

2024/2025 Annual Report



LAW SOCIETY
OF SOUTH AFRICA



PROFESSIONAL
AFFAIRS

DE **REBUS**



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OF SOUTH AFRICA



PROFESSIONAL
AFFAIRS

DE REBUS

***Committed to Building a BETTER
Legal Profession for ALL***



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MISSION, AIMS AND OBJECTIVES

Organisational overview

The Law Society of South Africa (LSSA) serves as the collective voice of the attorneys' profession, representing 33,929 practising attorneys and 6,294 candidate attorneys. Committed to upholding and advancing the legal profession, the LSSA advocates for the rights and interests of attorneys while safeguarding and enhancing the quality of professional legal services.

As an inclusive and representative body, the LSSA unites the Black Lawyers Association, the National Association of Democratic Lawyers, and independent attorneys under a common vision. Established in 1998 as a voluntary association with perpetual succession, the organisation underwent a significant transformation in 2018, evolving into a members' interest organisation with an expanded mandate. This includes the establishment of provincial associations across all nine provinces, reinforcing the LSSA's commitment to a transformed profession that serves both the legal community and society at large.

Following the enactment of the Legal Practice Act 28 of 2014 (LPA), the LSSA has strategically repositioned itself to align with the evolving legal landscape. With a renewed focus on supporting attorneys and candidate attorneys, the organisation has refined its constitution to reflect its role as a representative body committed to leading a modern, dynamic, and transformed legal profession.

The LSSA is a nationally and internationally recognised legal practitioner representative organisation that:

- Provides legal education.
- Is a key stakeholder in legislation development.
- Engages in public or professional interest litigation.
- Provides practice-related benefits to attorneys.
- Provides practice and compliance related resources and guidance.

In 2024 the LSSA:

- Provided online courses and webinar training to 5 105 attendees.
- Provided Practical Vocational Training (PVT) to 1 483 candidate attorneys.

- Provided Practice Management Training to 1 755 attendees.
- Started the Paralegal Certificate training, which was attended by 132 individuals.
- Provided free webinars to 1 225 attendees.
- The *De Rebus* journal website was visited on average by 61 359 individuals monthly.
- Hosted three live events namely, the Annual General Meeting (AGM) and Conference, the Young Lawyers Conference and Female Legal Practitioners High Tea that had a combined attendance of 369 women and sponsorship income of R 325 000.
- Successfully litigated in a number of professional interest and public interest cases, either as a party or as *amicus curiae* in the following matters:
 - *Fenyane v Ndengane NO and Others* (19397/2022) [2024] ZAGPJHC 248; 2024 (5) SA 212 (GJ) (11 March 2024)
 - *National Council of and for Persons with Disabilities and Law Society of South Africa v Minister of Transport and Others* GP) (unreported case no 2022/039100, 18-5-2023) (Opperman J)
 - *Law Society of South Africa v Companies and Intellectual Property Commission* (2023/062245) ZAGPPHC (14 March 2024)

Clarifying the roles: the LSSA and the LPC

Despite the Legal Practice Council (LPC) being established six years ago, many legal practitioners still experience uncertainty regarding its role and how it differs from the LSSA. This ongoing confusion has led to practical challenges, including misplaced compliance submissions. Addressing this distinction is essential to ensuring the effective functioning of South Africa's legal ecosystem.

The LPC is a statutory body established under the LPA to regulate the legal profession. It is responsible for setting professional norms and standards, overseeing conduct, and ensuring accountability among attorneys and advocates. The LPC operates under the LPA, its Rules, and a

Code of Conduct, providing a structured regulatory framework. Section 5 of the LPA outlines the LPC's core responsibilities, which include:

- Transforming and regulating the legal profession to ensure accountability and independence.
- Setting professional conduct standards and ensuring reasonable legal fees to improve access to justice.
- Upholding the rule of law and promoting the effective administration of justice.
- Enhancing legal education by ensuring high standards in both pre- and post-qualification training.
- Promoting equitable access to the profession, reflecting South Africa's demographics.

Since its inception, the LPC has assumed the regulatory functions previously managed by the four provincial law societies. These responsibilities include overseeing the admission, enrolment, and discipline of legal practitioners and enforcing ethical and professional standards to safeguard the public interest. The LPC's regulatory role ensures the credibility of the profession by maintaining ethical integrity, enforcing compliance, and setting standards that enhance public trust in attorneys and advocates.

As a voluntary, member-interest organisation, the LSSA serves as the unified voice of the attorneys' profession, focusing on advocacy, professional development, and legal education. Since the establishment of the LPC, the LSSA has repositioned itself to enhance the legal profession's standing through education, representation, and support services. Key functions of the LSSA include:

- **Legal Education and Development (LEAD):** The LSSA's LEAD division is a cornerstone of legal education in South Africa. It offers practical vocational training (PVT) programmes for candidate attorneys, including 23-day training courses to prepare for admission examinations. Additionally, post-admission training ensures that attorneys remain informed of evolving legal trends, while subsidised practice management training helps attorneys run efficient and compliant practices.
- **Legal journal:** The LSSA publishes *De Rebus*, a leading digital journal providing legal research, updates on key legal developments, and professional insights. Since its digitisation in 2019, *De Rebus* has become an invaluable legal re-

search resource for legal practitioners, fostering professional growth and continuous learning.

- **Advocacy and representation:** The LSSA actively engages with Parliament, government departments, and the judiciary to advocate for attorneys' interests. Through submissions on legislation and policy changes, the LSSA ensures that legal practitioners' voices are represented in national decision-making processes. Recent efforts include submissions on legal fees, the Road Accident Fund, and amendments to the National Credit Act 34 of 2005.
- **Transformation and access initiatives:** Committed to fostering an inclusive legal profession, the LSSA champions transformation through initiatives, such as the Women's Task Team and mentorship programmes for young attorneys. These efforts promote gender equity and ensure that the profession reflects South Africa's diverse demographics.
- **Professional Affairs:** The LSSA addresses key industry challenges through its specialist committees, which provide expert guidance on ethics, compliance, and legislative developments. These committees help attorneys navigate complex legal and regulatory changes while upholding professional integrity.
- **Practice Support and Compliance:** The LSSA offers compliance resources to assist attorneys in adhering to key regulations, including the Protection of Personal Information Act 4 of 2013 (POPIA) and the Financial Intelligence Centre Act 38 of 2001 (FICA). Additionally, cybersecurity support, mentorship initiatives, and practice management tools help attorneys adapt to a rapidly evolving legal landscape.

While the LPC and LSSA have distinct mandates, their roles are complementary, working together to advance the legal profession and the public interest. The LPC enforces compliance, maintains professional discipline, and ensures accountability, while the LSSA empowers legal practitioners through advocacy, education, and professional development. The LSSA's engagement with policymakers complements the LPC's regulatory framework, creating a robust legal profession that upholds ethical standards, drives transformation, and ensures access to justice.

Vision

Over the next decade, the Law Society of South Africa will be the **preeminent and inclusive representative body** for the legal profession. The LSSA will be the **first point of reference** for legal practitioners, equipping them with the **skills, resources, and advocacy** necessary to uphold the highest standards of professionalism and service to the public. The LSSA will serve as a **strong and authoritative voice**, safeguarding the interests of legal practitioners in all regulatory and disciplinary matters while advancing the integrity and independence of the profession.

Mission

The Law Society of South Africa is committed to:

- ❖ **Advocacy and representation:** Championing the interests of legal practitioners in all regulatory, legislative, and disciplinary matters to ensure a fair and just professional environment.
- ❖ **Professional development:** Providing high-quality training, skills development, and continuous legal education to enhance competence and ethical practice.
- ❖ **Access to justice:** Promoting a legal profession that is accessible, accountable, and dedicated to serving the public with integrity.
- ❖ **Thought leadership:** Acting as the authoritative voice of the profession, influencing legal and policy developments to uphold the rule of law and strengthen the justice system.

Through these strategic priorities, the LSSA will solidify its role as the preferred and trusted organisation for legal practitioners in South Africa.

Strategic Objectives

- ❖ Litigation, regarding to type and impact.
- ❖ Members' interests and benefits – create value-add programmes and products.
- ❖ Public interest – link activities and communicate societal benefits.
- ❖ Business model development: increase corporate and niche training – investigate other sources of income.
- ❖ Ensure effective functioning of Provincial Associations.
- ❖ Increase visibility of the LSSA's brands.
- ❖ Collaborations – develop new relationships, strengthen existing ones, and leverage established relationships.
- ❖ Human capital development and staff engagement.
- ❖ Maintain the LSSA's participation in national, regional and international initiatives.
- ❖ Maintain the LSSA's relevancy and legitimacy.

National demographics of attorneys

Age

Age Group	Totals
< 21	1
21 - 24	5
25 - 34	9035
35 - 44	9842
45 - 54	7345
55 - 64	4733
65 - 74	2215
> 75	753
	33929

Gender

Age Group	Totals	Male	Female
< 21	1	1	0
21 - 24	5	2	3
25 - 34	9035	3654	5381
35 - 44	9842	4703	5139
45 - 54	7345	4284	3061
55 - 64	4733	3374	1359
65 - 74	2215	1846	369
> 75	753	711	42
	33929	18575	15354

Race

Age Group	Totals	Black	Coloured	Indian	White	Other
< 21	1	0	0	0	0	1
21 - 24	5	4	0	1	0	0
25 - 34	9035	4415	605	927	2993	95
35 - 44	9842	4124	550	924	4018	226
45 - 54	7345	2671	422	699	3410	143
55 - 64	4733	1027	211	413	3020	62
65 - 74	2215	279	59	193	1664	20
> 75	753	51	7	48	637	10
	33929	12571	1854	3205	15742	557

Gender and race

Age Group	Totals	Black Male	Black Female	Coloured Male	Coloured Female	Indian Male	Indian Female	White Male	White Female	Other Male	Other Female
< 21	1	0	0	0	0	0	0	0	0	1	0
21 - 24	5	2	2	0	0	0	1	0	0	0	0
25 - 34	9035	1955	2460	202	403	286	641	1172	1821	39	56
35 - 44	9842	2369	1755	211	339	322	602	1704	2314	97	129
45 - 54	7345	1956	715	222	200	265	434	1756	1654	85	58
55 - 64	4733	833	194	161	50	244	169	2091	929	45	17
65 - 74	2215	237	42	45	14	140	53	1406	258	18	2
> 75	753	47	4	7	0	41	7	607	30	9	1
	33929	7399	5172	848	1006	1298	1907	8736	7006	294	263

National demographics of candidate attorneys

Age

Age Group	Totals
< 21	3
21 - 24	599
25 - 34	4559
35 - 44	610
45 - 54	235
55 - 64	78
65 - 74	14
> 75	196
	6294

Gender

Age Group	Totals	Male	Female
< 21	3	2	1
21 - 24	599	180	419
25 - 34	4559	1767	2792
35 - 44	610	278	332
45 - 54	235	134	101
55 - 64	78	55	23
65 - 74	14	12	2
> 75	196	59	137
	6294	2487	3807

Race

Age Group	Totals	Black	Coloured	Indian	White	Other
< 21	3	2	0	0	1	0
21 - 24	599	362	36	52	147	2
25 - 34	4559	3076	311	335	793	44
35 - 44	610	474	34	34	62	6
45 - 54	235	178	11	14	27	5
55 - 64	78	62	5	4	6	1
65 - 74	14	11	0	0	3	0
> 75	196	100	22	44	30	0
	6294	4265	419	483	1069	58

Gender and race

Age Group	Totals	Black Male	Black Female	Coloured Male	Coloured Female	Indian Male	Indian Female	White Male	White Female	Other Male	Other Female
< 21	3	2	0	0	0	0	0	0	1	0	0
21 - 24	599	113	249	9	27	14	38	43	104	1	1
25 - 34	4559	1252	1824	102	209	102	233	298	495	13	31
35 - 44	610	236	238	10	24	9	25	18	44	5	1
45 - 54	235	118	60	5	6	3	11	8	19	0	5
55 - 64	78	45	17	2	3	3	1	4	2	1	0
65 - 74	14	9	2	0	0	0	0	3	0	0	0
> 75	196	34	66	5	17	11	33	9	21	0	0
	6294	1809	2456	133	286	142	341	383	686	20	38



REPORT BY THE PRESIDENT

Report by the President

It is my privilege to present the President's Report for the year 2024. This year has been marked by significant developments in the legal profession, challenges that have tested our resilience, and milestones that reaffirm our commitment to justice, the rule of law, and the integrity of the legal profession. As the legal landscape continues to evolve, the Law Society of South Africa (LSSA) remains steadfast in its mission to serve the legal profession with dedication, innovation, and integrity.

South African legal practitioners have faced increasing regulatory demands, particularly concerning anti-money laundering and combating the financing of terrorism compliance. The implementation of stricter Financial Intelligence Centre Act 38 of 2001 (FIC Act) requirements has placed additional administrative burdens on firms, particularly smaller practices that lack the resources to manage compliance effectively. Non-compliance carries severe penalties, further increasing the pressure on practitioners.

During the year in review, we saw disparaging comments made in the media against the legal profession seeking to attribute challenges faced by the justice system, the Department of Health and the Road Accident Fund, to the legal profession. Such comments are seen as a concerted strategy by those responsible for the management of these entities to shift the blame for their management challenges to the legal profession as a whole.

The past year has seen increasing threats to the independence of the legal profession and the rule of law. Attacks on legal practitioners, both in and outside the courtroom, have been a growing concern. The LSSA has taken a firm stance against these attacks, advocating for stronger protections for legal practitioners and engaging with stakeholders, including the judiciary, government, and civil society, to ensure that lawyers can perform their duties without fear of intimidation or harm.

Court backlogs continued to plague the legal system, leading to delays in the resolution of cases. The slow pace of judicial processes has negatively impacted access to justice, with many litigants waiting years for their matters to be heard. Contributing factors include inefficiencies in case management, resource shortages in the judiciary, and disruptions caused by infrastructural failures.

The legal profession remains stratified, with disparities between large law firms and smaller practices. The February 2025 statistics, provided by the Legal Practice Council, show that there are 14 242 sole practitioner law firms, while law firms with more than 50 attorneys stand at 21. Contrary to popular belief, it is evident that South Africa has more small law firms than large law firms.

	2025
Sole practitioners	14 242
Small firms 2 - 9 attorneys	4 145
10 to 19 attorneys	140
20 to 49 attorneys	46
More than 50 attorneys	21

Despite these challenges, South African legal practitioners have continued to play a crucial role in upholding justice, advocating for human rights, and contributing to the development of the country's legal framework. Addressing the above issues requires collaborative efforts between legal practitioners, regulatory bodies, government institutions, the judiciary and civil society to ensure the sustainability and integrity of the legal profession.

Compliance and Financial Intelligence Centre (FIC) Matters

As South Africa remained on the Financial Action Task Force (FATF) greylist, the legal profession faced increased compliance scrutiny. At the LSSA AGM in April 2024, the FIC reported that only 52% of law firms had submitted their Risk and Compliance Returns (RCRs), improving to 61% by August. The FIC maintains that full compliance is expected, with non-compliance resulting in administrative fines.

A law firm fined R 285 000 approached the LSSA, arguing that the FIC retrospectively applied penalties dating back to 2017. The LSSA was admitted as *amicus curiae* in the appeal. The Appeal Board upheld the FIC's authority to impose retrospective penalties but referred the matter back for reconsideration based on newly submitted financial statements. Another firm, fined over R 7 million, also had its appeal dismissed and sought the LSSA's involvement.

The Compliance Committee recommended that the LSSA consider challenging the constitutionality of certain FIC Act provisions, seek a legal opinion on obtaining a declaratory order, and engage stakeholders to support litigation. These efforts are vital to ensuring regulatory fairness and protecting the legal profession from undue compliance burdens.

Sustainability

The LSSA's financial position has been affected by a reduction in the LPC subvention, prompting the need for a long-term sustainability strategy. In response, management has

been tasked with identifying and developing alternative income streams to secure the organisation's future.

In 2025, management will work closely with the Sustainability Committee and the Audit and Remuneration Committee to evaluate the feasibility of these new revenue sources. With the strategic plan now finalised, the LSSA is actively advancing its implementation to strengthen financial stability and operational resilience.

Legal education

Ensuring access to quality legal education remains a top priority for the LSSA. The LSSA has worked tirelessly to support the next generation of legal practitioners by engaging with the Legal Practice Council (LPC) on funding and accessibility of legal education programmes. In 2024, we intensified our efforts to address the funding challenges affecting legal education and practical vocational training. The affordability of legal education remains a pressing issue, and we have been actively involved in discussions on sustainable solutions.

The LSSA remains committed to upholding the highest professional standards in the legal profession. Through our Legal Education and Development (LEAD) division, our continuing legal education and professional development initiatives have been expanded to meet the evolving needs of practitioners.

SASSETA funding

Legal practitioners and firms can enhance their training programmes and create valuable work experience opportunities by accessing grants from the Safety and Security Sector Education and Training Authority (SASSETA). These grants are specifically designed to support skills development within the legal services sub-sector.

SASSETA grants are funded through the Skills Development Levy (SDL), which is a mandatory contribution from employers within the safety and security sector, including those in legal practice. Employers with an annual payroll of R 500 000 or more must pay 1% of this amount as SDL, with registration for payment required through the South African Revenue Service (SARS). Non-compliance with this obligation can lead to penalties of 10% and additional interest.

The SDL is intended to foster skills development and continuous training within the workforce, ensuring the sector remains equipped with the skills required to meet evolving legal and economic demands.

SASSETA is actively investing in several key initiatives to support the legal profession, including:

- Placement of candidate attorneys and pupil advocates.
- Bursaries for LLB students and qualifications in critical skills areas identified within the sector.



Joanne Anthony-Gooden
President the Law Society of South Africa

- Placement of Technical Vocational Education and Training (TVET) College students, learnerships, and other skills programmes, aimed at expanding skills development opportunities and preparing the next generation of legal professionals.

The following projects were funded by SASSETA in the 2023/2024 financial year.

