

Law Reform Commission

Reports & Financial Statements

for the financial year ended 31 December 2022

Law Reform Commission

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Law Reform Commission

Information

Presidents	Ms Justice Mary Laffoy (retired 14/01/2022) Mr Justice Frank Clarke (appointed 12/07/2022)
Commissioners	Mr Richard Barrett - Full time Commissioner (appointed 05/04/2022) Mr Justice Maurice Collins - Part time Commissioner Dr Andrea Mulligan, BL - Part time Commissioner Ms Justice Niamh Hyland - Part time Commissioner
Registered office	The Law Reform Commission 5th Floor Styne House Upper Hatch Street Dublin Dublin 2
Auditor	Comptroller & Auditor General 3A Mayor Street Upper Dublin 1 DO1PF72
Bankers	Danske Bank 3 Harbourmaster Place Dublin 1

Report of the Comptroller and Auditor General

**Report of the Comptroller and Auditor General
Law Reform Commission (continued)**

Comptroller & Auditor General
3A Mayor Street Upper
Dublin
DO1PF72

Governance Statement and Commission Member's Report

Governance

The Law Reform Commission was established under the Law Reform Commission Act 1975. The functions of the Commission are set out in section 4 of the 1975 Act. The Commission is accountable to the Office of the Attorney General, the Department of An Taoiseach and the Minister for Public Expenditure and Reform. The Commission is responsible for ensuring good governance and performs these tasks by setting strategic objectives and targets in its Strategy Statement and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Law Reform Commission are the responsibility of the Full Time Commissioner and Senior Management team. The Full Time Commissioner and the Senior Management team must follow the broad strategic direction set by the Commission, and must ensure that all Commission members have a clear understanding of the key activities and decisions related to the Commission, and of any significant risks likely to arise. The Full Time Commissioner acts as a direct liaison between the Commission and Senior Management.

Commission Responsibilities

The work and responsibilities of the Commission are set out in the Law Reform Commission Act 1975, which describes the matters specifically reserved for Commission decisions. Standing items considered by the Commission include:

- Financial reports and management accounts;
- HR and other administration matters;
- Progress reports from the Director of Research and Deputy Director of Research on the research projects in the Commission's Programmes of Law Reform (these Programmes, which must be approved by Government under the 1975 Act, contain a list of law reform projects on which the Commission carries out research, followed by publication of Consultative Issues Papers and later, Reports with recommendations for law reform) and on specific requests made by the Attorney General;
- Review and discussion of draft papers concerning the Commission's research projects.

Section 9 of the Law Reform Commission Act 1975 requires the Commission members to keep, in such form as may be approved by the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Commission is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that it will continue in operation, and;
- State whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Commission carries out an evaluation of the annual work programme at each of its monthly meetings, where it reviews progress on all projects, evaluates it in a specific form annually, which was done at its May 2023 meeting, and also when it reviews its draft Annual Report, in the case of the Annual Report 2022 at its May 2023 meeting.

The Commission is responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Commission considers that its financial statements give a true and fair view of the financial performance and the financial position of the Law Reform Commission at 31 December 2022.

Commission Structure

The Commission comprises its 5 members, that is, the Commission President, the Full Time Commissioner and 3 Part Time Commissioners, all of whom are appointed by the Government in accordance with the Law Reform Commission Act 1975. The Full Time Commissioner was appointed in 2016 after a PAS/TLAC Competition. The members of the Commission may be appointed for a period of up to 5 years. The Commission meets at least 10 times a year. The table below details the appointment period of Commission members in 2022:

Commission member	Role	Date Appointed
Ms Justice Mary Laffoy	President	9th October 2018 (appointed) 14th January 2022 (retired)
Mr Justice Frank Clarke	President	12th July 2022 (appointed)
Mr Richard Barrett	F/T Commissioner	5th April 2022 (appointed)
Mr Justice Maurice Collins	P/T Commissioner	1st October 2020 (appointed)
Dr Andrea Mulligan, BL	P/T Commissioner	1st October 2020 (appointed)
Ms Justice Niamh Hyland	P/T Commissioner	18th May 2021 (appointed)

Committees of the Commission

The Attorney General's Internal Audit and Risk Committee carries out, in close liaison with the Commission, the internal audit and risk function for the Commission. From time to time, the Commission establishes ad hoc committees and/or working groups to assist its research; in 2022, the Commission did not establish any such committee.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at Commission meetings for 2022 is set out below including the fees and expenses received by each Commission member.

