

New Solicitors Account Regulations from 1 July 2023

The Law Society of Ireland has introduced new Solicitors Accounts Regulations which will come into force on 1st July 2023. The new regulations will replace the existing Solicitors Accounts Regulations 2014.

The new regulations will impact solicitors, reporting accountants and Law Society investigations.

From 1st July 2023, under the new regulations, the reporting accountant will be required to:

- File a Reporting Accountant's Report within five months of the accounting date. Under the current regulations this is six months.
- Test check financial postings from before and after accounting year end date. This may increase workload of the Reporting Accountant to consider activity outside of the reporting period.
- Test check that withdrawals of fees are notified to the clients. This is a new requirement for the Reporting Accountant.
- Consider reporting, directly to the Law Society, an opinion or a suspicion of a deficit, rather than waiting to submit annual report. This was not an option that would have been included in previous regulations.
- File closing reporting accountant's report within three months of cessation. It is two months under the present regulations.
- Provide reasons as to the withdrawal of the position of a Reporting Accountant.

From 1st July 2023 the solicitor will also be impacted and the following summarises the specific points that relate to the Reporting Accountant only. Further impacts on the solicitor are set out in the new regulations.

- The solicitors are required to prepare balancing statements at quarterly intervals in respect of client account transactions. Currently these are examined at six monthly intervals.
- Client ledger balances are to be reviewed by the solicitor for undue or unnecessary delays in discharging client moneys and immediate action taken to clear same, where appropriate.

- A listing of client ledger balances that have been outstanding for two years or more is to be prepared at the year-end date by the solicitor. This listing is to be furnished to the Law Society by the Reporting Accountant.
- The compliance partner is to provide specific confirmation to the Law Society, through the Form of Acknowledgement, of compliance with the regulations in respect of balancing statements, balances outstanding two years or more, review of client ledger balances for undue or unnecessary delays and back up of computerised accounting systems. This is part of the submission of the Reporting Accountant's Report by the reporting accountant.

The new regulations can be accessed [here](#) while a summary of the changes are set out on the [Law Society website](#).

For further information please contact

Damian Counihan | Senior Manager
Damian.Counihan@mooreireland.ie

Brian Kearney | Partner
Brian.Kearney@mooreireland.ie

Trevor Leacy | Partner
Trevor.Leacy@mooreireland.ie

Diarmuid O'Connell | Partner
Diarmuid.OConnell@mooreireland.ie

Moore – Cork
83 South Mall, Cork
Republic of Ireland
T +353 21 427 5176
F +353 21 427 7305
www.mooreireland.ie

Moore – Dublin
Ulysses House, Foley Street,
Dublin 1 Republic of Ireland
T +353 1 888 1004
F +353 1 888 1005
www.mooreireland.ie