Project Name	Number of beneficiaries	Project Rand Value
Candidacy (24 months)	80	R 13 440 000
Skills Programme: Assessor	10	R 85 000
Skills Programme: Moderator	50	R 400 000
Work Integrated Learning: TVET	8	R 648 000
Skills Programme: Legal Bookkeeping	100	R 850 000
Work Integrated Learning: TVET	100	R 8 100 000
Candidacy (PVT) (12 months)	175	R 14 700 000
Women on Boards Training	70	R 1 890 000
TOTAL	593	R 40 110 000

Provincial Associations

Since 2019, the LSSA has been holding meetings for the establishment of provincial attorneys' associations in the nine provinces of South Africa. The establishment of provincial associations is set out in the preamble of the LSSA constitution, which states:

'We, the representatives of legal practitioners in South Africa, the Black Lawyers Association, the National Association of Democratic Lawyers, the Independent Lawyers Associations from the nine provinces of South Africa as the constituent members of the Law Society of South Africa, in recognising the changes brought about by the Legal Practice Act [28 of 2014]:

- having realised the impact of the Legal Practice Act and agreed to the restructuring of the legal profession and its governing bodies and having adopted the principles contained herein;
- having agreed in principle to the creation of a national voluntary structure with a national executive body to represent the profession;
- having agreed that the new national structure shall be neither unitary nor federal but could comprise elements of both;
- having co-operated formally since July 1996 via an agreement between the Black Lawyers Association, the National Association of Democratic Lawyers, the Law Societies of the Free State, KwaZulu-Natal, the Northern Provinces, and the Cape Provinces; and
- having decided to further transform the governance and representation of the legal profession in South Africa;
- having noted that the provincial law societies will cease to exist, the local associations or circles will form a provincial lawyers' association in each province. These associations shall consist of the Black Lawyers Association, the National Association of Democratic Lawyers, and the independent constituents. The independent attorneys of each of the provincial associations shall nominate a provincial representative to the House of Constituents;
- having noted that the Legal Practice Act places the regulatory functions with the Legal Practice Council;
- commit ourselves to building a transformed organised legal profession which is non-racial, non-sexist, democratic, representative, transparent and accountable to all whom it serves and the public at large; and to that end we shall strive to advance the interests of women, the youth and people living with disabilities;
- commit ourselves to protecting and advancing the

rights and interests of our members in relation to the regulatory activities of the Legal Practice Council and other authorities; and

- commit ourselves to influence the transformation of the economic structure in South Africa in order to advance the interest of our members, particularly the previously disadvantaged' (see www.LSSA.org.za).

I am pleased to advise that the LSSA has established seven out of the nine Provincial Associations. The President will update the Annual General Meeting (AGM) on the progress made in the following provinces:

- Free State Attorney Association: There will be ongoing engagement between the practitioners in the province for the adoption of the constitution.
- Western Cape: The amendments to the constitution have not yet been finalised.

Appointment of female Chief Justice

In 2024, the LSSA proudly welcomed the appointment of Chief Justice Mandisa Maya. The LSSA extends congratulations and high esteem for this groundbreaking achievement by the first female Chief Justice of South Africa. Chief Justice Maya's appointment is indeed a milestone for South Africa's transformation agenda. The LSSA recognises that, Chief Justice Maya's appointment is not only a significant achievement in gender representation but also a testament to her distinguished career and exemplary service.

The LSSA believes that Chief Justice Maya's leadership will play a crucial role in upholding and enhancing the rule of law in South Africa. Her willingness to serve our country with integrity and dedication is deeply appreciated. We extend our sincere gratitude to Chief Justice Maya and wish her every success in her new role. Her appointment is an inspiration to all, symbolising a significant step forward in the transformation of our judiciary and the continued pursuit of justice for all South Africans.

The passing of Executive Director Tony Pillay

The LSSA was saddened by the passing of its Executive Director, Tony Pillay. This tragic loss has been felt keenly across the LSSA, its House of Constituents, staff, and the broader legal profession, all of whom have lost a dedicated and influential figure. Mr Pillay joined the LSSA in 1998 as Finance Director, and his contributions over the years have been invaluable. Since 2017, he has led the organisation with distinction, guiding it through periods of significant transition as it strengthened its role as an advocate for attorneys and candidate attorneys.

Mr Pillay's leadership during times of change was exemplary. He was always available to provide guidance and support, and his absence will be profoundly felt. The legal profession owes Mr Pillay an immeasurable debt of gratitude, and the LSSA is forever thankful to his family for sharing him. Mr Pillay's legacy will endure, and his contributions to the LSSA and the legal profession will never be forgotten.

INTERNATIONAL ENGAGEMENT

Southern African Development Community Lawyers' Association:

The SADC Lawyers' Association (SADC LA) AGM took place from 29 July to 2 August 2024 at Avani Victoria Falls, Livingstone, Zambia. The conference commenced with the Business Mission Exhibition for Law, Trade, and Commerce, providing delegates with valuable opportunities for networking, business development, and professional collaboration.

Key highlights of the conference included:

- **Women's Forum:** Discussions focused on the advancement of the legal profession, women empowerment, and the importance of women assuming leadership positions within the legal sector.
- **Young Lawyers Forum:** Under the theme 'Young People Taking Centre Stage in Broadening Access to the Profession and Advancing Legal Education,' the forum explored strategies to enhance legal education and expand professional opportunities for young practitioners.
- **Human Rights and Economic Development:** Various sessions examined the intersection of human rights, economic progress, and legal frameworks in the SADC region.
- **Peace and Stability in the Region:** The Zambian Defence Force delivered a presentation on 'The Creation of Peace and Stability in Zambia and the Region,' offering insights into regional security dynamics.
- **Global Geopolitical Issues:** The conference also addressed the impact of international conflicts, including discussions on the unrest in the Middle East and the war in Gaza. The South African delegation played a leading role in these deliberations.

During the AGM, Noxolo Maduba-Silevu was elected Deputy President of SADC LA, further strengthening South Africa's representation in the regional legal community.

International Bar Association

The IBA Annual Conference was held from 15 to 22 September 2024 in Mexico City, which I attended. The conference touched on important legal topics, for a full report of the conference please see: www.derebus.org.za.



***President of the Law Society of South Africa
Joanne Anthony-Gooden with International
Bar Association member, Tshepo Shabangu***

9th BRICS Legal Forum

The 9th BRICS Legal Forum took place in Moscow, Russia, from 19 to 20 September 2024, bringing together legal representatives from the member countries. The conference commenced with a plenary session, during which each delegation delivered its opening remarks. Following this, the Heads of Delegates convened to deliberate on proposed amendments to the 2023 Sandton Declaration. The Forum's agenda was structured around key legal and developmental priorities identified by the participating country. Looking ahead, Brazil has been confirmed as the host for the 2025 BRICS Legal Forum.

14th PALU Annual Conference

The Pan African Lawyers Union (PALU) Annual Conference took place from 16 to 18 October 2024 in Addis Ababa, Ethiopia, bringing together over 300 participants from across the continent. The conference served as a vital platform for legal professionals to engage in discussions, exchange ideas, and develop strategic positions on how the legal sector can both benefit from and contribute to Africa's development.

Themed 'Africa as a Global Powerhouse: Empowering Minds, Enlightening Paths,' the 2024 conference underscored the critical role of education and empowerment in

positioning Africa as an economic, social, environmental, and geopolitical force in the evolving global landscape. Building on the 2023 theme, 'The Sovereign Debt Crisis in Africa: The Role of the Legal Profession,' this year's discussions explored challenges and opportunities in fostering Africa's economic and legal resilience.

The conference featured a comprehensive three-day programme structured around three key thematic streams:

- **Business Law** – Focused on developments within the African Continental Free Trade Area (AfCFTA), tax issues, mergers and acquisitions, and negotiations of Eurobonds, bringing together leading corporate and commercial lawyers.
- **Legal Practice** – Addressed topics such as artificial intelligence (AI) in legal services, the significance of international and regional legal networks, professional ethics, and maintaining work-life balance for legal practitioners.
- **Public Interest and Development Law** – Engaged lawyers, civil society, and stakeholders in discussions on debt management, strategic litigation and advocacy, climate change, illicit financial flows, asset recovery, and Africa's evolving relationship with international law.

The PALU Annual Conference remains a key event in shaping the future of the legal profession across Africa, fostering collaboration, and driving impactful legal reforms on the continent.

Commonwealth Lawyers Association

The 24th Commonwealth Lawyers Conference will be held from 6 to 10 April 2025 in, Malta. The theme of the conference is 'Commonwealth Lawyers - Fit for the Future'.

Member Benefits Programme

In alignment with the LSSA's vision to equip legal practitioners with the necessary resources for efficient and effective practice, we are pleased to introduce the LSSA Member Benefits Programme. This initiative provides exclusive access to negotiated rates and special offers from selected service providers, ensuring that our members receive high-quality services and products tailored to the legal profession.

Below is a list of the services and products available through our collaborative providers:

- **Clio:** UK based practice management software company will be offering preferential rates. This collaboration is set to empower South African law firms with cutting-edge legal practice management software, streamlining operations, increasing efficiency, and enhancing cli-

ent service. For more information, visit www.clio.com/web/za/.

- **PPS:** LSSA has collaborated with PPS and the Reality Wellness Group to offer telephonic counselling and support. Contact Reality Wellness at 080 1122 550 or e-mail: eppengage@realitywellness.co.za.
- **Juta:** 20% discount to the profession for books bought.
- **ncino. KYC Africa (Docfox):** 25% discount to the profession for software onboarding.
- **SMD Technologies:** 10% discount to the profession for hardware bought.

The LSSA remains committed to supporting legal practitioners by fostering strategic partnerships that enhance professional efficiency and practice management. We encourage our members to take advantage of these valuable benefits.

Looking ahead

As we look towards 2025, the LSSA remains steadfast in its commitment to advancing justice, supporting legal practitioners, and advocating for a legal system that serves all South Africans. Our focus will be on strengthening legal education funding, enhancing professional development programmes, and continuing our advocacy for a strong, independent legal profession. The increasing role of technology in legal practice, ongoing regulatory reforms, and the socio-economic challenges facing the profession demand that we adapt and innovate.

The LSSA will continue to advocate for policies that protect and strengthen the profession, while also ensuring that we equip legal practitioners with the tools and knowledge needed to navigate an evolving landscape. Our strategic focus in the coming years will include digital transformation, sustainable legal practice models, and reinforcing ethical and professional standards. The road ahead will present new challenges, but with our shared commitment to justice, transformation, and excellence, the LSSA will continue to be a formidable advocate for the legal profession and the public it serves.

I extend my sincere gratitude to the vice-presidents, my fellow Council members, our dedicated staff, and all legal practitioners who have contributed to the work of the LSSA this year. Your commitment and dedication ensure that we continue to serve the legal profession and society with excellence.





THE HOUSE OF CONSTITUENTS

House of Constituents attendance 2024

Member	23/02/2024	05/04/2024	26/07/2024	29/11/2024
Ms J Anthony-Gooden	✓	✓	✓	✓
Ms E Masipa	✓	✓	✓	✓
Mr N Mvundlela			✓	✓
Ms M Ramagaga	✓	✓		✓
Mr C Hendricks	✓	✓	✓	✓
Mr Z Ngqeza	✓	✓	✓	✓
Ms T Mpanza	✓	✓		✓
Ms N Maema	✓			✓
Mr C Kgotlagomang	✓	✓		
Mr P Tsautse		✓	✓	
Mr M Ramathe	✓	✓	✓	✓
Ms W Zama			✓	✓
Ms S Mkhize	✓	✓	✓	✓
Mr M De Wet	✓	✓	✓	
Mr A Jacobz			✓	
Mr P Horn		✓	✓	✓
Mr M Gwala	✓	✓	✓	✓
Ms U Naicker	✓	✓	✓	✓
Mr K Govender	✓	✓	✓	✓
Mr Z Tiya			✓	✓
Mr E Barnard	✓		✓	✓
Mr U Jivan		✓	✓	✓
Mr T Joubert	✓	✓	✓	✓
Ms Elvira le Roux	✓	✓	✓	✓
Ms Carol Selepe	✓	✓	✓	✓
Mr Simon Tshehla	✓	✓	✓	✓
K Lehabe			✓	
Me D Bennett	✓	✓	✓	✓
Ms A Nel	✓	✓	✓	✓
Ms M Pretorius			✓	✓
Ms H Kara	✓			✓
E Halgreen	✓	✓	✓	✓
Mr James Bigby	✓			
Mr F Weber		✓		
Ms P Mawila				✓



ANNUAL FINANCIAL REPORT

Statement by the Audit and Risk Committee as at 31 December 2024

Audit and Risk Committee members:

A Trikamjee (Chairperson), A de Lange (Vice Chair person), I Klynsmith (IAS Chair person), M Ntanga, P C Mogale, W Scholtz (Independent), R Barnard (Independent SAICA nominee) and M Husain (Remco).

The statement by the Audit and Risk Committee (ARC) was prepared as per the approved ARC Charter and the combined assurance corporate governance principles of King IV, which include a comprehensive risk management framework approved and adopted by the LSSA.

The ARC is an independent oversight committee that reports to the LSSA House of Constituents (HoC). It is supported by an independent audit committee (IAS) and works closely with the LSSA Budget Subcommittee and Remuneration Committee.

ARC and other governance meetings during 2024

ARC	IAS	Budget	Remco
4	2	2	1

LSSA annual audit

The ARC confirms that the financial recording, reporting and operations of the LSSA were conducted according to LSSA directives and policies, and that these directives and policies are deemed to be appropriate. In this regard it is confirmed that:

The ARC provided oversight of the LSSA Annual Audit programme, which was conducted by the appointed external auditors, SAB&T, by reviewing the proposed annual audit plan and process, participating in post-audit feedback sessions, and reviewing the management report and audit findings. The ARC noted the opinion and findings of SAB&T on the financial statements of the LSSA for the year ended 31 December 2024 and the confirmation by them that the Financial Statements were prepared in accordance with International Financial Reporting Standards (IFRS) for SMEs. The ARC confirms that:

- To the best of its knowledge and judgment, the financial statements for the year ending on 31 December 2024 are a true reflection of the financial situation of the LSSA.

- The LSSA actions and activities were appropriately conducted.
- Risk management and monitoring received appropriate attention, and high-level risks were brought to the attention of the LSSA Exco and HoC, including matters related to ongoing operational funding and the sustainability of the LSSA in its present form.

Ongoing Activities

The ARC regularly met with management to evaluate compliance by the LSSA with:

- The effectiveness of business policies and directives, and the adequacy of financial and other operational controls.
- Expenditure control and budget management.
- Combined assurance and risk management.
- Information technology matters.

The ARC regularly reviewed the LSSA's quarterly management reports, which focus on financial and operational sustainability, risk management, and governance processes in general.

Sustainability

The ARC, in light of continued and unexplained reductions in the LPC's funding of the LSSA's legal education and a fundamental shift in the preferred partnership basis on which the LSSA and the LPC functioned, engaged with the LSSA's Exco on several occasions to express concerns about the LSSA's future sustainability. This matter is ongoing and consideration is given to engagement at the highest level between the LPC and LSSA, more stringent financial discipline and cost avoidance, and leveraging the LSSA's human and other assets and know-how to generate alternative income streams.

The ARC Chairperson on behalf of all ARC members would like to thank the Presidency, HoC members, management and staff for their continued support and meaningful engagement in making sure that the LSSA's resources are efficiently utilised for the achievement of the LSSA's goals and objectives.

Ashwin Trikamjee
Chairperson



OPERATIONAL REPORTS BY MANAGEMENT

Law Society of South Africa Senior Management	
Ogilvie Ramoshaba	Development and Acting Executive Director and Senior Manager: Legal Education
Nkhensane Nthane	Senior Manager: Human Resources
Mapula Oliphant	Communications Manager and Editor: <i>De Rebus</i>
Ncumisa Siya Sotenjwa	Senior Professional Affairs Manager
Zimasa Mtwecu	Senior Finance Manager

Ogilvie Ramoshaba	Development and Acting Executive Director and Senior Manager: Legal Education
Nkhensane Nthane	Senior Manager: Human Resources
Mapula Oliphant	Communications Manager and Editor: <i>De Rebus</i>
Ncumisa Siya Sotenjwa	Senior Professional Affairs Manager
Zimasa Mtwecu	Senior Finance Manager

Communications, Marketing and Publications

The Law Society of South Africa (LSSA) has continued to strengthen its communications, marketing, and publications efforts in 2024, ensuring that legal practitioners remain informed, engaged, and empowered. Our goal remains to uphold the integrity of the profession, promote legal education, and advocate for key issues affecting the legal fraternity.

In 2024, the LSSA intensified its efforts to inform, engage, and advocate for the legal profession through dynamic communication, strategic marketing, and impactful publications. As the legal landscape continues to evolve, we have embraced innovation and responsiveness to ensure that legal practitioners remain well-informed and connected. Through expanded digital initiatives, thought leadership in legal discourse, and strengthened media presence, the LSSA has positioned itself as a key voice in shaping the future of the legal profession in South Africa.

The LSSA has maintained an active presence in the media, addressing critical issues such as judicial independence, access to justice, attacks on the legal profession and regulatory developments. During the year in review, the LSSA issued 15 press statements and had over 150 media mentions.

The LSSA consistently keeps legal practitioners informed by providing a range of communication channels, including regular advisories, electronic newsletters, and the Legalbrief LSSA Weekly on Fridays. The LSSA endeavours to ensure that practitioners stay up to date with the latest developments, legislative changes, industry news, and important professional insights relevant to the legal profession.