Commissioner Name	No. of Meetings Attended	Salary/Fees	Travel expenses to Commission meetings	Attendance at conferences/lectures
		€	€	€
Presidents				
Ms Justice Mary Laffoy 14th January 2022 (retired)	1	1,844	-	-
Mr Justice Frank Clarke 12th July 2022 (appointed)	5	27,841	-	-
Commissioner (F/T)				
Mr Richard Barrett 5th April 2022 (appointed)	9	110,942	-	-
Commissioners (P/T)				
Mr Justice Maurice Collins	13	-	-	-
Dr Andrea Mulligan, BL	13	-	-	-
Ms Justice Niamh Hyland	13	-	-	-

The President's salary is in accordance with relevant Government guidelines.

The full time Commissioner's salary is at Assistant Secretary General Level.

The part time Commissioners do not receive salaries or fees under the One Person One Salary (OPOS) policy. Travel Expenses to Commission meetings for the part-time Commissioners are related to travel from outside Dublin.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Commission members are responsible for ensuring that the Law Reform Commission has complied with the requirements of the Code of Practice for the Governance of State bodies as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code.

1) Consultancy Costs

Consultancy costs includes the cost of external advice to management and excludes outsourced "business-as-usual" functions.

	2022	2021
	€	€
Dignity at Work Adjudication	34,031	20,808
VAT Advice on Brexit	-	307
Unincorporated Associations Issues Paper	-	1,775
4th Programme of Law Reform, Contempt of Court	2,400	4,400
4th Programme of Law Reform, Compulsory Acquisition of Land	18,066	33,557
Statute Law Revision Programme	-	1,880
Consultancy Research Campaign	275	1,200
Ethics review of proposed survey aimed at Victims of crime.	500	-
Third Party Litigation Funding	8,000	-
Total	63,272	63,927

2) Legal Costs and Settlements

There were no legal costs or settlements in 2022.

3) Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

		2022	2021
		€	€
Domestic	Commission	-	-
	Employees	16	-
	Other	-	-
International	Commission	-	-
	Employees	-	-
	Other	-	-
Total		16	-

4) Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure

	2022	2021
	€	€
Staff Hospitality	2,566	876
Client Hospitality	1,223	-
Total	3,789	876

Staff Hospitality includes refreshments for Commission meetings and staff canteen expenses.
Client Hospitality involves expenditure solely in respect of hosting of public consultative meetings, consultative round tables and report launches.

Statement of Compliance

The Commission has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure the compliance with the Code. The Commission was in full compliance with the Code of Practice of State Bodies in 2022.

Mr Justice Frank Clarke
President



Date 21st September 2023.

Statement on Internal Control

Scope of Responsibility

On behalf of the Commission, I acknowledge its responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirement of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the Commission for the year ended 31 December 2022 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Attorney General's Audit and Risk Committee also has responsibility for the Commission. This committee comprises a Chairperson, two external members, two staff from the AGO and Chief State Solicitor's Office who have a working knowledge of financial and audit practices. The Audit Committee met 4 times in 2022. The Law Reform Commission audits were on one of the agendas.

The Commission is a small public sector body with 20 staff and does not have an Internal Audit Function. As noted above, the internal audit functions fall under the remit of the Audit Committee within the office of the AGO (the Commission's parent Office) which carries out reviews on a biennial basis.

The Commission has developed a risk management policy, which sets out its risk tolerance, the risk management processes in operation and details the roles and responsibilities in relation to risk. This policy has been issued to all staff who are expected to work within the Commission's risk management policies, to alert management on emerging risks and control weaknesses and who assume responsibilities for risks and controls within their own area of work.

