuation, it was assumed that the discount rate would be 3.00% per annum pre-retirement and 1.00% per annum post-retirement, that future salary increases would average 2.50% per annum, and that pensions in payment will increase at 1.20% per annum on average (60% of inflation). In effect, this means that the investment return pre-retirement would be 0.50% higher per annum than future salary increases, and the investment return post-retirement would be 0.20% lower per annum than pension increases.

The actuarial valuation at 31 December 2021 indicated that the market value of the assets of the scheme was €49,384,000 and that the assets were sufficient to cover 93% 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 to continue the existing contribution rate at 20% of pensionable salaries in 2022 and to pay 25% of pensionable salaries in 2023 and 2024. The new rate broadly reflects the material change in interest rates and inflation expectations in 2022. The next actuarial valuation of the scheme to determine the contributions will be carried out as at 31 December 2024.

The defined benefit section has been closed to new entrants since 30 September 2009 and was replaced by a hybrid arrangement with the defined benefit element capped at a salary of €45,000 (now €45,500).

The Trustees obtain the consent of the Law Society to, on a discretionary basis, index pensions in payment on an annual basis. Increases have been equal to the lesser of the CPI increase or 3%. As mentioned above, the Law Society decided to continue to fund for increases equal to 60% of inflation at the most recent valuation and will review this decision at the next actuarial valuation. Members of the Scheme who wish to be considered for indexation pay a higher contribution rate of 8% of pensionable salary.

The actuary carries out an annual update of the Funding Standard position of the scheme. The scheme met the Funding Standard at 31 December 2023.

Requirements

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

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

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****19. PENSION COMMITMENTS (CONTINUED)****Changes in the present value of the defined benefit obligation in the year were as follows:**

	2023 €'000	2022 €'000
Opening defined benefit obligation	41,400	58,111
Service cost (including employee contributions)	1,603	2,280
Past service cost	-	-
Interest cost	1,720	862
Benefits paid	(1,013)	(1,368)
Actuarial losses/(gains)	1,922	(18,485)
Closing defined benefit obligation	<u>45,632</u>	<u>41,400</u>

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

	2023 €'000	2022 €'000
Opening fair value of plan assets	42,127	49,337
Contributions (including employees)	1,885	1,638
Benefits paid	(1,013)	(1,368)
Interest income	1,788	742
Actuarial gains/(losses)	2,124	(8,222)
Closing fair value of plan assets	<u>46,911</u>	<u>42,127</u>

The principal actuarial assumptions at the balance sheet date:

	2023 %	2022 %
Rate of general increase in salaries	2.75	3.00
Discount rate of scheme liabilities	3.60	4.20
Rate of pension increase	2.25	2.40
Inflation/Revaluation/State pension increase	2.25	2.50
Future increases to hybrid cap	2.25	2.50
Post retirement mortality		
Current pensioners at 65 - male	22.6	22.5
Current pensioners at 65 - female	24.4	24.2
Future pensioners at 65 - male	24.3	24.2
Future pensioners at 65 - female	26.2	26.0
% of pension commuted for cash at retirement	12.5%	12.5%

The post retirement mortality assumptions allow for expected increases in longevity. The 'current' disclosures above relate to the assumptions based on longevity (in years) following retirement at the balance sheet date, with 'future' being that relating to an employee retiring in 2043.

THE LAW SOCIETY OF IRELAND

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

19. PENSION COMMITMENTS (CONTINUED)

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

	At Year End 31 December	
	2023	2022
	€'000	€'000
Equities	14,220	13,361
Bonds	26,773	25,546
Cash	275	13
Other	5,643	3,207
	<u>46,911</u>	<u>42,127</u>

	2023	2022
	€'000	€'000
The actual return on plan assets	3,912	(7,480)

The amounts recognised in the balance sheet are as follows:

Fair value of plan assets	46,911	42,127
Present value of funded obligations	45,632	41,400
Surplus/(Deficit) in the scheme	<u>1,279</u>	<u>727</u>
Deferred tax asset	-	-
Net liability	<u><u> </u></u>	<u><u> </u></u>