As part of its commitment to educating and upskilling legal practitioners, the LSSA hosted a series of nine free webinars in collaboration with key stakeholders. These webinars provided valuable insights, practical guidance, and expert discussions on critical legal topics, ensuring that practitioners remain well-informed and equipped to navigate the evolving legal landscape. Below is a list of free webinars held during 2024:

1. Achieving Balance and Self-care | 6 February 2025 | PPS and Reality Wellness Group partnership
2. The Power of Breathing | 23 January 2025 | PPS and Reality Wellness Group partnership
3. Emotional Intelligence | 25 November 2024 | PPS

and Reality Wellness Group partnership

4. Tax Filing Season for Trusts 2024: Trust tax compliance requirements | 7 November 2024
5. Burnout talk | 17 October 2024 | 110 attendees | PPS and Reality Wellness Group partnership
6. Post-Traumatic Stress Disorder | 3 October 2024 | 62 attendees | PPS and Reality Wellness Group partnership
7. Adjustment in a time of crisis | 19 September 2024 | 58 attendees | PPS and Reality Wellness Group partnership
8. Managing workplace stress | 5 September 2024 | 76 attendees | PPS and Reality Wellness Group partnership
9. Managing your Anxiety | 22 August 2024 | 96 attendees | PPS and Reality Wellness Group partnership
10. Money wise - Understanding your money personality that drives your behaviour | 4 June 2024

The recordings of all of the above free webinars are available on the LSSA website.

LSSA AGM

The LSSA Annual Conference and Annual General Meeting (AGM) took place on 19 and 20 April 2024 in Durban, KwaZulu-Natal, under the theme 'Envisioning the Future of the Legal Profession'. The event served as a crucial platform for legal practitioners to engage in discussions on key issues impacting the legal sector.

This conference focused on the economic and regulatory challenges facing the profession, including increasing compliance costs, rising insurance and regulatory fees, and the financial strain on practitioners – particularly small firms and sole practitioners. The discussions also addressed the growing impact of technological advancements, particularly artificial intelligence (AI) and the need for legal practitioners to adapt to these changes.

Recognising the importance of equipping legal professionals with the necessary skills to navigate these challenges, the LSSA reinforced its commitment to education and training through collaborative initiatives with industry stakeholders. A key highlight of the event was the AI showcase session on 20 April 2024, which demonstrated the practical applications of AI in legal practice and provided insights into how

firms – especially smaller practices – can integrate technology to enhance efficiency.

Judge President of KwaZulu-Natal, Thoba Poyo-Dlwati, delivered the keynote address, emphasising the fundamental role of attorneys in upholding justice. She underscored the importance of ethical legal practice, reminding practitioners of their duty to ensure that the law is applied correctly and fairly in every case.

The event saw strong participation, both in-person and virtually:

- 19 April: 221 in-person attendees, 82 online participants (Total: 303)
- 20 April: 180 in-person attendees, 48 online participants (Total: 228)

LPFF and LSSA Young Lawyers Conference

The LSSA in collaboration with the Legal Practitioners' Fidelity Fund (the LPFF), hosted a young lawyers' conference in Johannesburg on 29 June 2024, which aimed to engage and empower young legal practitioners. Issues of importance to young legal practitioners were discussed, topics discussed included:

- How the LPFF can assist young legal practitioners.
- The role of LPIIF and its benefits
- Law in the era of AI and technology
- Importance of the LSSA and local associations
- Ethics and admissions
- Legal education
- Post admission

LSSA Women's Month High Tea

The LSSA Women's Task Team hosted a Women's Month High Tea in Pretoria on 24 August 2024. The purpose of the event was to gather female legal practitioners in one room where they could network and have a discussion on the topic of mental wellness.

De Rebus Journal

Editorial Committee: Katherine Gascoigne, Peter Horn, Mohamed Randerer and Wenzile Zama.

Since its inception, *De Rebus* has continuously evolved to reflect the changing legal landscape—both in the topics it covers and its methods of publication. However, its core mandate has remained steadfast: to serve as a leading legal education resource for the legal profession.

The journal is widely read by legal practitioners, as demonstrated in the comparative data presented below. While its relevance has occasionally been questioned, its role as an essential tool for legal education is indisputable. The journal is dedicated to:

- Providing an educational resource that informs legal practitioners of the latest developments in the

profession.

- Equipping practitioners with knowledge on risk management and best practices for effective legal practice.
- Offering a platform for legal professionals to discuss and share perspectives on key issues affecting the profession.
- Delivering authoritative and credible content that enhances efficiency and effectiveness in legal practice.
- Fostering collegiality within the profession, thereby promoting high professional standards.

Since March 2019, *De Rebus* has been available in a digital format, with limited subscription-based printed copies. This transition has enabled precise tracking of content engagement, offering valuable insights into the topics and articles of greatest interest to legal practitioners. Additionally, the digital platform enhances accessibility, allowing legal professionals to conduct targeted research on specific topics, case law, or legislation.

An analysis of the monthly unique browsers on the *De Rebus* website underscores its ongoing relevance and impact. Over the years, the journal has firmly established itself as an indispensable resource within the legal profession, reinforcing its necessity and value.

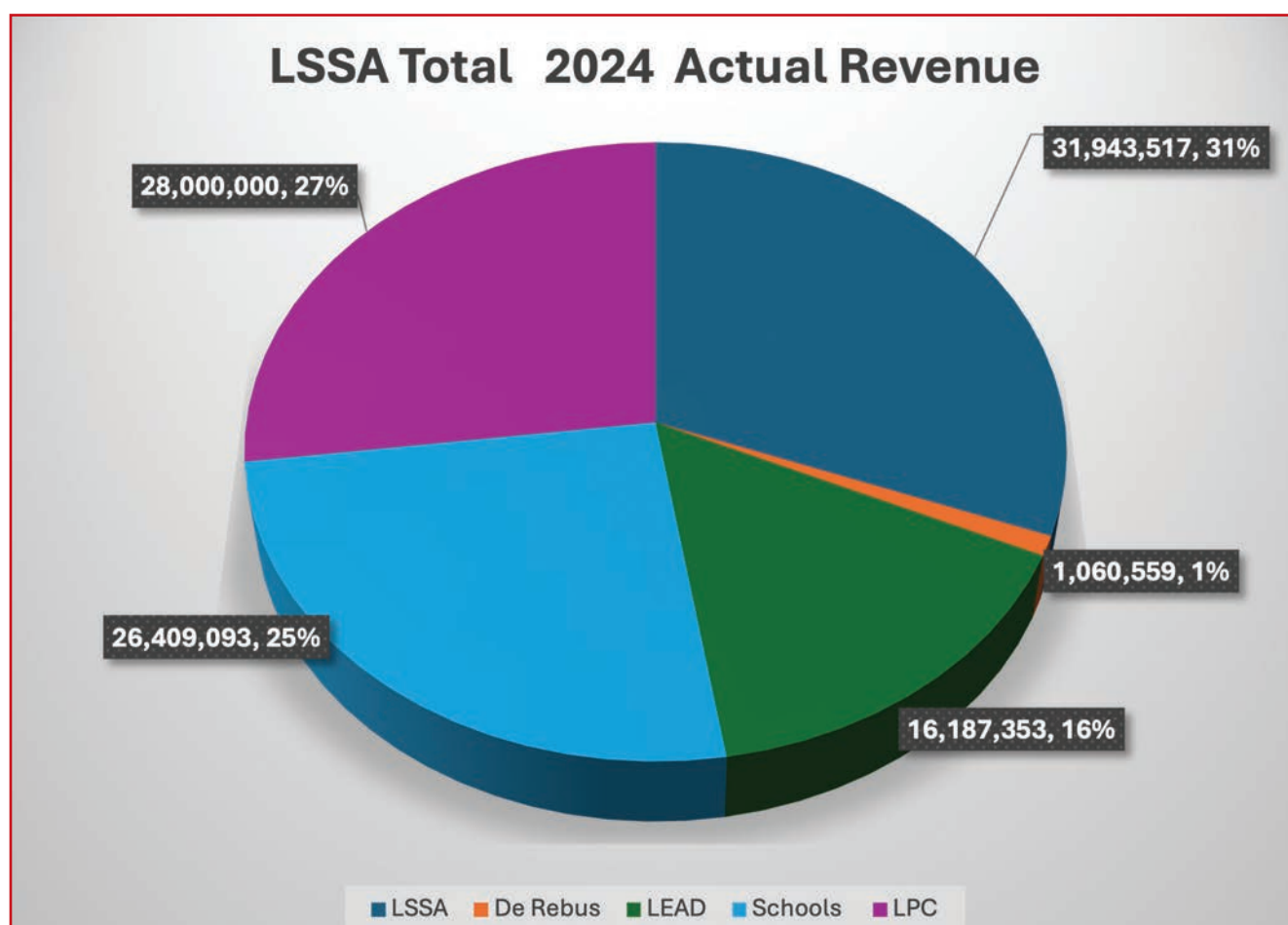
De Rebus	December 2023	December 2024
Income	R 964 928	R 1 060 559
Print subscribers	11	11
Website subscribers	15 271	17 578
Mailing list	59 710	59 066
Website Unique browsers	67 800	70 269
App downloads	10 305	11 875
Twitter	11 911	12 972
LinkedIn	25 148	25 907
Facebook	5 712	5 947

Platform	December 2023	December 2023
Law Society of South Africa		
Newsletter mailing list	76 920	76 495
Twitter	35 133	37 448
LinkedIn	52 842	58 900
Facebook	15 542	16 845
Instagram	8 777	8 852
Legal Education and Development		
Newsletter mailing list	53 890	53 890
LinkedIn	20 499	21 272
Facebook	10 340	11 398

Finance

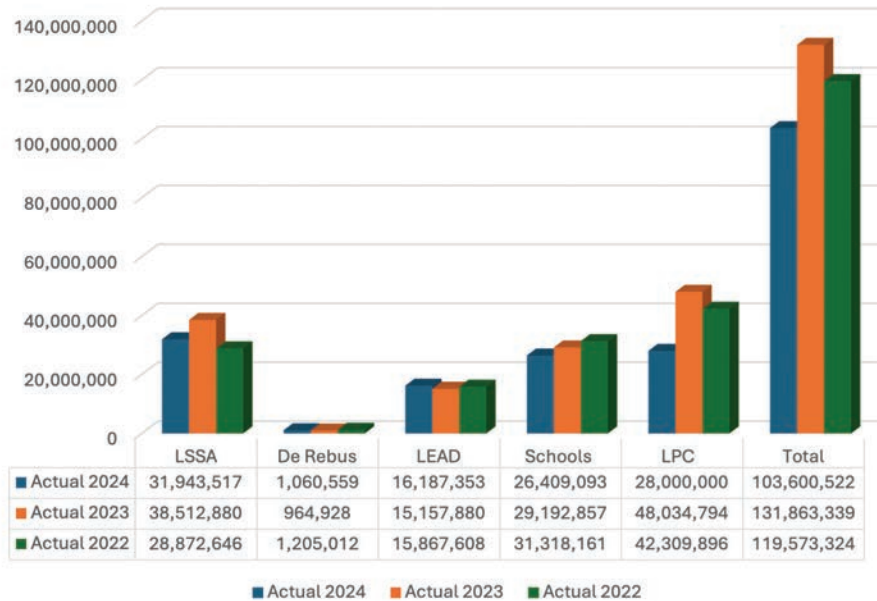
Summary of the financial report for period ending 31 December 2024

In 2024 the LSSA Total Actual Revenue was R 103 600 522. The LSSA appreciates the continued LPC funding for the provision of legal education, the reduction of the funding negatively affects the LSSA in the provision of legal education. This is the illustration of the Revenue as per the 2024 Audited Annual Financial Statements.



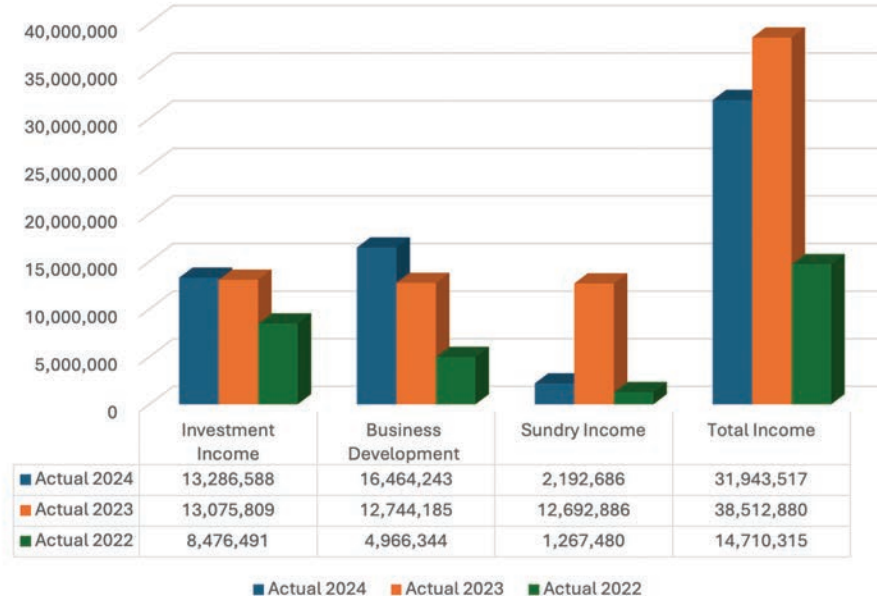
The graph shows the percentage contribution of each LSSA division and LPC Subvention percentage to the total revenue in 2024.

ALL LSSA Divisions Actual Revenue (2024,2023,2022)



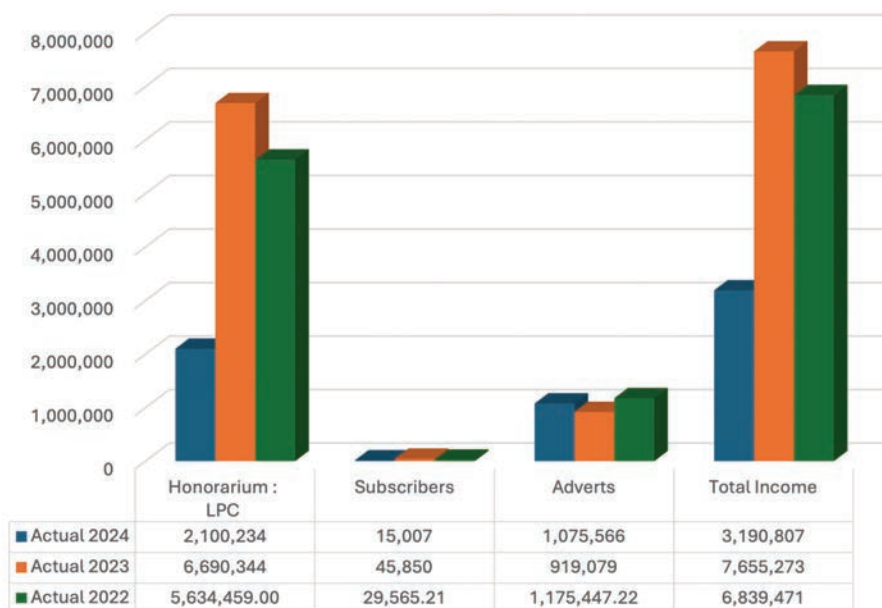
This graph shows how the LSSA revenue has been from 2022, 2023 and 2024. The total LSSA revenue reduced in 2024 as a result of LPC Legal Education Funding.

LSSA Actual Revenue (2024,2023,2022)



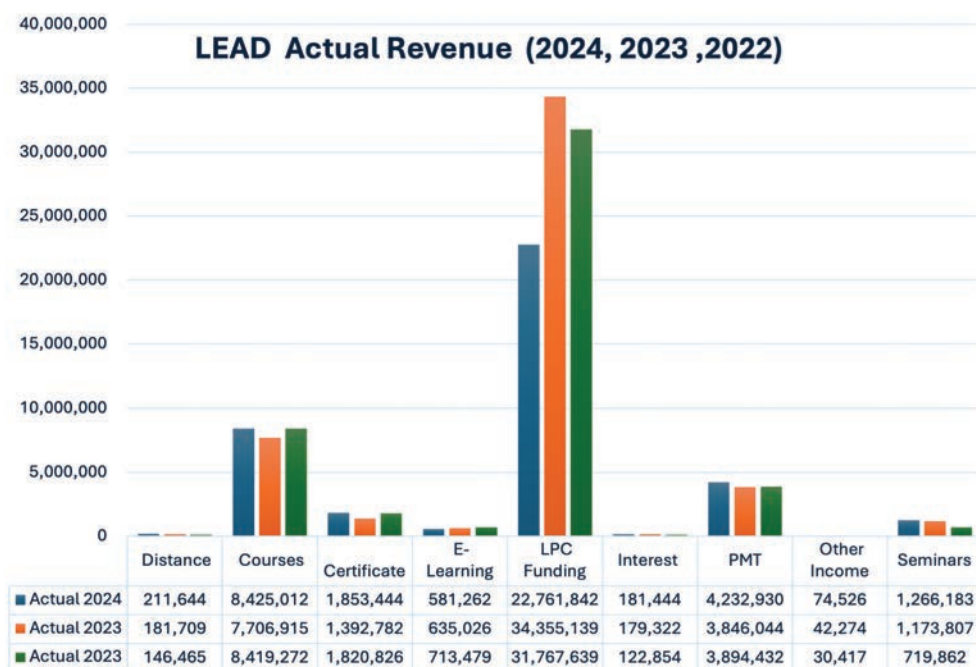
LSSA Admin and Professional Affairs activities are funded mainly from revenue generated from the Interest from Investment and the Business Development Unit that offers professional training not only to the Legal Practitioners. The new additional revenue stream (Paralegal training) that was introduced last year.