Risk and Control Framework

The Commission has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place, which identifies the key risks facing the Commission, and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Management Committee on an annual basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operations of controls assigned to specific senior staff. I can confirm a control environment containing the following elements are in place:

- Procedures for all key business processes have been documented
- Financial responsibilities have been assigned at management level with corresponding accountability
- There is an appropriate budgeting system with an annual budget which is kept under review by senior management.
- There are systems aimed at ensuring the security of the information and communication technology systems.
- There are systems in place to safeguard assets.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes. Control deficiencies are communicated to senior managers and the Commission who will take responsibility for corrective action where relevant. I confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls have been identified. Processes have been put in place to monitor the operation of these key controls and report any identified deficiencies;
- Reporting arrangements have been established at all levels where responsibilities for financial management have been assigned; and
- There are regular reviews by senior management of periodic annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

I confirm that the Commission has procedures in place to ensure compliance with current procurement rules and guidelines. The Commission complied with those procedures during 2022.

Review of Effectiveness

I confirm that the Commission has procedures to monitor the effectiveness of its risk management and control procedures. The Commission's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, and the senior management within the Commission responsible for the development and maintenance of the internal control framework. The Internal Audit Unit of the Office of the Attorney General carry out reviews on a biennial basis.

In January 2023, the HOA carried out a review of all policies and procedures, no weaknesses or irregularities were found and were approved by the Management Committee. As part of this review the findings and observations addressed in the Management Letter of Audit of Law Reform Commission 2021 were examined to ensure that managements responses to the recommendations were in place and operating satisfactorily. In February 2023, The Institute of Public Administration was engaged by the Law Reform Commission to carry out a governance review focussing on assessing the current division of responsibilities and operational relationship arrangements at the Commission. The review will benchmark the activities of the Commission to relevant management and governance standards and norms for an independent body in the public service and where relevant comparable international peers. It will also incorporate engagement with key stakeholders as well as a documentary review of current policies, procedures and protocols. The key deliverable from this review will be a report outlining observations, findings and recommendations for consideration by the Commission, in consultation with the Office of the Attorney General.

Internal Control Issues

There were no weaknesses identified in internal controls in relation to 2022 that require disclosure in the financial statements.

Protected Disclosure

The findings and recommendations in respect of a Protected Disclosure made in 2020 were accepted by the Commission at its December 2022 meeting.

Mr Justice Frank Clarke
President

Date

21st September 2023

Law Reform Commission

Statement of Income and Expenditure and Retained Revenue Reserves Year Ended 31 December 2022

	Note	2022 €	2021 €
Income			
Oireachtas Grant	2	2,316,000	2,459,600
Other		9,588	2,335
Deposit Interest		387	-
Transfer from/(to) Capital Account		70,418	92,918
Net deferred funding for pensions	7(c)	252,644	66,339
		2,649,037	2,621,192
Expenditure			
Salaries	5	1,241,911	1,261,575
Pensions	7(a)	392,667	387,833
IT		74,253	65,758
Rent and service charges		391,105	400,091
Light and Heat		13,803	7,459
Repairs and Maintenance - Buildings		2,305	2,981
Insurance		4,030	2,514
Telephone		13,845	12,646
Stationery & office management		39,987	5,710
Seminars		2,162	1,711
Library		126,840	118,834
Travelling and subsistence		16	-
Cleaning		12,807	12,155
Printing		24,229	11,356
Postage		2,529	4,100
Depreciation		100,638	112,514
Loss on Disposal of Fixed Assets		202	-
Misc Office Expenses		690	941
Auditors remuneration		10,450	11,050
Training		39,357	44,907
Corporate Support		57,349	52,117
Professional fees		63,272	63,928
		2,614,447	2,580,180
Surplus/(Deficit) for the Year		34,590	41,012
Balance Brought Forward at 1 January 2022		167,391	126,379
Balance Carried Forward as at 31st December 2022		201,981	167,391