The amounts included in the performance statements are as follows:

	2023	2022
	€'000	€'000
Current service cost	1,177	1,852
Past service cost	-	-
Interest income on pension scheme assets	(1,788)	(742)
Interest on pension scheme liabilities	1,720	862
Net interest income/(charge) included in investment income	<u>(68)</u>	<u>120</u>

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****19. PENSION COMMITMENTS (CONTINUED)**

Actual return less expected return on pension scheme's assets	2,124	(8,222)
Experience gains and losses arising on the scheme's liabilities	1,334	(2,169)
Changes in assumptions underlying the present value of the scheme's liabilities	(3,256)	20,654
Actuarial gain included in Income and Expenditure Account	<u>202</u>	<u>10,263</u>

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

	2023 €'000	2022 €'000
Surplus/(Deficit) at beginning of year	727	(8,774)
Current service cost	(1,177)	(1,852)
Past service cost	-	-
Net interest cost	68	(120)
Contributions (excluding employees)	1,459	1,210
Actuarial gain	202	10,263
Surplus at end of year	<u>1,279</u>	<u>727</u>

History of defined benefit obligations, assets and experience gains/losses for the year ended 31 December 2023:

	2023 €'000	2022 €'000
Defined benefit obligation	45,632	41,400
Fair value of plan assets	46,911	42,127
Surplus/(Deficit)	<u>1,279</u>	<u>727</u>

	2023	2022
Difference between the expected and actual return on plan assets:		
Amount €'000	2,124	(8,222)
Experience gains/(losses) on plan liabilities:		
Amount €'000	<u>1,334</u>	<u>(2,169)</u>

Future contributions:

The Law Society expects to contribute €1,542,000 to the defined benefit pension scheme in 2024.

THE LAW SOCIETY OF IRELAND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. RELATED PARTY TRANSACTIONS

Law Society Compensation Fund	2023 €	2022 €
Opening balance at 1 January	(9,068,630)	(8,478,590)
Charges	12,185,166	6,908,171
Receipts	(8,200,576)	(7,498,210)
Closing balance at 31 December	(5,084,040)	(9,068,630)
Law Society of Ireland Scholarship Fund	2023 €	2022 €
Opening balance at 1 January	26,021	10,561
Charges	22,840	15,460
Receipts	(28,500)	-
Closing balance at 31 December	20,361	26,021
Irish Rule of Law International	2023 €	2022 €
Opening balance at 1 January	-	-
Charges	34,000	34,000
Receipts	(34,000)	(34,000)
Closing balance at 31 December	-	-

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

The Law Society, in the normal course of its business, is provided with legal services by solicitor firms, some of whose partners may also be members of the Law Society Council. The legal firms the Law Society procures services from are typically part of a panel that is selected through a tender process, in line with the Law Society's procurement process.

Transactions with Council Members during 2023 totalled €412,126 (2022: €384,551), which includes President's Subvention, as approved by Council, of €132,500 (2022: €127,500).

THE LAW SOCIETY OF IRELAND**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023****21. SUBSIDIARY AND RELATED UNDERTAKINGS**

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

Subsidiary undertakings:

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

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

Related undertakings:

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

22. CAPITAL COMMITMENTS**2023**
€2022
€

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

Contracted for	232,000	100,000
	232,000	100,000

23. CONTINGENT LIABILITIES

The Law Society is, from time to time, a party to legal proceedings and claims, which arise in the ordinary course of its activities. The Finance Committee is satisfied that there are no additional claims that require provision by the Law Society at 31 December 2023. Legal costs incurred by the Law Society to 31 December 2023, in connection with these matters, have been charged to the Statement of Comprehensive Income and Retained Earnings.

The Benburb Street Property has been identified by Dublin City Council as potentially liable for Residential Zoned Land Tax and therefore a liability may arise in the future.

24. SUBSEQUENT EVENTS

There have been no subsequent events after the year end to be disclosed.

25. COMPARATIVE AMOUNTS

The comparative figures have been regrouped on a basis consistent with the current period.