De Rebus Actual Revenue (2024, 2023, 2022)

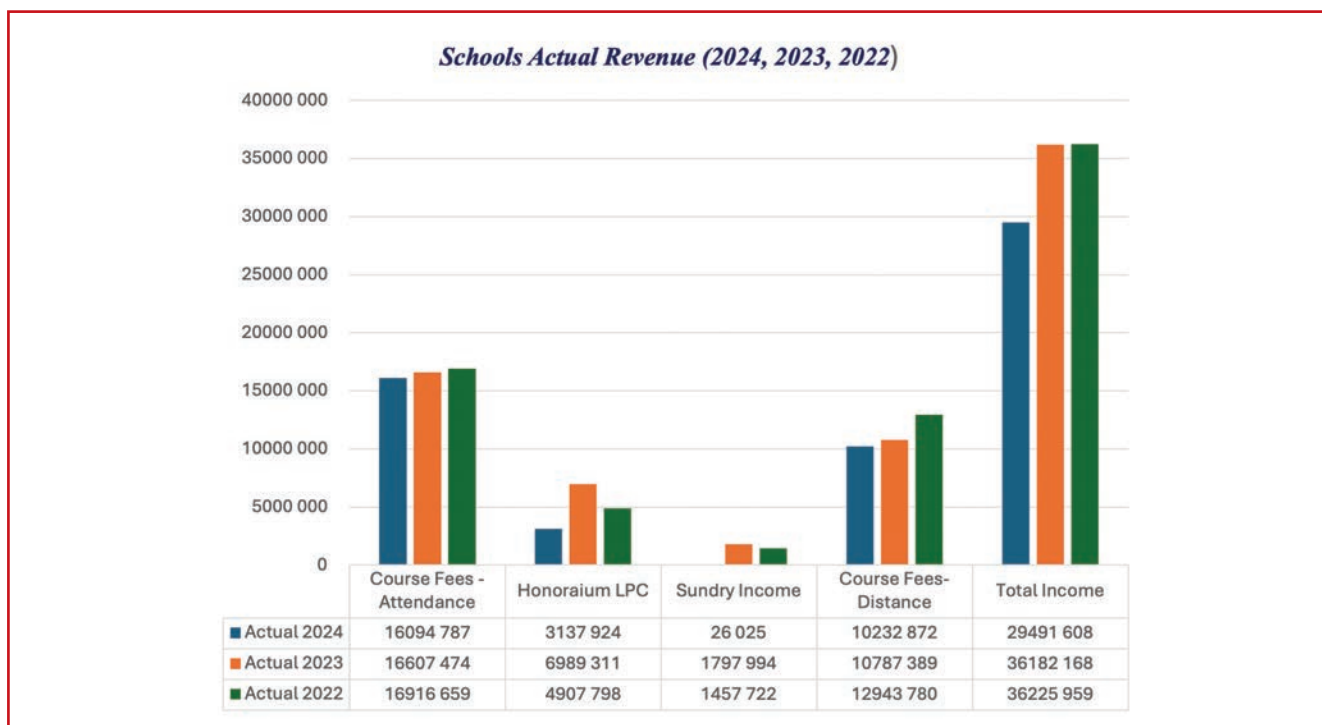


De Rebus generated less income than the previous years, this due to the LPC reduced funding in 2024. *De Rebus* is highly dependent on the LPC funding to finance its activities.

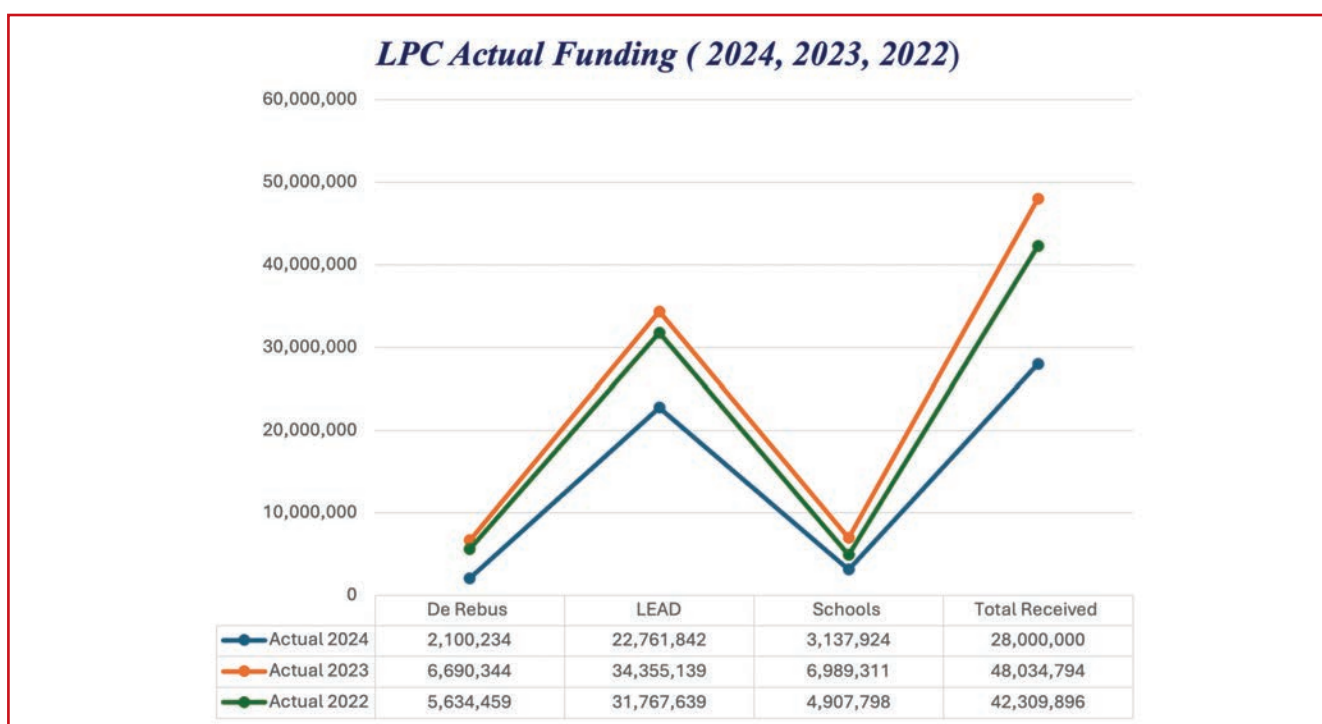
LEAD Actual Revenue (2024, 2023 ,2022)



The total revenue for LEAD was R 39 million, which was less than the previous year and this was caused by the LPC reduced funding for 2024. This has resulted in a deficit as the LPC subvention helps the practitioners to afford the course fees, and is going to seriously challenge access to the legal profession.



LEAD Schools generated a total revenue of R 29 million, this was less than the prior revenue and was due to the LPC reduced funding.



LPC funding has been significantly reduced in 2024. R 28 million was received in the past LSSA received plus minus R 43 million. LSSA LEAD division had a deficit of R 8,2 million for 2024.

Human Resources

Staff numbers

Consolidated staff Numbers	Total Actual as at 31/12/2023	Budget 2022	Less Terminations and transfers out	Add Appointments and transfers in	Total as at 31/12/2024
LSSA	25	33	3	1	23
De Rebus	6	6	0	0	6
LEAD	51	60	1	1	51
	82	99	4	2	80

New appointees and transfers in 2024

No	Title	Name	Section	Post	Date	Equity
1	Ms	Mabatho Seema	Pretoria School for Legal Practice	School Principal	18 November 2024	A/F
2	Ms	Ncumisa Sotenjwa	Professional Affairs	Senior Manager Professional Affairs	1 August 2024	A/F

Terminations and transfers out: 2024

No	TITLE	NAME	SECTION	POST	DATE	REASON FOR TERMINATION
1	Mr	Kezzias Chauraya	Information Technology	IT Support	12/01/2024	Resigned for personal reasons
2	Ms	Nonhlanhla Chanza	Professional Affairs	Parliamentary Liaison Officer	11/03/2024	Passed away
3	Mr	Tony Pillay	LSSA	Executive Director	02/06/2024	Passed away

Critical employee matters - 2024

- In 2024 the LSSA had the unfortunate event of losing our Executive Director, Mr Tony Pillay who served the LSSA for 26 years. Mr Pillay was due to retire on 31 August 2024. The process of replacing him is ongoing.
- Ms Lizette Burger, Senior Manager Professional Affairs served the profession for 15 years and reached retirement with the LSSA, her last day was 31 November 2024. The process of replacing her was finalised, the new replacement is Ms Ncumisa Sotenjwa who joined the organisation on 18 November 2024.
- NEHAWU the majority union at the LSSA negotiated and agreed on a 5% increase for all staff across the board. The increase was implemented on 1 December 2024.

Objectives achieved for 2024

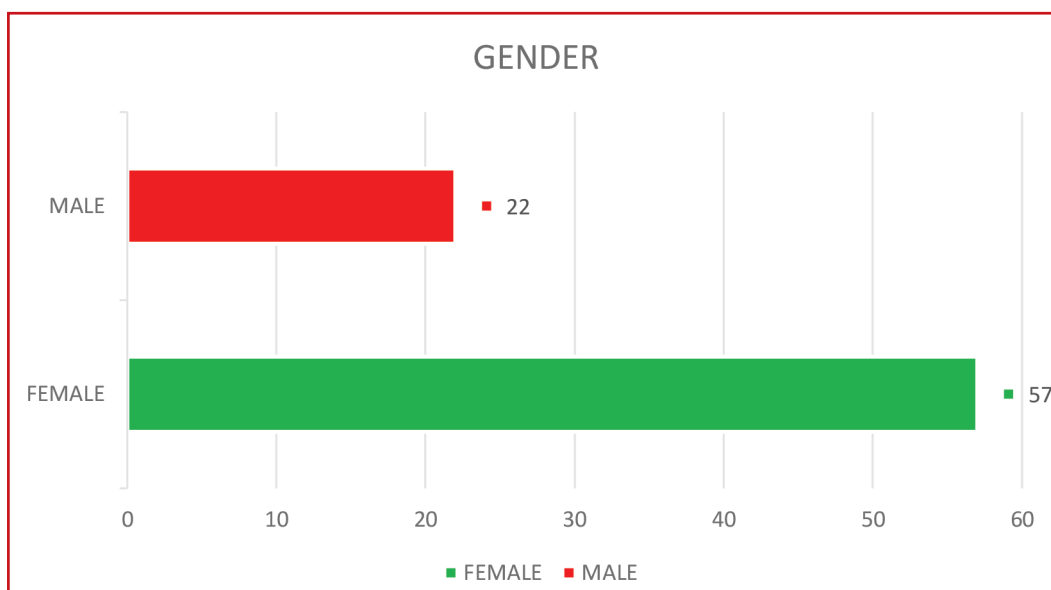
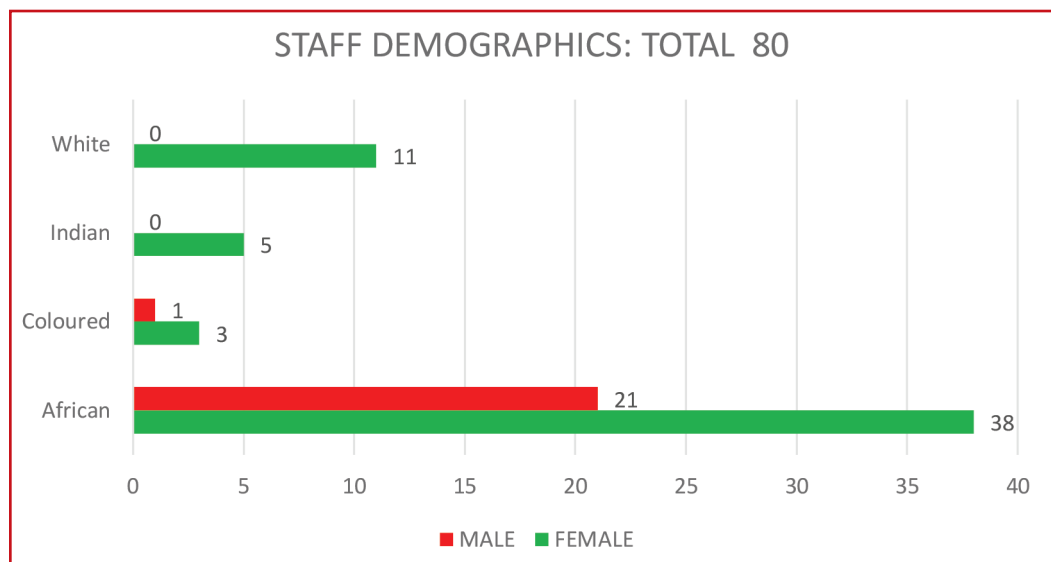
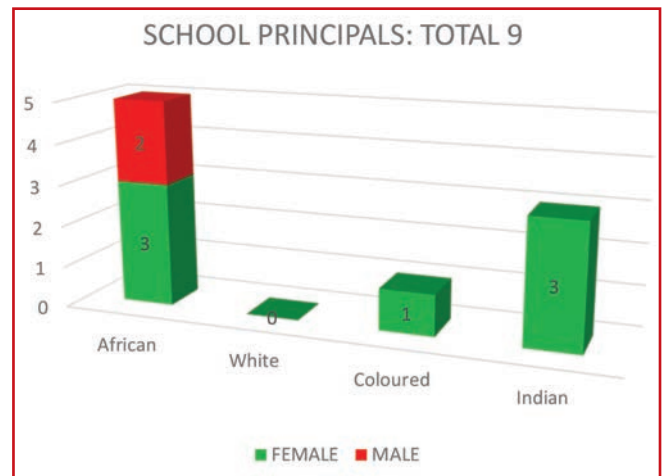
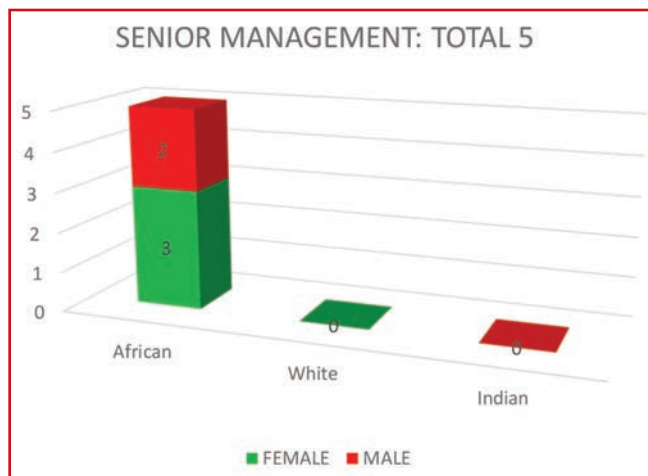
- Continued to provide all necessary support to staff in general and specifically the sustainability/organisation restructuring process.

- Support for proper organisational redesign and processes were followed during the restructuring processes.
- Aligned training and development initiatives with the proposed optimisation to be adopted with the organisational restructuring process to ensure staff keep abreast with the latest technologies while being effective and efficient.
- Managed the new working relationship with the union to ensure a healthy and thriving relationship in the future and avoided unnecessary conflict that may fuel animosity between LSSA staff members.
- Kept clear communication with regard to risk awareness and management by all accountable managers and supervisors.

Employment equity 2024

The following statistics are from the confirmed employment equity report submitted by the LSSA for the 12 months ended 30 September 2024.

Demographics



Legal Education and Development

Standing Committee on Legal Education (SCLE) Members: Raj Badal (Chairperson), Popela Maake, Ashwin Trikamjee, Dave Bennett, Peter Horn and Zincedile Tiya.

Alternates: Janine Myburgh, Clive Hendricks and Zuko Tshutshane.

By invitation: Krish Govender, Praveen Sham and the President of the LSSA.

Committee meetings

Three meetings were scheduled for 2024 and were held as follows: 22 February; 3 July and 21 November 2024.

A special SCLE meeting was held on 18 April 2024 to continue discussions regarding the establishment of a University/College for Legal Education.

LEAD programmes

LEAD continues to present most of its programmes virtually, and this mode of delivery seems to be the preferred mode by most of the delegates mostly due to its convenience.

Funding

- The LPC reduced the LSSA funding by about R 19 million. The LSSA only received communication regarding the reduced funding around April 2024. This funding reduction, which is the highest to date, was a grave concern for the SCLE as it will have an adverse impact on the provision of legal education going forward. The LPC could also not give the LSSA an assurance of how much funding it will receive in 2025. As a result of this unexpected funding reduction, the SCLE advised that the LSSA should urgently explore other ways of generating income to reduce dependency on the LPC.
- The fact that the LPC confirms and allocates funding to the LSSA in the current year, continues to have a negative impact on our planning as the LEAD training calendar is normally finalised in the second half of the year, for the following year.
- Since education is the LSSA's core function, an effort should be made to amend the legislation so that funding could be obtained directly from the LPFF.

Key Focus

- LEAD has been re-accredited for a further three years until the end of 2027.
- More than 10 000 persons enrolled for LEAD programmes in 2024.

- Most of the programmes that were scheduled for 2024 were presented. LEAD also presented 18 webinars out of the 19 that were scheduled for the year.
- The collaboration between LEAD, the Black Lawyers Association (BLA) – Legal Education Centre and the education department of the National Association of Democratic Lawyers (NADEL) to provide legal education to the profession continued.
- LEAD will continue to explore other collaboration initiatives that will benefit legal practitioners.
- LEAD will have to explore alternative income streams to generate additional revenue.

Key developments

- As a sequel to the colloquium that was hosted by the LPC in 2023, a reading list and syllabus for the competency-based examinations for candidate attorneys was introduced for the exam that was written on 21 and 22 August 2024.
- The LPC took over the administration of all competency-based admission examinations effective from August 2024.

Admission Examinations: Issues raised by SCLE

- The Committee again raised its concerns over the high failure rate in some of the papers of the competency-based examinations for admission as an attorney.
- The Committee agreed that a meeting should be arranged with the LPC Legal Education Committee and the LSSA Exco to discuss all the concerns that were raised by the Committee regarding the admission examination results.

SCHOOLS FOR LEGAL PRACTICE

Achievements/Successes

- Performance of candidates is stable with the final pass rate between 80-85%. The balance constitutes returning candidates who are still due to write and pass the assessments.
- The pass rate above is after candidates have written assessments a number of times.
- Previously, most candidates would pass the main exam in a subject, with a smaller percentage writing and passing the supplementary exam.
- More recently, we find that a larger percentage of candidates have to write a third or fourth time before they pass an assessment.
- The pass rate is stable; however, the marks with which candidates are passing is lower.
- This is linked to the challenges to learning and com-

prehension among candidates which appears to have been, inter alia, detrimentally affected by the effects of the Covid-19 pandemic on teaching and learning at tertiary level and has continued long after.