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements

Mr Justice Frank Clarke
President

Date 21st September 2022

Law Reform Commission

Statement of Comprehensive Income

Financial year ended 31 December 2022

		Year ended	Year ended
	Note	2022 €	2021 €
Surplus/(Deficit) for the Year		34,590	41,012
Actuarial Loss (Gain) on Experience on pension scheme liabilities		1,273,000	-
Actuarial Loss/(Gain) on Change in assumption on pension scheme liabilities		<u>(2,542,000)</u>	<u>725,000</u>
Changes in assumptions underlying the present value of pension scheme liabilities		-	-
Actuarial losses/(gains) on pension liability	7(b)	<u>(1,269,000)</u>	<u>725,000</u>
Adjustment to deferred pension funding		1,269,000	(725,000)
Total Comprehensive Income /(losses) for the year		<u>34,590</u>	<u>41,012</u>

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements

Mr Justice Frank Clarke
President

Date 21st September 2023

Law Reform Commission

Statement of Financial Position
As at 31 December 2022

	Note	2022		2021	
		€	€	€	€
Fixed assets					
Tangible assets	8	249,028		319,446	
			249,028		319,446
Current assets					
Receivables	9	226,361		214,153	
Cash and cash equivalents	3	102,300		100,571	
			328,661	314,724	
Current liabilities: amounts falling due within one year					
Payables	10	(100,829)		(108,556)	
Net current assets					
			227,832		206,168
			476,860		525,614
Liabilities: amounts falling due after more than one year					
	11		(25,851)		(38,777)
			451,009		486,837
Deferred retirement benefit funding	7(c)		5,710,000		6,726,000
Retirement benefit (liability)	7(d)		(5,710,000)		(6,726,000)
Net assets					
			451,009		486,837
Representing:					
Capital account	4		249,028		319,446
Retained Revenue Reserves			201,981		167,391
			451,009		486,837

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements

Mr Justice Frank Clarke
President

Date 21st September 2023

Law Reform Commission
Statement of Cash Flows
Financial year ended 31 December 2022

	Year ended 2022 €	Year ended 2021 €
Net Cash Flows from Operating Activities		
Surplus/(Deficit) for the year	34,590	41,012
Transfer from/(to) Capital Account	(70,418)	(92,918)
Depreciation	100,638	112,514
Loss on Disposal of Fixed Assets	202	-
Decrease/(Increase) in Receivables	(12,208)	2,974
Increase/(Decrease) in Payables	(7,727)	(11,973)
Increase/(Decrease) in Creditors amounts falling due after more than one year	(12,926)	(12,926)
Cash generated from operations	<u>32,151</u>	<u>38,683</u>
Cash flows from investing activities		
Purchase of tangible assets	(30,422)	(19,596)
Net cash used in investing activities	<u>(30,422)</u>	<u>(19,596)</u>
Net increase/(decrease) in cash and cash equivalents	1,729	19,087
Cash and cash equivalents at beginning of financial year	100,571	81,484
Cash and cash equivalents at end of financial year	<u>102,300</u>	<u>100,571</u>

Law Reform Commission
Notes to the Financial Statements
Financial year ended 31 December 2022

1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Commission are set out below. They have all been applied consistently throughout the year and for the preceding year.

(a) General Information

The Law Reform Commission was established in 1975 in accordance with the provisions of the Law Reform Commission Act 1975. The Commission's main functions are to keep the law under review, undertake examinations and conduct research with a view to reforming the law and formulate proposals for law reform and to make legislation accessible to all.

(b) Statement of compliance

These Financial Statements of the Commission for the year ended 31 December 2022 have been prepared in compliance with FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council (FRC) as promulgated by Chartered Accountants Ireland.

(c) Basis of preparation

The Financial Statements have been prepared on a historical cost basis, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Public Expenditure and Reform. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Commission's financial statements.

(d) Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the Commission.

(e) Revenue

Oireachtas Grant

Oireachtas Grants are recognised on a cash receipts basis.

Other Revenue

Other revenue is recognised on an accruals basis.

(f) Leased Premises Improvements, Office Equipment and Fixtures and Fittings

Leased premises improvements, office equipment and fixtures and fittings are stated at cost less accumulated depreciation, adjusted for any provision for impairment.