- Reassuringly, if a candidate is able to pass the PVT School summative assessments, they are in good stead for the competency-based admission exams.
- The PVT Schools continue to offer blended learning, with the focus on face-to-face practical training. All resources are available on LEAD's training platform.
- Virtual training continues where necessary and instructors have adapted successfully to training online effectively.
- Accessibility has improved, though some candidates still do struggle as a result of resources personally available to them. Schools do not have resources to allocate devices and data to candidates. Where possible, the School makes available computer rooms, and/or computers, and/or a network connection to candidates.
- Partnerships with service providers, such as Doxit to enhance case-management to online platforms has continued and forms a permanent aspect of the Schools training programme.
- The Schools continue to liaise and engage with other services providers such as LawLibray.Org and ThinkLawyer.

Opportunities

- LSSA – University of Zululand collaboration
- The LSSA is considering a collaboration with the University of Zululand to open a PVT School in Richards Bay to cater for LLB graduates in the area. This is dependent partly on funding from the LPC, and discussions are ongoing.
- The LSSA also considers establishing a School in Mpumalanga to accommodate candidates in the region.
- The LSSA has also been in talks with the Northern Cape office of the LPC to establish a School or a PVT course centre, depending on the number of candidates in that region.
- Following on from 2024 recommendations:
- Law students need to be addressed at first year level so that they can be alerted to other opportunities.
- Provide law students with alternate options of training at PVT level. For example, law graduates have the basic qualification (LLB) to become compliance officers. The LSSA and LEAD can offer compliance training courses and qualifications. There are other career options available to LLB graduates for which we can develop and provide PVT training.

We recognise that there are other factors that are adversely affecting the candidates learning and comprehension, which in turn is affecting assessment and exam performance, and give consideration to solutions.

Challenges

- There is a continued decline in applications and registrations to attend the school programmes.

- A substantial number of candidates more than before have withdrawn from Schools after registration.
- The number of candidates registering per intake remains lower as compared to pre-2020 registrations. The limited opportunities for articles is an obstacle to access and affordability for prospective attendees at the School.
- This trend seems to have also affected PVT Schools which usually boast large numbers, such as Johannesburg and Pretoria, where numbers have declined as compared to previous years.
- Schools have accepted requests from candidates who have been accepted to the Schools, to be allowed to pay the fees in instalments.
- Due to budget cuts:
 - Training hours had to be reduced, and the hours allocated are closer to minimum contact hours prescribed by Norms & Standards; this remains the status quo.
 - Less training time than before have affected Schools and reduced time to bring students from different tertiary backgrounds to the same starting level.
 - There is limited time and resources available to assist any candidates who need more attention than others.
 - Reduced subvention translated to higher fees being charged to candidates.
- Any further budget cuts/reduction in subvention in 2025 may affect affordable training.
- Schools noticed that law graduates still struggle with comprehension of the subjects, and with assessments.
- The risk from the difficulties experienced with learning skills and comprehension is that candidates cannot think analytically and perform poorly during assessments and exams for this reason.
- The reduced subvention in 2024 has led to uncertainty and trepidation in respect of sustainability of the Schools.

Summary of attendance of all LEAD programmes for 2024

	2022	2023	2024
School for Legal Practice	2570	2356	1996
23-Day PVT Courses for Candidate Attorneys	1829	1498	1399
Conveyancing and Notarial	544	524	519
Diplomas and Certificates	225	98	137
Mediation	108	107	92
Practice Management Training	1733	1666	1721
Seminars	1026	1460	1258
E-Learning	345	295	356
Pupillage programme		68	96
Business Development	3076	3103	2836
TOTAL	11456	11175	10410

Professional Affairs

The relevance and demand for professional affairs continues to rise, with the Professional Affairs Department actively engaged in initiatives that advocate for the interests of legal practitioners, coordinating member benefit initiatives. This includes overseeing litigation processes, lobbying efforts and promoting access to justice.

Over the past year the Professional Affairs department has experienced significant changes in its leadership. It gives me great pleasure that I report on some of the department's achievements and activities.

The department continues to carry one of the main functionalities of the LSSA and plays a pivotal role in the coordination and offering support to the activities of the various specialist committees, task teams and ad hoc committees.

Over the past year, the Professional Affairs department has provided expert input on numerous legislative and policy documents, review papers, and initiatives from the government and other organisations.

We have, over the past year, maintained an excellent stakeholder relationship with our various stakeholders and engagements held include meetings with the Companies and Intellectual Property Commission, Legal Aid South Africa, Office of the Chief Registrar of Deeds, the Master's Office, South African Revenue Services, the Rules Board for Courts of Law, to mention but a few.

We continue to ensure that legal practitioners stay informed about matters with profound impact on the profession. Several developments have taken place over the past year and these were addressed and attended to under the guidance and acumen of the specialists' committees. These are highlighted in the specialist's committee reports and these include:

- The LSSA's participation in the SADC (Mutual Recognition Agreement) workshops. These workshops mark a significant step towards negotiating professional specific Mutual Recognition Agreements (MRAs).
- As regards the proper functioning of the justice system, the LSSA is involved in the National Efficiency Committee (NEEC), chaired by the Chief Justice at national level, and a number of Provincial Efficiency Enhancement Committees (PEECs). Practitioners are urged to communicate problems within their local court system to their PEECs for escalation.
- Training and webinar sessions on beneficial ownership.
- Stakeholder engagements with the Minister of Transport on the major concerns of the Road Accident Fund Amendment Bill.
- Attendance at the National Conference of Integrated Criminal Justice System.

We have continued to support and participate in impact litigation relating to professional interest, interest of members of the public and in the protection of the rule of law. In the past year the LSSA has intervened in litigation involving a law firm and the Financial Intelligence Centre (FIC) and the LSSA has resolved to continue supporting and intervening in litigation of this nature. A comprehensive report on FIC related interventions and a way forward is contained in the annual report by the Compliance Committee.

The LSSA has in the past year actively participated in the engagements relating to the Gauteng Division Mediation Pilot project, the aim of the project is to address the long civil trial lead times and a backlog of Road Accident Fund matters in the division. Practitioners are further encouraged to develop and empower themselves and ensure readiness to take up the mediation space when the need arises.

The LSSA continues to house 26 Specialist Committees and there is a rising need for the constitution of task teams, we currently have 9 task teams constituted to date. The task teams serve as an extension of our governance structures and their mandate is to handle special projects and address various professional interest issues and report back to the House of Constituents.

Our committee members continue to play an essential role in sharing their expert knowledge on media platforms and representing the LSSA on various other platforms whenever called upon to. We wish to extend a word of gratitude to all Chairpersons, members of our specialist committees and task teams for their tireless and assiduous efforts for the work they put in as a voluntary service to the legal profession. We further trust that for the committees that were faced with various challenges over the past year, the new year will present an opportunity to regain the lost ground.

To stay updated and informed on all important developments of the profession, members are encouraged to follow the LSSA on all social media platforms and are further invited to send any comments and proposals on any legislation or policy to the Professional Affairs department.

I take this opportunity to bid farewell to Ricardo Wyngaard (Senior Legal Officer) and wish to thank him for the years of service to the LSSA and the legal profession and wishing him well on his new endeavours. I wish to extend a word of gratitude to the Professional Affairs staff, Kris Devan (Personal Assistant) and Selinah Sekano (Committee Secretary) for their dedication and unwavering commitment in ensuring that the department continues to function efficiently and effectively.

A special note of thanks to everyone who has played a part in contributing to the betterment of the Professional Affairs department in the past year, your input has been invaluable.

Legal Provident Fund

The Legal Provident Fund (the Fund) was created by the attorneys' profession to help legal practitioners meet their retirement savings and death and disability benefit needs. It is a standalone umbrella retirement fund regulated by the Pension Funds Act 24 of 1956. The Law Society of South Africa (LSSA) is a sponsor and key stakeholder of the Fund.

Fund Management

The Fund has an independent Principal Officer, Jeanine Astrup, who is an actuary and a Certified Financial Planner. The Board of Trustees comprises of both Trustees elected by the LSSA and the General Council of the Bar (the GCB) (as sponsors), as well as Independent Trustees. The current Board is detailed below.

Sponsor Elected Trustees	Independent Trustees
Adv Kameel Magan (GCB) (Chairman)	Vanessa Bell
Ellen Zanele Makula (LSSA)	Adv Hannine Drake
Matshego Ramagaga (LSSA)	Iqbal Ganie
Andre Styger (LSSA)	Janine Player
Eunice Masipa (LSSA) (alternate)	Lerato Molete (alternate)
Adv Zandile Qono (GCB) (alternate)	

The Trustees look to alternate the appointment of the Fund Chair between Independent and Sponsor-appointed Trustees. The Trustees elected Advocate Kameel Magan as the Fund Chair, replacing Advocate Hannine Drake, with effect from 24 May 2024.

Sustainability and Environmental, Social and Governance (ESG) factors

The Trustees have increased focus on sustainability issues and will be enhancing individual Trustee knowledge in

this area over the next year through the Alexforbes Impact Academy.

The Fund supports Small and Medium Enterprises (SMEs) within the legal profession in that it offers membership to employers with as few as one employee. This differs from other retail umbrella funds, where membership is only available for employers with 10 or more employees. This allows SMEs to offer their employees a retirement savings vehicle and access to risk benefits at institutional rather than retail pricing.

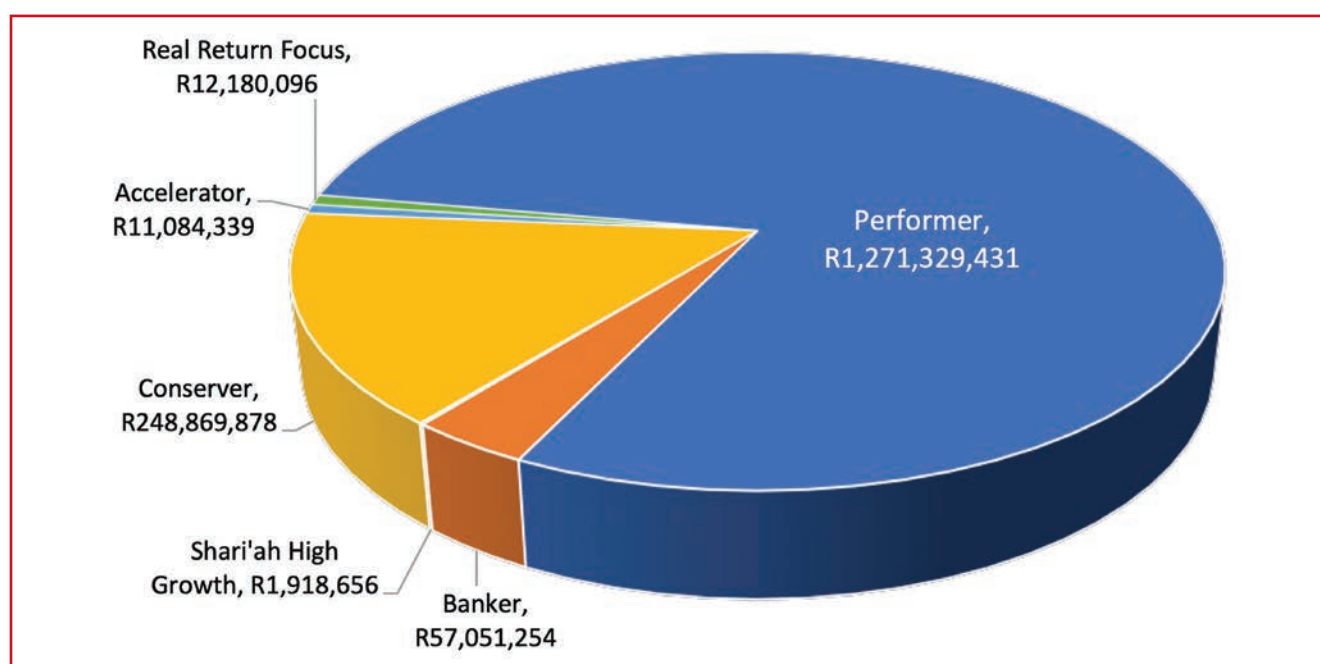
The Fund continues to encourage ongoing skills development. All Trustees are required to complete the Financial Sector Conduct Authority's Trustee education material known as the Trustee Toolkit within six months of appointment. In addition, the Fund offers the following development opportunities for sponsor-appointed Trustees:

- Trustee training arranged with external training service providers, as the needs of Trustees are identified and subject to the Fund's budget considerations. This training takes place at scheduled Board meetings and on an individual basis, as required.
- Positions as 'observers' on sub-committees to allow Trustees to gain knowledge in specific areas such as Fund administration.

Fund Investments

As at 31 December 2024, the Fund invested more than R 1,6 billion on behalf of its members. The majority of members invest in the Fund's recommended life stage model, which moves from the Performer portfolio to the Conserver and Banker portfolios as members get closer to retirement.

The investments across the various investment portfolios offered by the Fund are shown below.

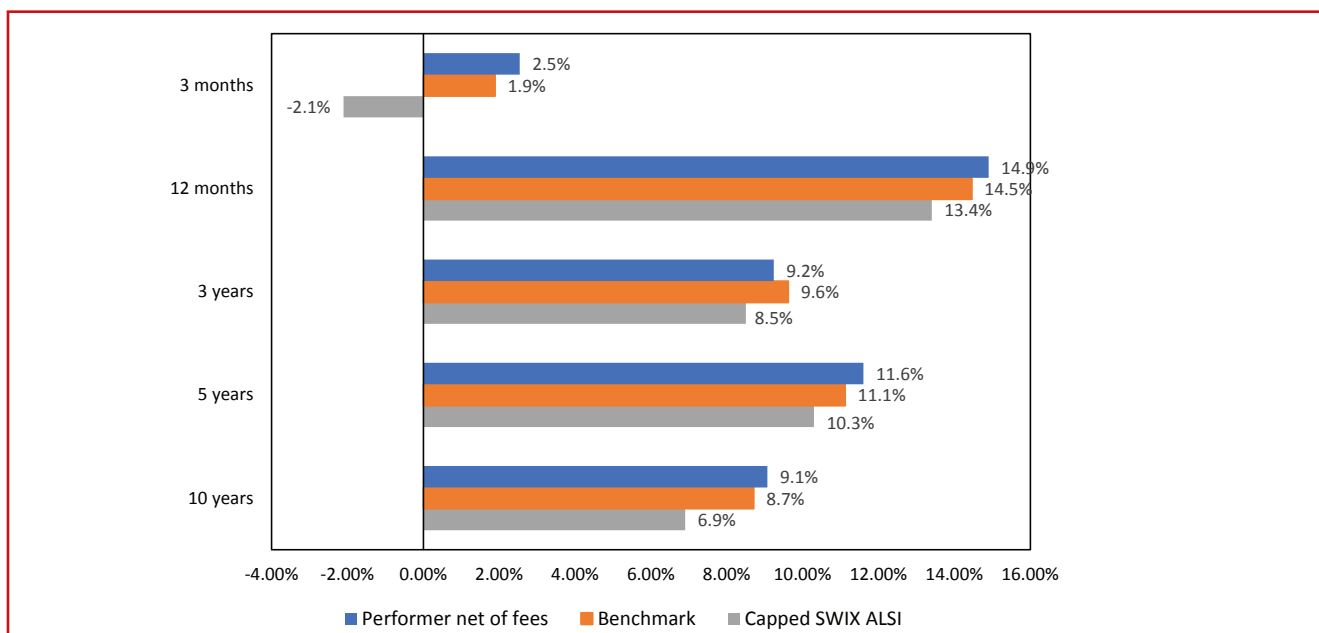


Details regarding the historical returns earned on the above portfolios are provided below and on the next page.

Name	1 Month	3 Months	6 Months	YTD	1 Year	3 Years	5 Years	8 Years	10 Years
Performer									
Gross of Fees	1.29%	2.72%	8.41%	15.80%	15.80%	10.17%	12.55%	10.57%	10.01%
Net of Fees	1.26%	2.54%	8.00%	14.90%	14.90%	9.24%	11.60%	9.66%	9.07%
Benchmark	0.47%	1.89%	8.25%	14.46%	14.46%	9.62%	11.12%	9.39%	8.71%
Conserver									
Gross of Fees	1.11%	2.33%	8.62%	15.07%	15.07%	10.49%			
Net of Fees	1.08%	2.14%	8.16%	14.03%	14.03%	9.54%			
Benchmark	0.83%	1.50%	7.29%	12.43%	12.43%	8.54%			
Banker									
Gross of Fees	0.78%	2.40%	4.94%	10.06%	10.06%	8.72%	7.54%	8.00%	8.04%
Net of Fees	0.78%	2.35%	4.83%	9.81%	9.81%	8.47%	7.28%	7.74%	7.77%
Benchmark	0.66%	1.94%	4.03%	8.20%	8.20%	6.95%	5.77%	6.12%	6.16%

Name	1 Month	3 Months	6 Months	YTD	1 Year	3 Years	5 Years	8 Years	10 Years
Accelerator									
Gross of Fees	1.09%	2.07%	9.24%	17.44%	17.44%	10.42%	13.20%	10.95%	
Net of Fees	1.09%	1.94%	8.85%	16.61%	16.61%	9.62%	12.29%	10.08%	
Benchmark	1.01%	1.94%	9.23%	16.68%	16.68%	9.63%	11.62%	9.55%	
Real Return Focus									
Gross of Fees	1.26%	2.55%	8.34%	14.36%	14.36%	10.13%	10.85%	9.59%	9.00%
Net of Fees	1.22%	2.33%	7.81%	13.17%	13.17%	9.05%	9.74%	8.56%	8.00%
Benchmark	0.34%	1.00%	2.64%	7.05%	7.05%	9.34%	8.96%	8.79%	9.06%
Shari'ah High Growth									
Gross of Fees	1.29%	2.15%	4.98%	9.35%	9.35%	6.36%	10.73%		
Net of Fees	1.29%	1.95%	4.48%	8.20%	8.20%	5.25%	9.54%		
Benchmark	0.08%	0.32%	2.61%	6.14%	6.14%	2.01%	7.87%		

The graph below shows the AFI Performer Portfolio performance for various periods to the end of December 2024 compared to its benchmark and the JSE Capped SWIX ALSI. The Fund invests in a number of different types of investments, including shares, bonds, property and foreign investments. This diversification allowed Performer to outperform the JSE Capped SWIX ALSI in 2024 over all measurement periods.



The table below details the expenses paid on each of the portfolios. Participating employers and members benefit significantly from reduced expenses as a result of the total size of the assets invested by the Fund.

Fees for the 3 year rolling period 30 November 2024*

*December 2024 fees were not yet available at the time of finalising this report

Portfolio name		Accelerator	Banker	Conserver	Performer	Real Return Focus	Shari'ah High Growth
	Expense type						
A	AVERAGE ANNUAL SERVICE CHARGE (INCL VAT)	0.61%	0.25%	0.59%	0.47%	0.63%	1.10%
B	UNDERLYING MANAGER PERFORMANCE FEES	0.07%	0.00%	0.00%	0.08%	0.00%	0.00%
C	UNDERLYING GLOBAL MANAGER EXPENSE	0.00%	0.00%	0.00%	0.09%	0.00%	0.00%
D	UNDERLYING FUND EXPENSE	0.09%	0.00%	0.33%	0.24%	0.41%	0.04%
E	OTHER EXPENSES	0.01%	0.01%	0.01%	0.00%	0.01%	0.01%
F	TOTAL EXPENSE RATIO (TER) (1)	0.78%	0.26%	0.92%	0.89%	1.05%	1.15%
G	TRANSACTION COSTS (TC)	0.18%	0.00%	0.09%	0.11%	0.04%	0.09%
H	SECURITIES LENDING INCOME (SLI)	0.00%	0.00%	(0.01%)	0.00%	0.00%	0.00%
I	TOTAL INVESTMENT CHARGES (TIC) (2)	0.96%	0.26%	1.01%	1.00%	1.09%	1.24%

(1) Columns A + B + C + D + E

(2) Columns F + G + H

Fund developments

The Fund finalised its audit end September 2024 and received an unqualified audit opinion for the financial year ended 31 March 2024.

The Fund has 3,488 active (in-service) members and over 200 participating employers throughout South Africa as at 31 December 2024. The reduced membership compared to previous years reflects the exit of the Legal Practice Council during 2024. The transfer has not yet been finalised and the Fund's asset values as at 31 December 2024 therefore include assets in respect of the Legal Practice Council membership.

The two component legislation (commonly referred to as 'two pot') came into effect on 1 September 2024. The legislation allowed members access to 10% of their Fund savings up to a maximum of R 30 000 without needing to leave employment. The Fund's administrator, Alexforbes, and all other large fund administrators, received significant requests for Savings Withdrawal Benefits (access to this initial Savings Pot money). As at 31 December 2024, the Fund had paid 772 Savings Withdrawal Benefit claims to its members, amounting to more than R 12 million.

Conclusion

The Fund is encouraging employers to make use of the online contribution and claims submission systems available through Alexforbes. These systems are expected to enhance the employer's Fund administration experience.

The Fund continues to look for ways to improve its offering to employers and members in the form of competitive benefits, simplified administration and member and employer education and assistance. Employers and members are encouraged to browse the Fund's website should they need further information or details on how to contact the Fund should they have any questions.

Kameel Magan
Chairperson
www.legalprovidentfund.co.za

Legal Practitioners Fidelity Fund

Claims statistics as of 31 December 2024: Comparative Analysis: Numbers and Values of Claims Notified

Type	#	2019	#	2020	#	2021	#	2022	#	2023	#	2024
Other	53	R14 558 117	37	R4 067 288	50	R35 521 278	81	R32 548 774	75	R16 845 029	52	R16 859 466
B/F	5	R19 434 887	11	R34 262 163	9	R10 106 619	3	R7 018 824	7	R5 126 882	12	R30 506 848
Com	10	R34 699 751	12	R46 614 077	16	R16 965 772	10	R38 656 869	6	R4 456 833	7	R64 308 145
Conv	428	R181 214 505	576	R312 303 949	608	R275 389 245	674	R240 324 158	519	R634 756 090	665	R357 844 028
Est	94	R45 917 919	81	R47 332 065	118	R69 939 085	134	R68 153 902	163	R99 525 527	180	R112 249 821
Inv	1	R80 000	2	R2 130 226	4	R2 858 000	2	R1 835 000	1	R2 242 545	4	R7 374 762
Lit	61	R17 282 866	55	R17 431 967	91	R12 098 769	91	R33 090 100	85	R226 144 739	84	R20 206 206
RAF	219	R107 992 305	162	R92 139 054	246	R173 024 991	215	R141 685 134	189	R138 157 278	216	R187 201 405
Tot	871	R421 180 351	936	R556 280 789	1142	R595 903 761	1 210	R563 312 763	1 045	R1 127 254 923	1220	R796 550 680

Table 1

Note 1: The claims type 'Other' is made up of Administrations, Collections, Criminal, Matrimonial and Sequestrations/ Liquidations.

Table 1 is a comparison between the number and value of claims notified by area of practice. As of 31 December 2024, the Fund has received 1220 claims worth R 796 550 680. Conveyancing related claims remains the biggest area of risk for the Fund in terms of numbers and values, followed by RAF in terms of values, then Estates related matters.

Comparative Analysis: Number and Values of Claims Paid

Table 2 represents the numbers and values of claims paid by area of practice for the past six years. As of 31 December 2024, the Fund has paid 487 claims worth R 257 880 457.

Note 2: The claims type 'Other' is made up of Administrations, Collections, Criminal, Matrimonial and Sequestrations.

Type	#	2019	#	2020	#	2021	#	2022	#	2023	#	2024
Other	12	R1 237 595	15	R3 684 400	8	R4 558 051	5	R233 614	14	R728 047	15	R2 903 956
B/F	4	R8 174 439	1	R23 117	1	R0			1	R2 928 985	1	R41 511
Com	5	R1 005 001	3	R2 909 446	3	R3 565 525	4	R7 633 820	1	R300 000	2	R1 365 545
Conv	231	R91 959 453	229	R67 189 799	240	R95 926 595	345	R153 358 669	236	R86 685 512	323	R151 841 257
Est	56	R19 383 982	45	R13 545 389	44	R17 923 863	29	R12 105 217	42	R24 912 996	50	R52 675 186
RAF	131	R54 198 196	101	R40 101 169	50	R29 220 450	69	R39 496 578	57	R28 419 056	59	R28 275 439
Lit	25	R6 088 506	17	R9 223 366	18	R9 237 164	18	R1 945 811	17	R3 176 422	23	R19 401 041
Inv	2	R109 825									0	R0
Seq/Liq	7	R593 080			2	R161 119	2	R227 950	29	R1 460 633	14	R1 376 521
Tot	473	R182 750 080	411	R136 676 686	366	R160 592 768	472	R215 001 659	397	R148 611 652	487	R257 880 457

Table 2

Classification of Contingent Claims

Figure 1 is a classification of the different types of claims that the Fund has on record. As of 31 December 2024, the Fund has 1 739 claims on record worth R 1 334 060 169 with 561 active defaulters.

Note 2: The claims type 'Other' is made up of Administrations, Collections, Criminal, Matrimonial and Sequestrations/Liquidations claims.

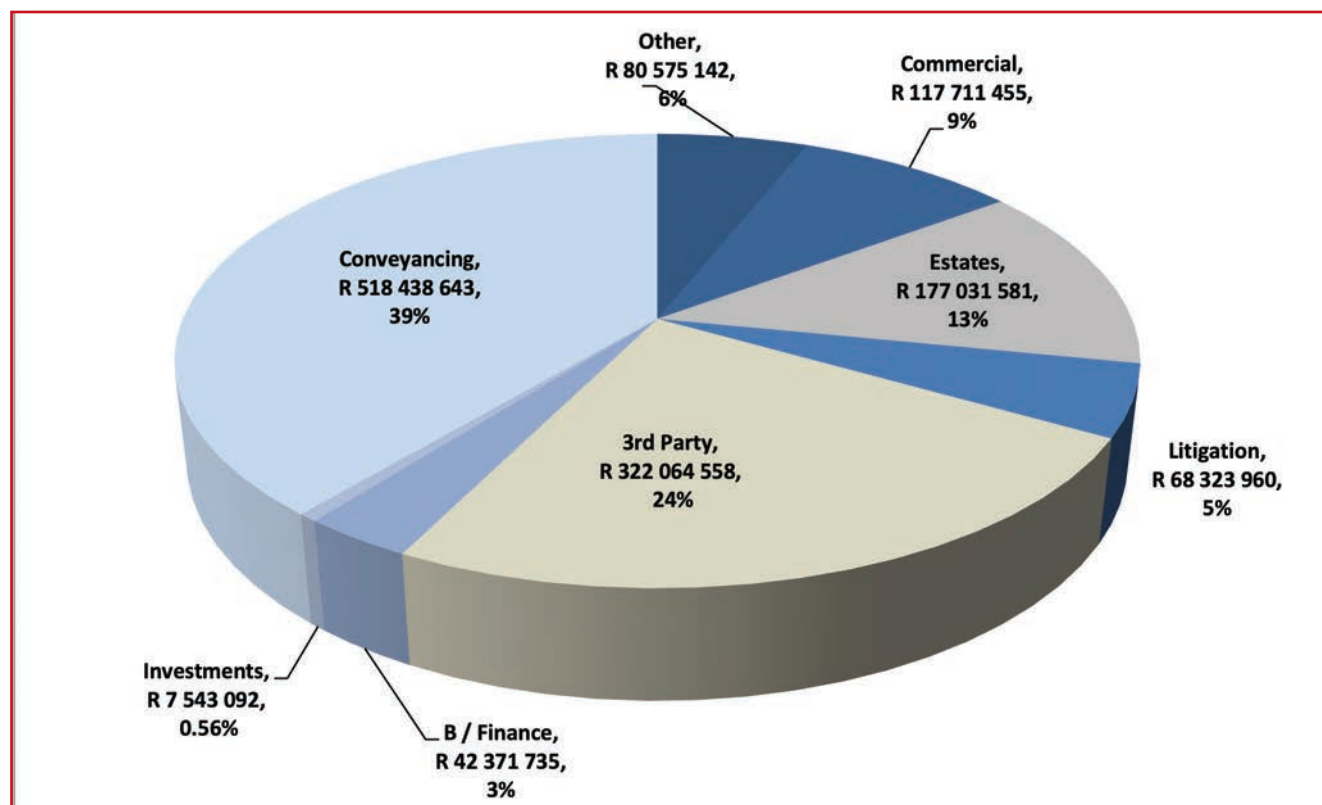


Figure 1

J M Losper
Claims Executive

LPIIF - Statistics as of 31 December 2024

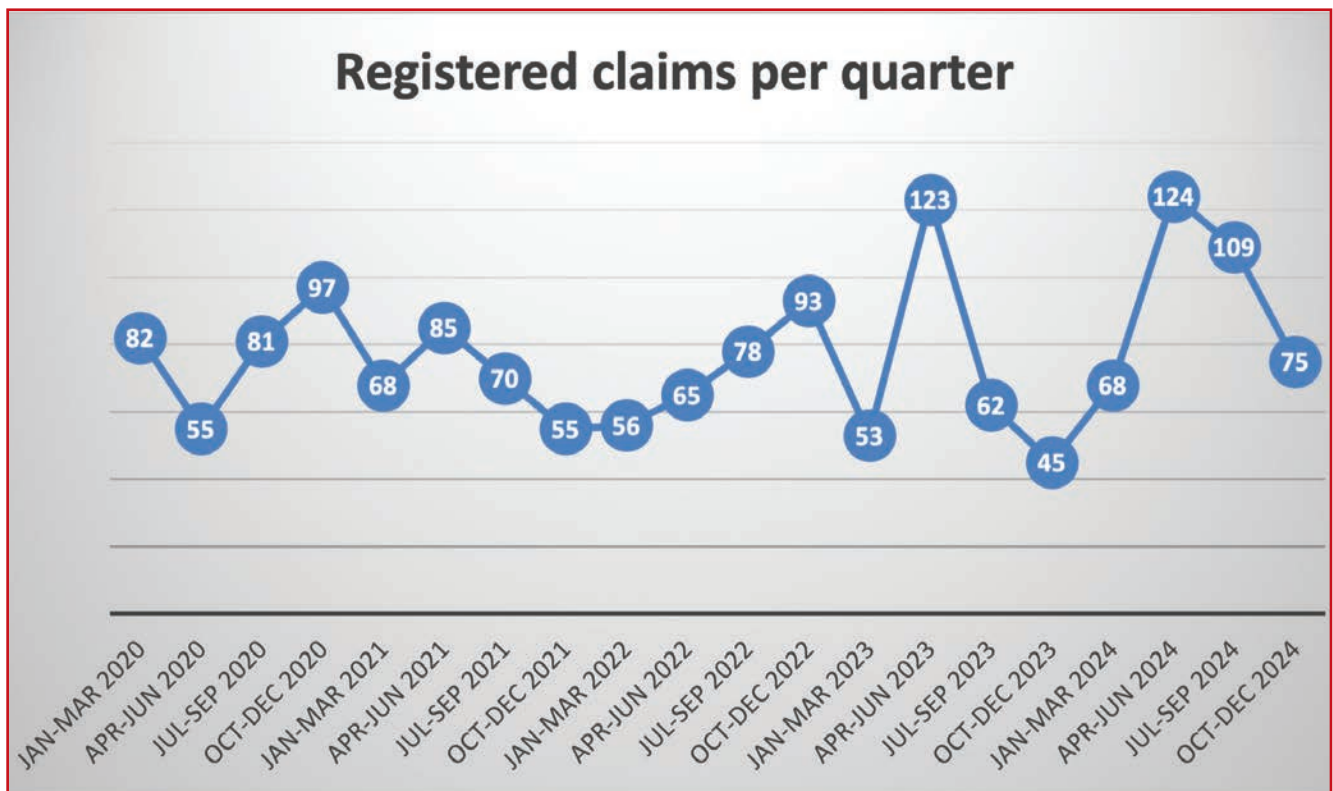
Professional indemnity claims

Note: The LPIIF insurance year runs from 1 July of each year to 30 June of the following year.

Number of claims notified per insurance quarter.

Graph 1 on the next page shows the number of claims that were notified in a particular insurance quarter as at the end of December 2024, regardless of the year in which a

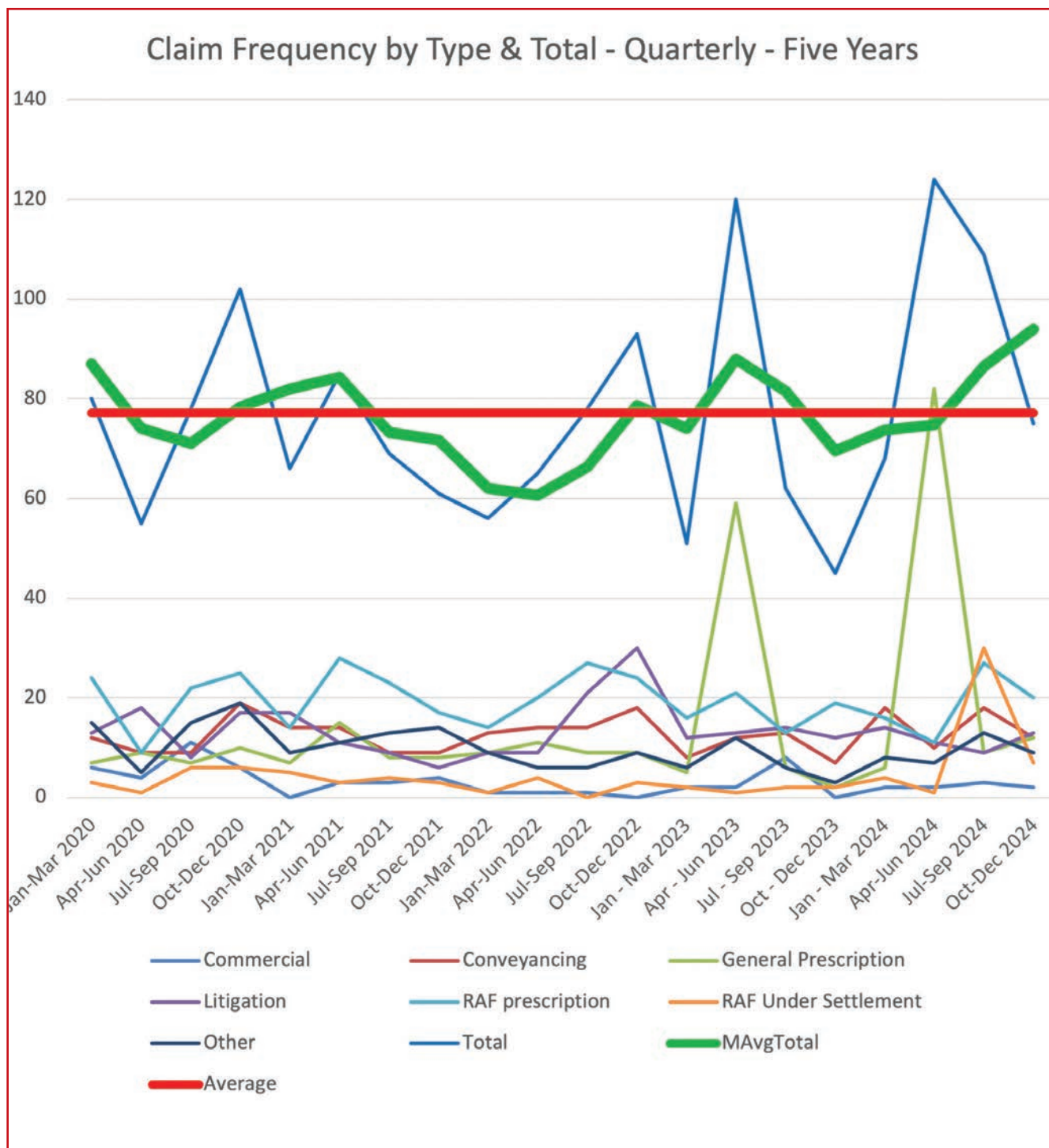
particular claim belonged. This means some of the claims would have been referred to previous policy years, but the majority of them belonged in the insurance year in which they were notified. The sudden spike in notified claims in the period from April - June 2023 and April - June 2024 were as a result of two legal practices reporting several claims that prescribed at once. We do not regard these sudden spikes as a continuing trend as the moving average of claims reported remain constant as can be seen in Graph 2 below.