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

(f) ctd Depreciation

Depreciation is provided on all lease premises improvements, office equipment and fixtures & fittings at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimated useful economic life of that asset as follows:

Lease Premises Improvements	- Over the Lease Period
Office Equipment	- 20% straight line
Fixtures & Fittings	- 10% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

There was no impairment in 2022.

(g) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts.

The provision for doubtful debts is a specific provision, and is established when there is objective evidence that the Commission will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

(h) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

(i) **Employee Benefits**

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at the year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

The Commission previously established its own defined benefit pension schemes under sections 11 and 12 of the Law Reform Commission Act 1975 and corresponding contributory spouses' and children's schemes under administrative arrangements. The schemes are funded annually on a pay-as-you-go basis from monies provided by the Vote for the Office of the Attorney General and from contributions deducted from staff and members' salaries. The Commission also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER) via the Attorney General's Office.

Pension costs reflect pension benefits earned by employees, and are shown net of staff pension contributions which are remitted to the Office of the Attorney General. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actual gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income, and a corresponding adjustment is recognised in the amount recoverable from the Office of the Attorney General.

The financial statements reflect, at fair value, the assets and liabilities arising from the Commission's pension obligations and any related funding, and recognises the costs of providing pension benefits in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

(j) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Depreciation and Residual Value

The Commission has reviewed the asset lives and associated residual values of all fixed asset classes and, in particular, the useful economic life and residual values of Leased Premises Improvements, Fixtures and Fittings and Office Equipment, and has concluded that asset lives and residual values are appropriate.

Retirement Benefit Obligations

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rate of increase in future compensation levels, mortality rates and health care cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plan.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions
- (iii) health care cost trend rates, the rates of medical cost inflation in the relevant regions.

2. Oireachtas Grant

The Oireachtas Grant voted to the Commission from the Office of the Attorney General (Vote 3 Subhead A4) as shown in the financial statements consists of:

	2022	2021
	€	€
	2,316,000	2,459,600

3. Cash and Cash Equivalents

	2022	2021
	€	€
Bank Current Accounts	102,196	100,467
Petty Cash	104	104
	<u>102,300</u>	<u>100,571</u>

Law Reform Commission

Notes to the Financial Statements (continued)
Financial year ended 31 December 2022

4. **Capital Account**

The balance on the Capital Account represents the unamortised value of the funds utilised for the acquisition of fixed assets

	2022	2021
	€	€
Opening Balance	319,446	412,364
Add: Amount applied to purchase fixed assets	30,422	19,596
Less depreciation of tangible assets	100,638	112,514
- Less: Disposals of fixed assets - Cost	12,608	-
Add: Accumulated Depreciation on Disposal	12,406	-
Closing Balance	<u>249,028</u>	<u>319,446</u>

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

5. Staff Costs

The average number of employees and aggregate payroll costs incurred during the financial year were:

	2022	2021
Average number of employees	18	18
	€	€
Wages and salaries	<u>1,241,911</u>	<u>1,261,575</u>

The above figures include the salaries (and expenses, if any) of the President and the full-time Commissioner, the details of which are as follows.

Commissioner Name	2022			2021		
	No. of Meetings Attended	Salary €	Expenses €	No. of Meetings Attended	Salary €	Expenses €
President						
Ms Justice Mary Laffoy 14th January 2022 (retired)	1	1,844	-	11	49,000	-
Mr Justice Frank Clarke 12th July 2022 (appointed)	5	27,841	-	-	-	-
Full Time Commissioners						
Mr Raymond Byrne 14th July 2021 (retired)	-	-	-	7	92,965	-
Mr Richard Barrett 5th April 2022 (appointed)	9	110,942	-	-	-	-
Part Time Commissioners						
Mr Justice Maurice Collins	13	-	-	11	-	-
Mr Justice Richard Humphreys 16th April 2021 (ceased)	-	-	-	4	-	-
Dr Andrea Mulligan, BL	13	-	-	6	-	-
Ms Justice Niamh Hyland	13	-	-	6	-	-
Total		140,627	-		141,965	-

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

Employee Short-Term Benefits Breakdown

The table below reflects the number of employee's remuneration in excess of €60,000.