Graph 1: Number of claims notified per insurance quarter.

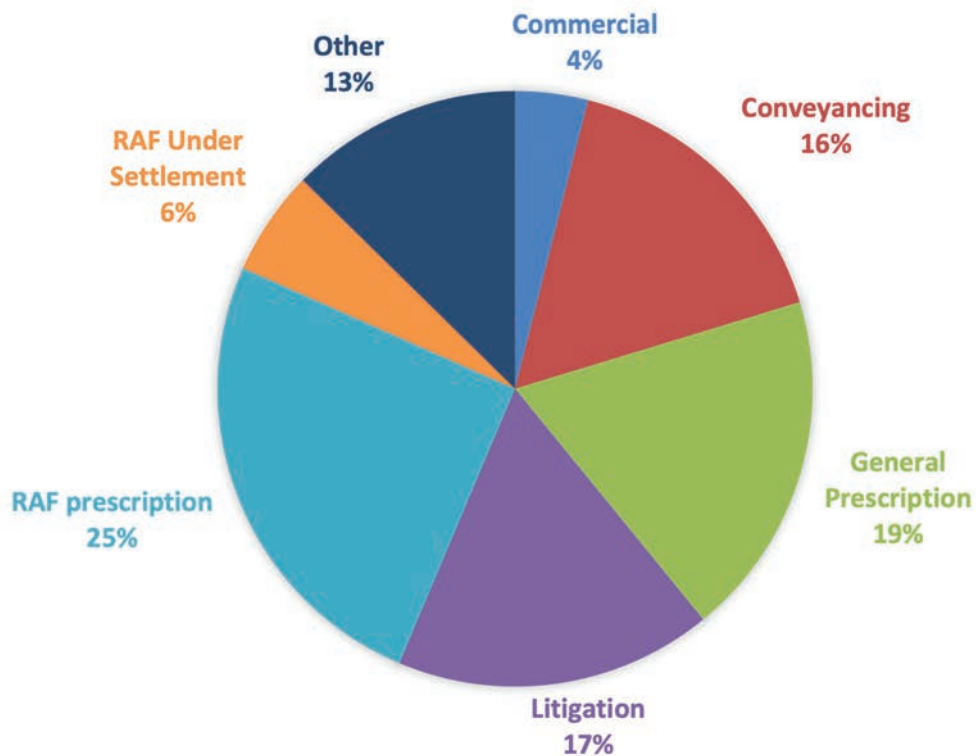
Type of claims notified per insurance quarter

Graph 2 on the next page depicts the types of claims that were notified as at the end of December 2024. As will also be seen from Graph 3 and 4 below, RAF prescriptions, conveyancing, litigation, and general prescription related claims still form the majority of claims notified to the LPIIF. These areas of practice have, perennially, contributed the highest number of notified claims over the five-year period covered in this report.



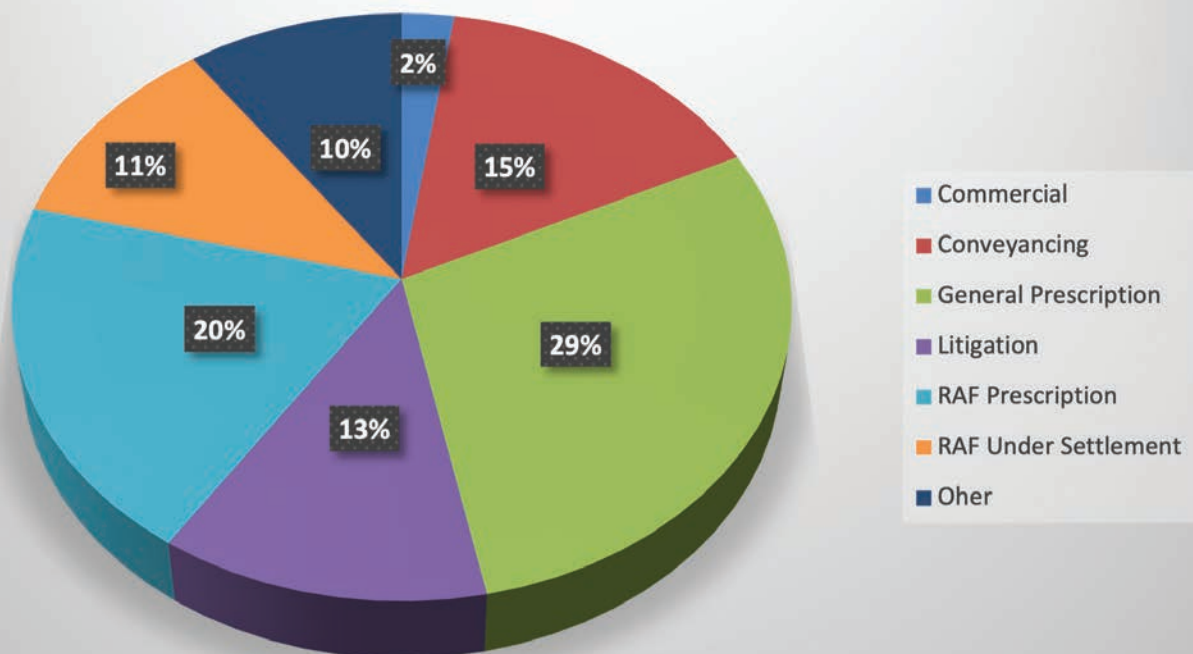
Graph 2: Type of Claims Notifies Per Insurance Quarter

CLAIM TYPES REPORTED OVER A FIVE YEAR PERIOD



Graph 3: Type of Claims reported in a five-year period.

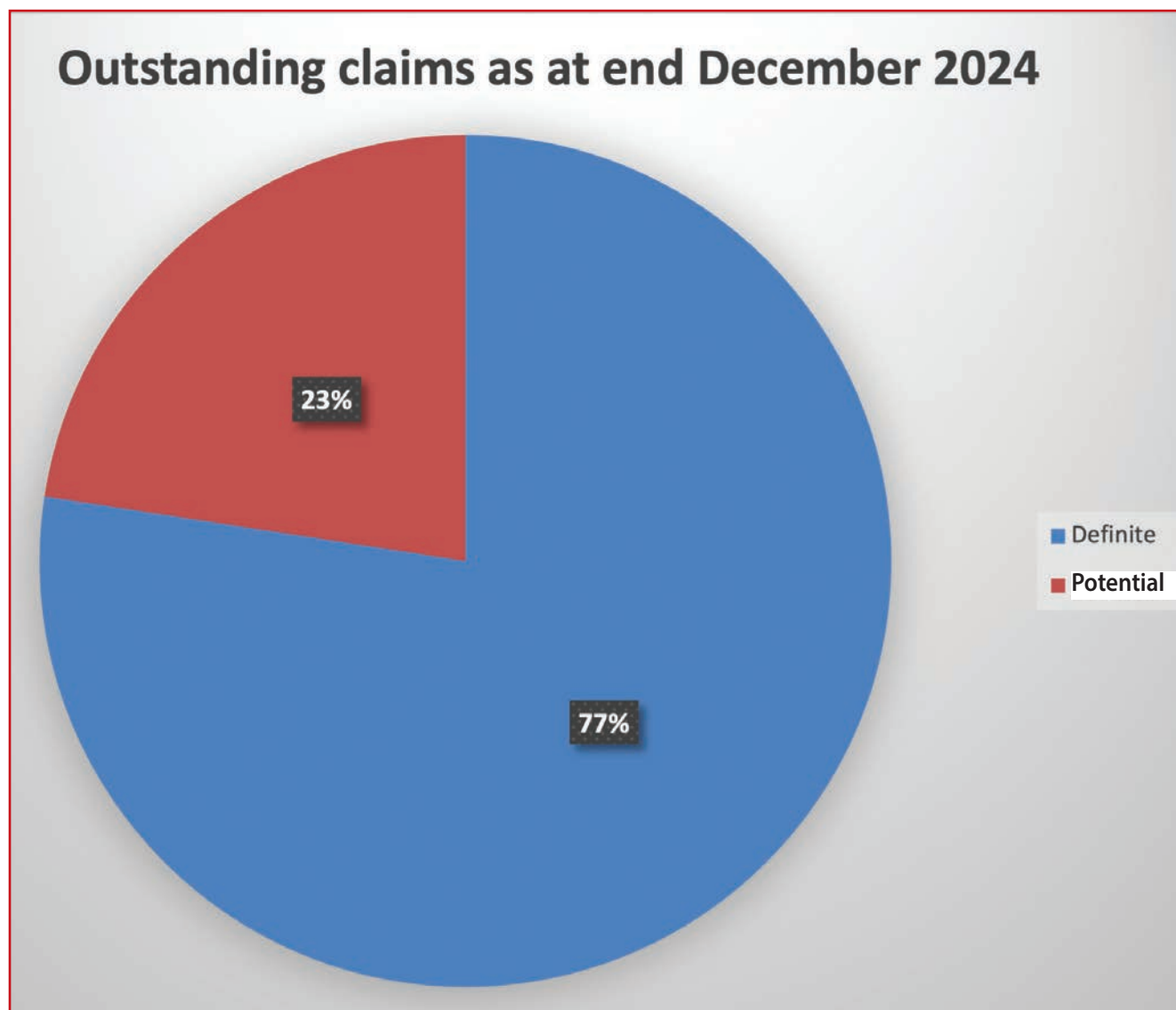
Registered Claims per Claim Type over a Twelve month period



Graph 4: Type of Claims reported in a 12-month period.

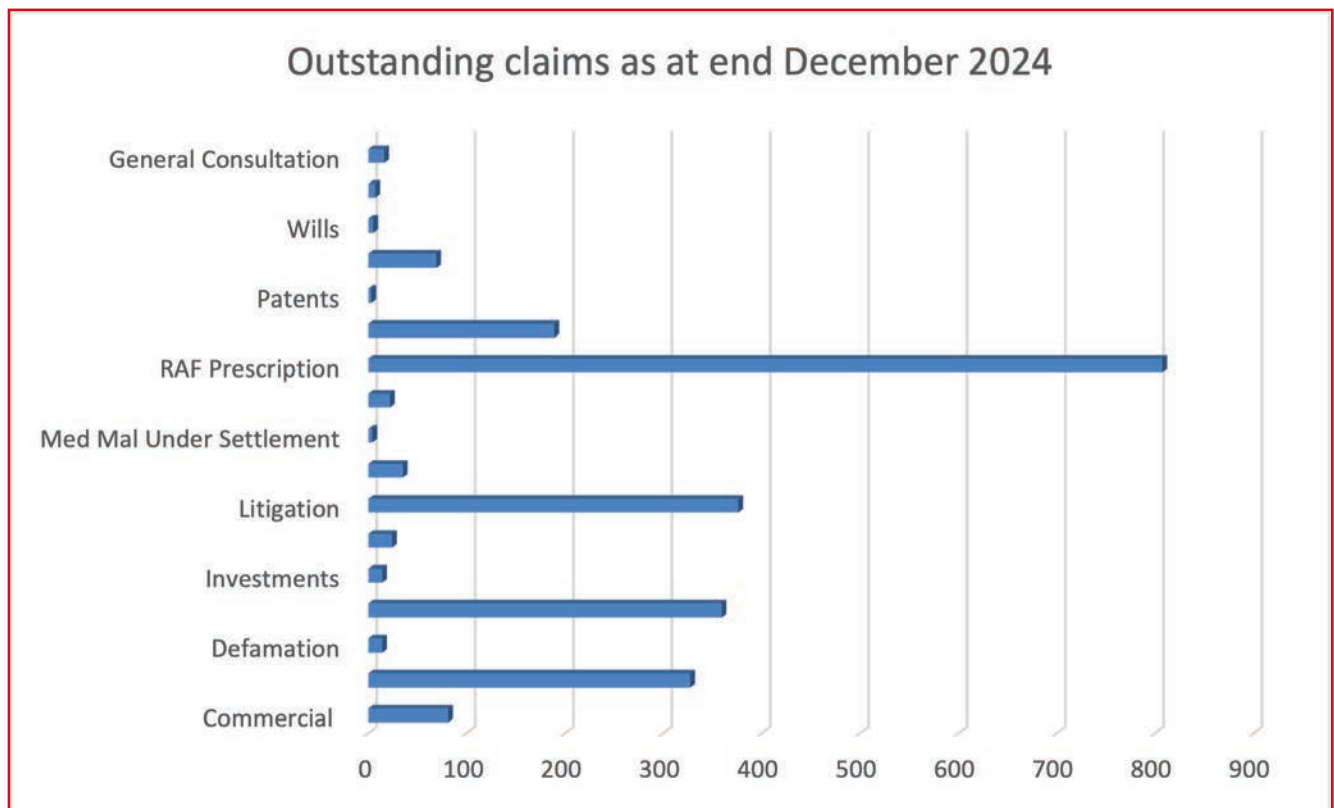
Outstanding claims

As at the end of December 2024 the LPIIF had 2352 claims outstanding on record. 23% of these claims are still potential claims as can be seen from Graph 5 below. The total reserve held, at the end of December 2024, for these outstanding claims was R573 million and this amount seeks to cover the capital, party and party, and investigation costs.



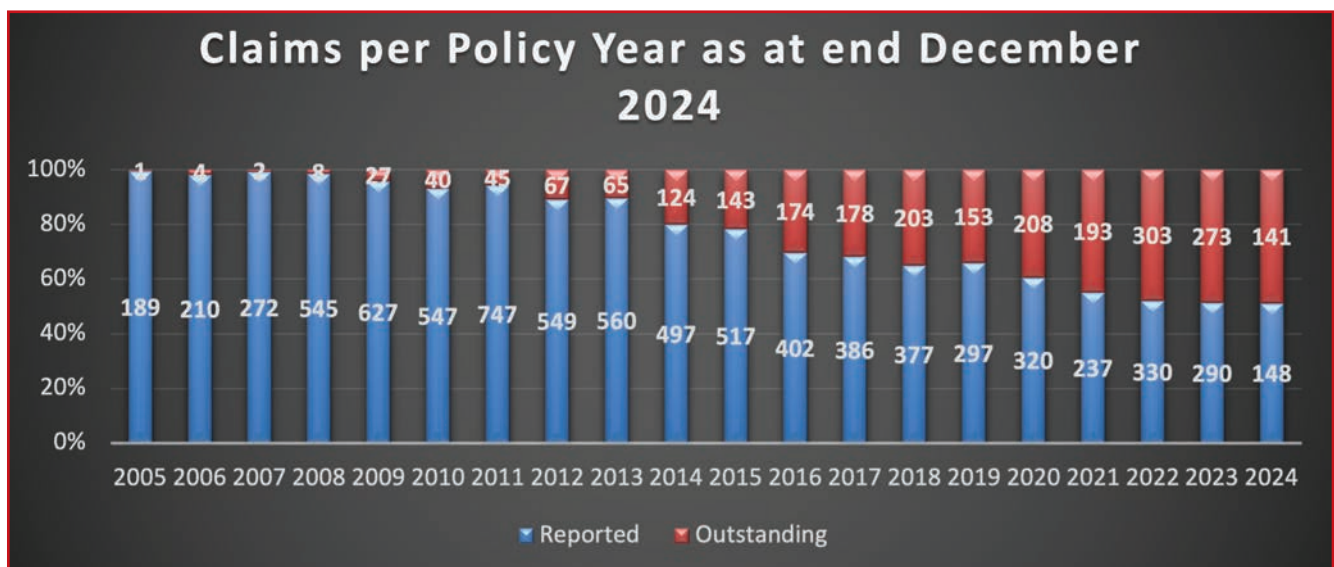
Graph 5: Outstanding Claims.

Graphs 6 below shows the outstanding claims by types, as well as their numbers as 31 December 2024



Graph 6: Outstanding Claims: Type and Frequency

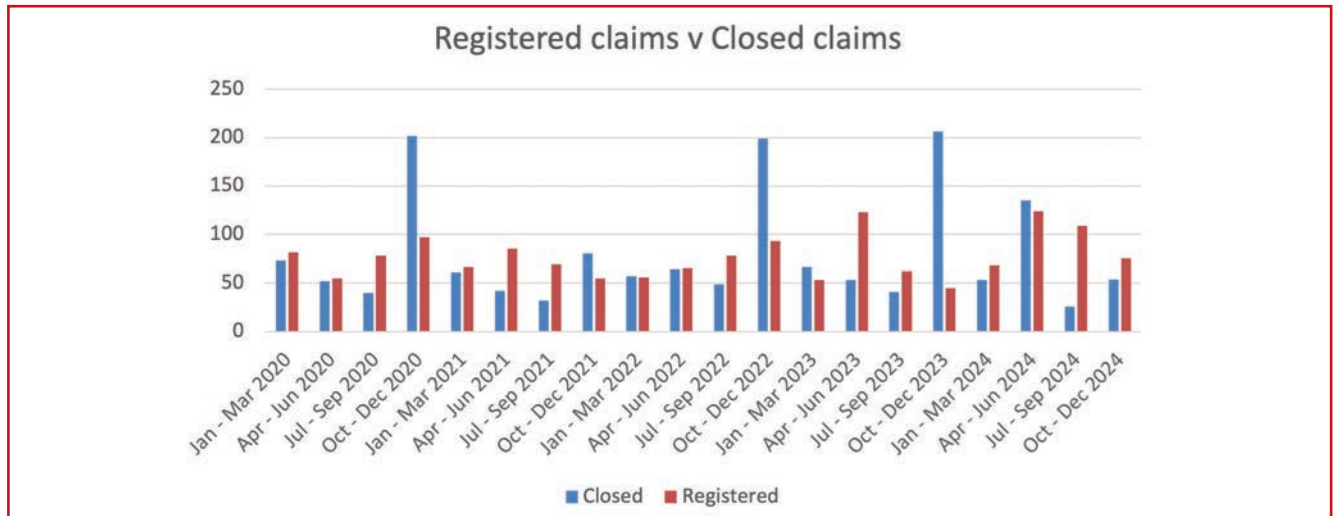
Graph 7 below shows how the progress made in the finalisation of claims in each insurance year, with the red portion showing the number of outstanding claims in each year. Some of our claims have been outstanding for various lengths of time as Graph 6 below shows.