€	2022	2021
60,000 - 69,999	1	1
70,000 - 79,999	1	2
80,000 - 89,999	2	1
90,000 - 99,999	-	-
100,000 - 109,999	1	-
110,000 - 119,999	3	2
120,000 - 129,999	-	-
130,000 - 139,999	-	-
140,000 - 149,999	-	1
150,000 - 159,999	-	-

Aggregate Employee Benefits

	2022	2021
	€	€
Staff Short-Term Benefits	1,241,911	1,261,575
Termination Benefits	-	223,661
Retirement Benefit Costs	141,356	97,833
Total	1,383,267	1,583,069

The total number of staff employed (WTE) at year end was 20 (2021:20).

There was no termination benefit in 2022.

Key Management Personnel

The total remuneration of those with significant influence/decision making is €420,453 (€409,465 in 2021). This includes the President, the Commissioners and members of the management committee.

€31,870 was deducted from staff by way of pension levy and was paid over to the Office of the Attorney General (€34,327 in 2021).

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

6. Operating Lease

In August 2017 the Commission entered into an eight year lease to occupy the 5th Floor of Styne House, Upper Hatch Street, Dublin 2.

The Commission received a 5 month rent free lease period. This charge has been spread over the life of the eight year lease in accordance with FRS 102.

4th Schedule Vat in the amount of €206,029 was paid in 2017 on the lease. This has been capitalised under Leased Premises Improvements and is being depreciated over the lease period of eight years.

In December 2020, a rent review was agreed effective from 15th February 2020 for a period of 5 years.

Lease Commitments

At 31st December 2022 the Commission had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022	2021
	€	€
Payable within one year	352,730	352,730
Payable within two to five years	411,520	764,250
Payable after five years	-	-

Law Reform Commission

Notes to the Financial Statements (continued)
Financial year ended 31 December 2022

7. Retirement benefit costs

	2022	2021
	€	€
(a) Analysis of total retirement benefit costs charged to expenditure		
Current Service Cost	310,000	340,000
Past Service Cost	-	-
Interest on retirement benefit costs charges to expenditure	84,000	50,000
Employee contributions	(1,333)	(2,167)
	<u>392,667</u>	<u>387,833</u>
(b) Movement in net retirement benefit during the financial year		
Net retirement benefit liability at 1 January	6,726,000	5,935,000
Current Service cost	310,000	340,000
Past Service Cost	-	-
Interest Cost	84,000	50,000
Actuarial losses/(gains)	(1,269,000)	725,000
Retirement benefit paid in the year	(141,000)	(324,000)
	<u>5,710,000</u>	<u>6,726,000</u>
(c) Deferred funding for retirement benefits		

The Commission recognises amounts from the State for the unfunded deferred liability for retirement benefit on the basis of a number of past events. These events include the statutory backing for Superannuation schemes and the policy and practice in relation to funding public service retirement benefit including contributions by employees and the annual estimates process. While there is no formal agreement and therefore no guarantee regarding these specific amounts with the Department of Public Expenditure and Reform, the Commission has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice.

The Net Deferred Funding for Retirement Benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves was as follows:

	2022	2021
	€	€
Net deferred funding for Retirement Benefits in year		
Funding recoverable in respect of current year retirement benefit costs	394,000	390,000
State grant applied to pay pensioners	(141,356)	(323,661)
	<u>252,644</u>	<u>66,339</u>

The deferred funding asset for retirement benefits as at 31 December 2022 amounted to €5,710,000 2021: € 6,726,000)

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

(d) History of defined benefit obligations	2022	2021	2020	2019
	€	€	€	€
Defined benefits obligations	5,710,000	6,726,000	5,935,000	5,266,000
Experience (gains)/losses on scheme Liabilities Amount	(1,269,000)	725,000	352,000	1,177,000
Percentage of the present value of Scheme Liabilities	22%	11%	6%	22%

The cumulative actual (gains) and losses recognised in the Statement of Comprehensive Income amounts to €2,067,900 as at 31st December 2022 (2021: € 3,336,900)

(e) General description of the Scheme

The Commission previously established its own defined benefit pension schemes under sections 11 and 12 of the Law Reform Commission Act 1975 and corresponding contributory spouses' and children's schemes under administrative arrangements. The schemes are funded annually on a pay-as-you-go basis from monies provided by the Vote for the Office of the Attorney General and from contributions deducted from staff and members' salaries. The Commission also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER) via the Attorney General's Office.

The valuation used for FRS 102 Disclosures has been based on a full actuarial valuation at each date performed by an independent qualified actuary to take account of the requirements of FRS 102 in order to assess the scheme liabilities at 31 December 2022.

Assumptions	2022	2021
Rate of expected salary increase	4%	3.5%
Rate of increase in pension payment	3.5%	3%
Discount Rate	3.5%	1.2%
Inflation	2.5%	2%

The mortality rates adopted allows for improvements in the life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The table below shows the life expectancy for members attaining age 65 in 2022 and 2021.

Year of attaining age 65	2022	2021
Life expectancy - male	21.9	21.8
Life expectancy - female	24.3	24.2

Law Reform Commission

Notes to the Financial Statements (continued)
Financial year ended 31 December 2022

8. Tangible assets

	Leased Premises Improvements	Office Equipment	Fixtures and fittings	Total
	€	€	€	€
Cost				
At 1 January 2022	330,829	1,301,813	627,907	2,260,549
Additions	-	28,857	1,565	30,422
Disposals	-	(12,608)	-	(12,608)
At 31 December 2022	330,829	1,318,062	629,472	2,278,363
Depreciation				
At 1 January 2022	177,901	1,166,901	596,301	1,941,103
Charge for the financial year	41,354	54,383	4,901	100,638
Disposals	-	(12,406)	-	(12,406)
At 31 December 2022	219,255	1,208,878	601,202	2,029,335
Carrying amount				
At 31 December 2022	111,574	109,184	28,270	249,028
At 31 December 2021	152,928	134,912	31,606	319,446

9. Receivables

	2022	2021
	€	€
Other Receivables	1,805	1,010
Prepayments	224,556	213,143
	<u>226,361</u>	<u>214,153</u>

10. Payables

	2022	2021
	€	€
Tax and social insurance:		
PAYE and social welfare	36,647	27,496
VAT	10,383	6,739
PSWT	2,052	1,669
Accruals	38,821	59,726
Rent free lease period accrual < 1 yr	12,926	12,926
	<u>100,829</u>	<u>108,556</u>

Law Reform Commission

Notes to the Financial Statements (continued) Financial year ended 31 December 2022

11. Liabilities: amounts falling due after more than one year.

	2022	2021
	€	€
Rent free lease period accrual > 1 yr	<u>25,851</u>	<u>38,777</u>

12. Capital Commitments

The Commission had no outstanding capital commitments as at 31 December 2022.

13. Related Party Disclosures

Those with significant influence/decision making in the Commission consist of the President, the Commissioners and members of the management committee. Total compensation paid to personnel with significant influence/decision making amounted to €420,453 in 2022 (2021: €409,465)

For a breakdown of the remuneration and benefits paid to key management personnel, please refer to Note 5.

The Commission adopts procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform covering the personal interests of Commission Members. In the normal course of business, the Commission may approve grants or enter into other contractual arrangements with entities in which the Commission Members are employed or otherwise interested.

The Commission adopted procedures in accordance with the Code of Practice for the Governance of State Bodies (2016) in relation to the disclosure of interests by Commission Members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the Commission's activities in which members had any beneficial interest.

14. Covid-19

In accordance with FRS102, COVID-19 is a non adjusting Post Balance Sheet event, with no impact on the financial statements for 2022. The Commission will continue to assess the impacts of emerging risks on its operations in the course of 2023, including any potential costs or impairments which may require to be reflected in the 2022 Financial Statements.

15. Approval of financial statements

The Commission approved the financial statements at its meeting in May 2023.