Graph 7: Split between reported and outstanding claims.

Finalised claims

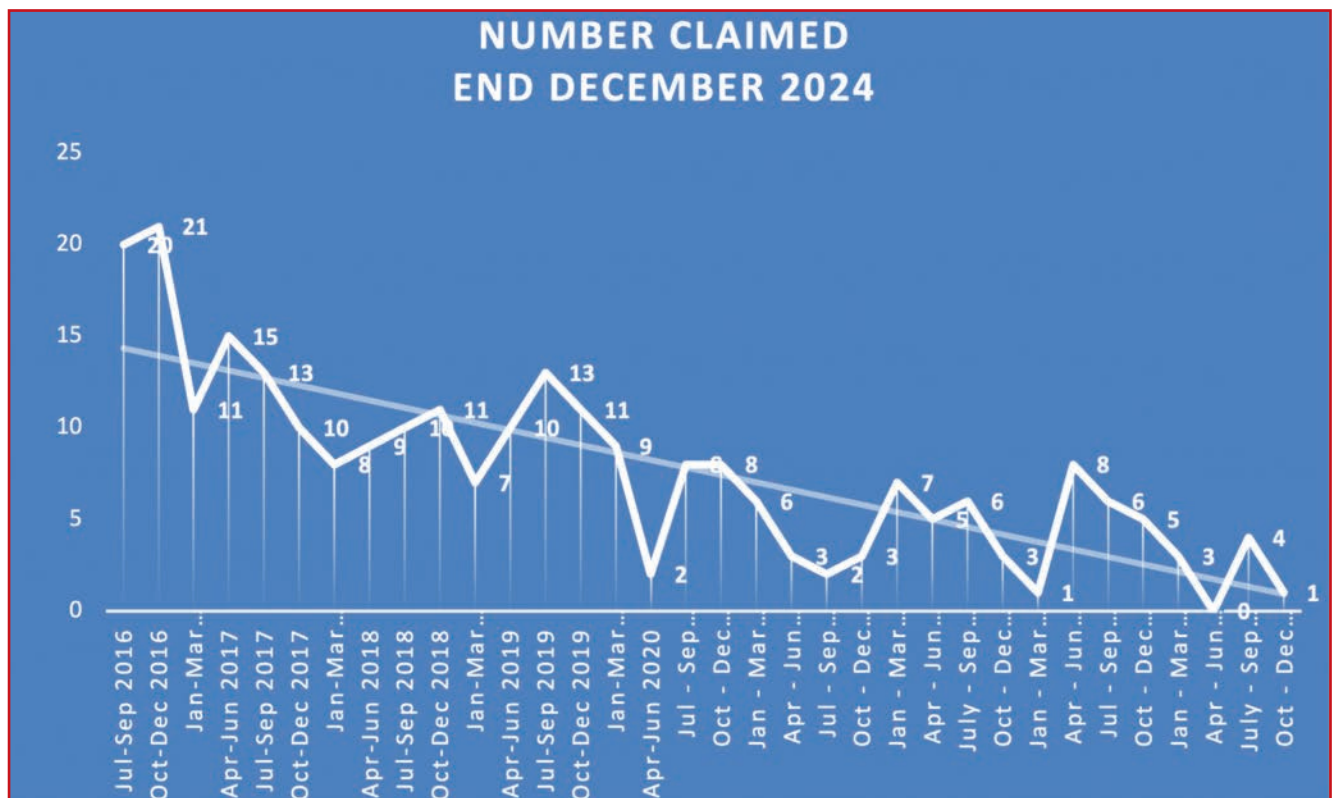
In the last five-year period, the LPIIF has finalised 1533 claims. 268 claims were finalised in the 12 months from 1 January 2024 to 31 December 2024.



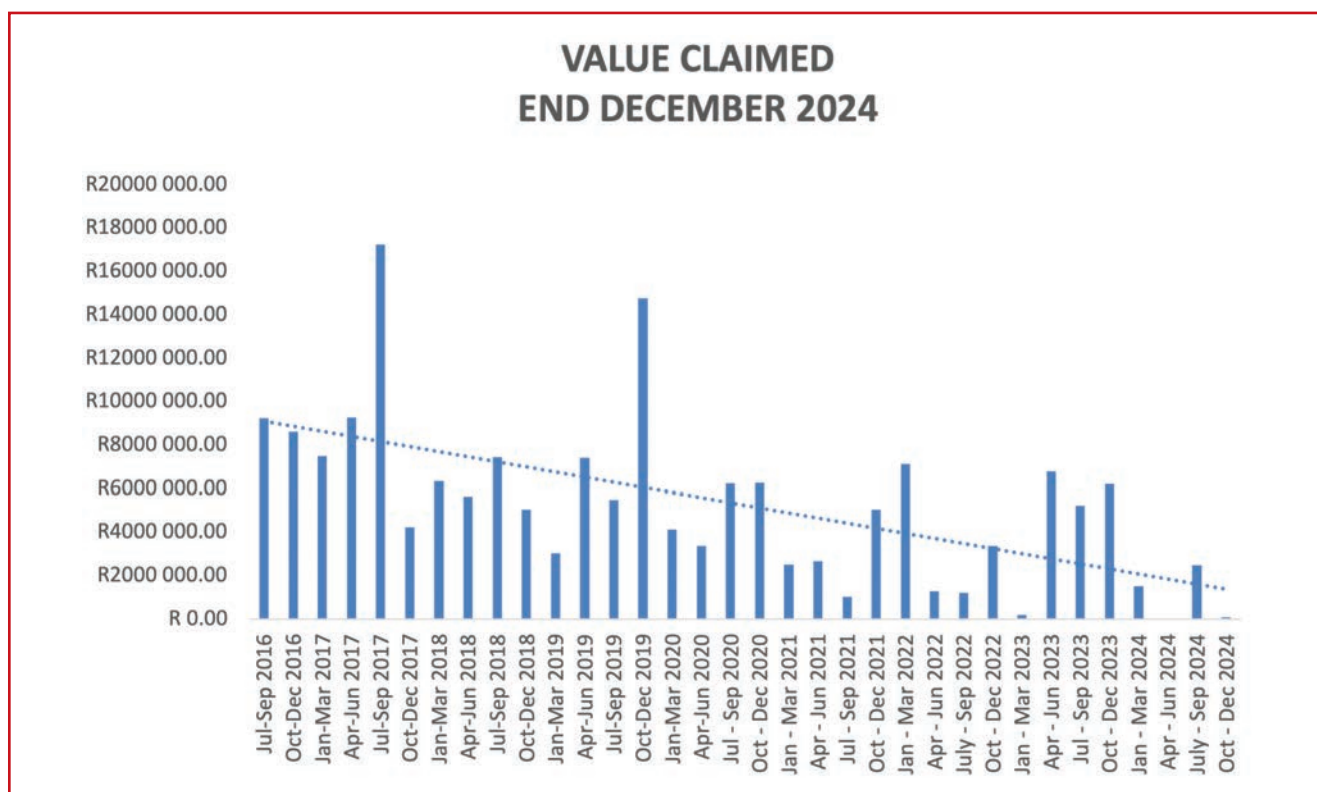
Graph 8: Registered vs Closed Claims

Number and Value of Cybercrime Notifications

As mentioned above, there were four --new claims notified in the period between June and September 2024. This has brought the total of all claims to 259 with a total value of **R178 235 956-28** as Graphs 14 and 15 below show. These graphs are the pictorial display of how these claims have progressed since July 2016, both in terms of the frequency and the severity of the claims.



Graph 9: Cybercrime claims – Number notified



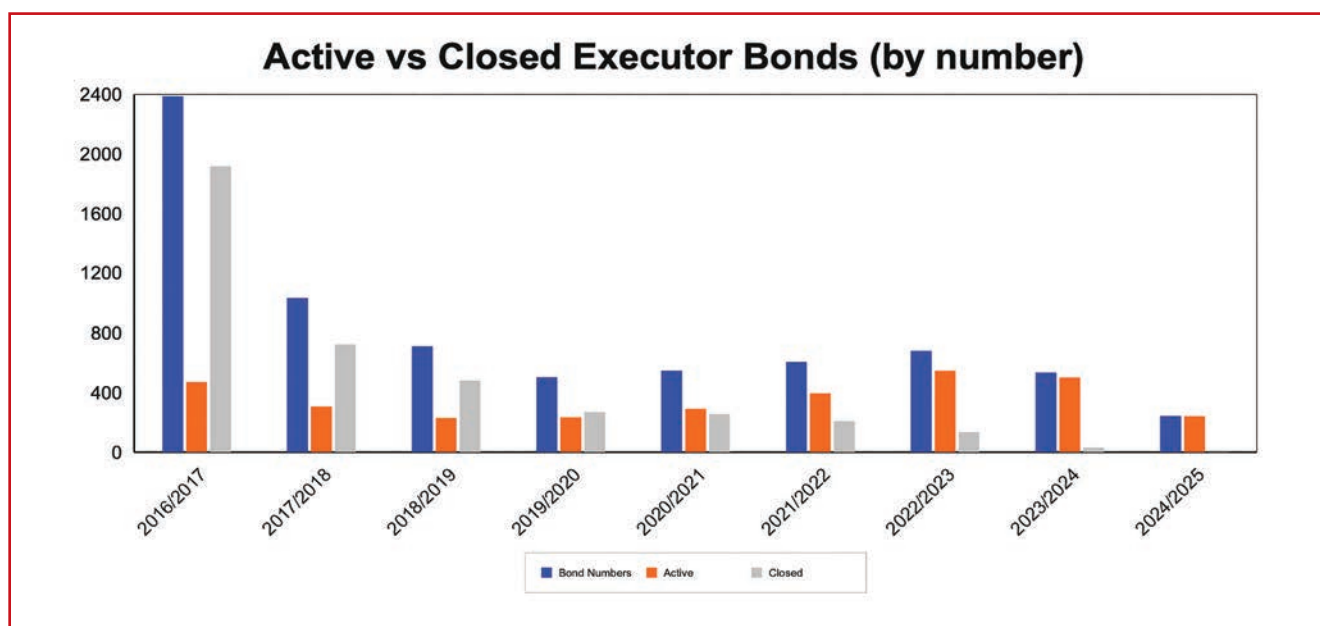
Graph 10: Cybercrime claims – Value of claims notified

Executor bonds

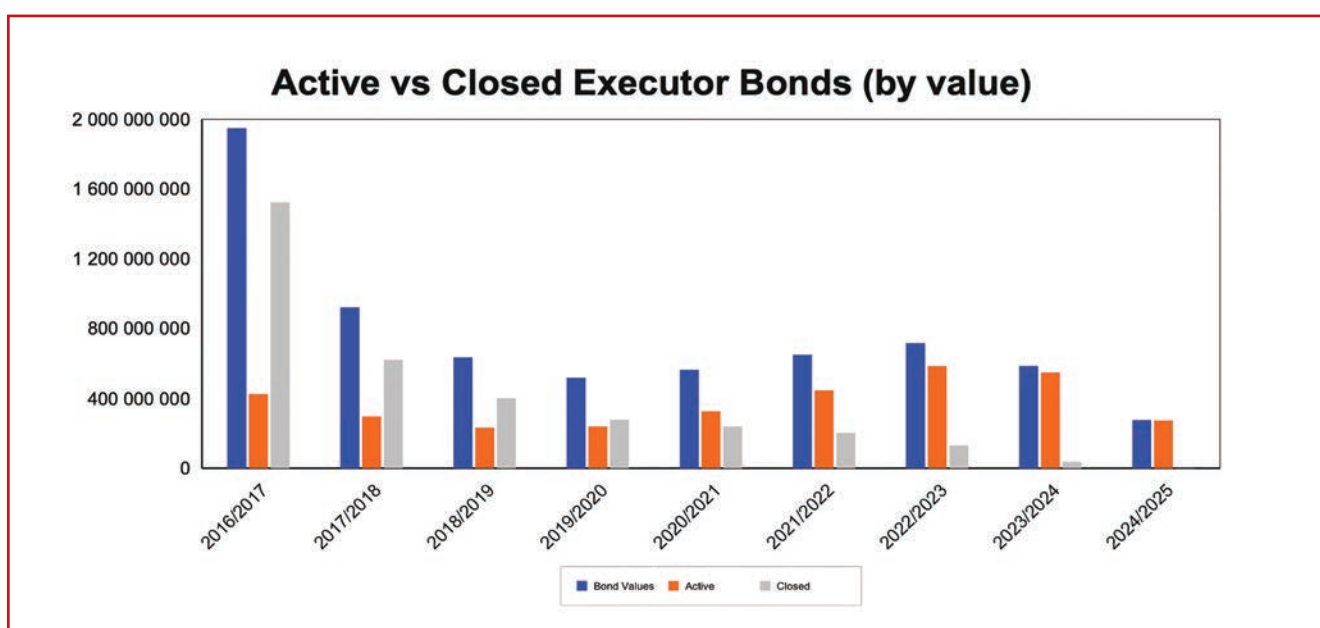
The LPIIF provides bonds of security on behalf of practising attorneys with a valid Fidelity Fund Certificate in support of their appointment by the Master of the High Court, as executors in deceased estates. These bonds of security are issued in line with the executor bonds policy and other risk management measures that are in place.

To reduce the potential exposure in this line of business, a bond of security is managed from cradle to grave. This involves various engagements with the Master of the High Court, the firm/ executor and in some instances the Legal Practice Council. The statistics provided in this section of the report cover a period of 9 insurance years.

The graphs below reflect the development of the various insurance years in terms of the active and closed bonds. If one compares the position as of 2015 and 2016, they will note that the number of bonds issued were much higher, than the later years. This shift can be attributed to the executor bonds policy and the various risk management initiatives.



Graph 11: Active v Closed Bonds - Numbers as of December 2024



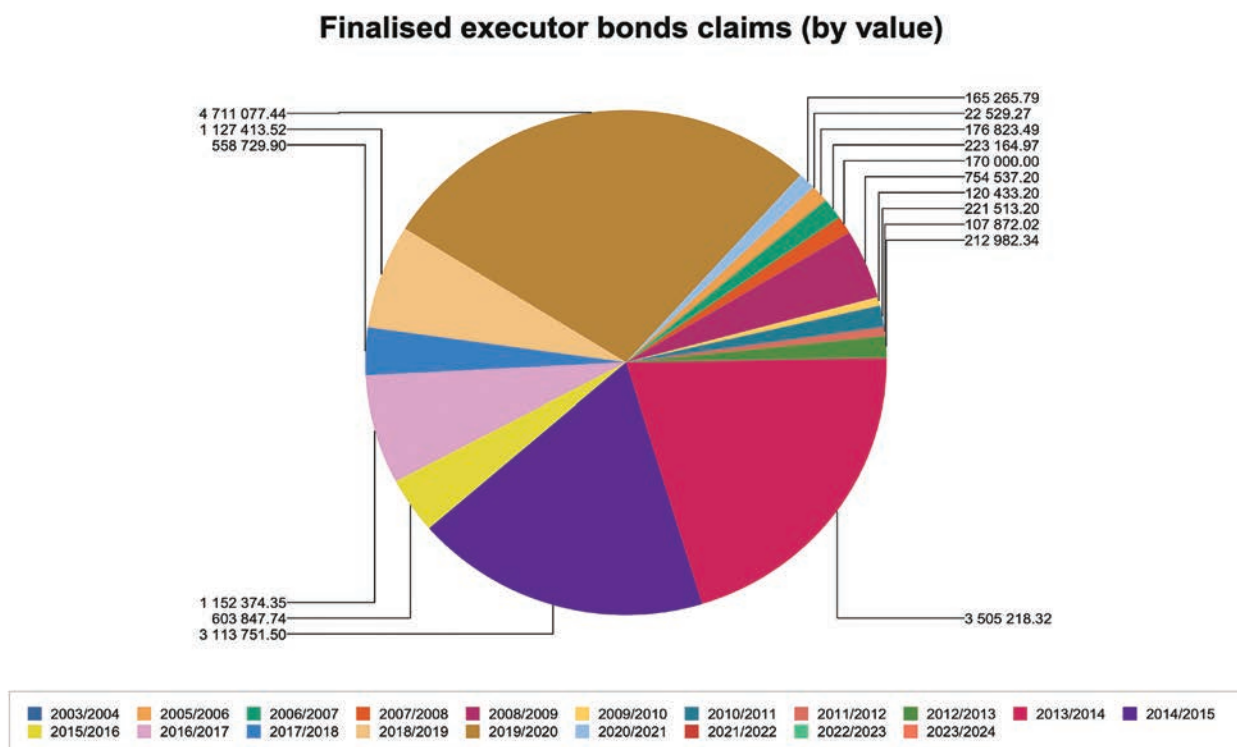
Graph 12: Active v Closed Bonds - Values as of December 2024

Our main challenge is still the lack of cooperation and communication from some of the attorneys on whose behalf bonds were issued.

In the past few years, there has been an increase in claims arising from misappropriation of estate funds and/or assets by the executors. The graphs below provide an overview of the finalised claims by number and value.



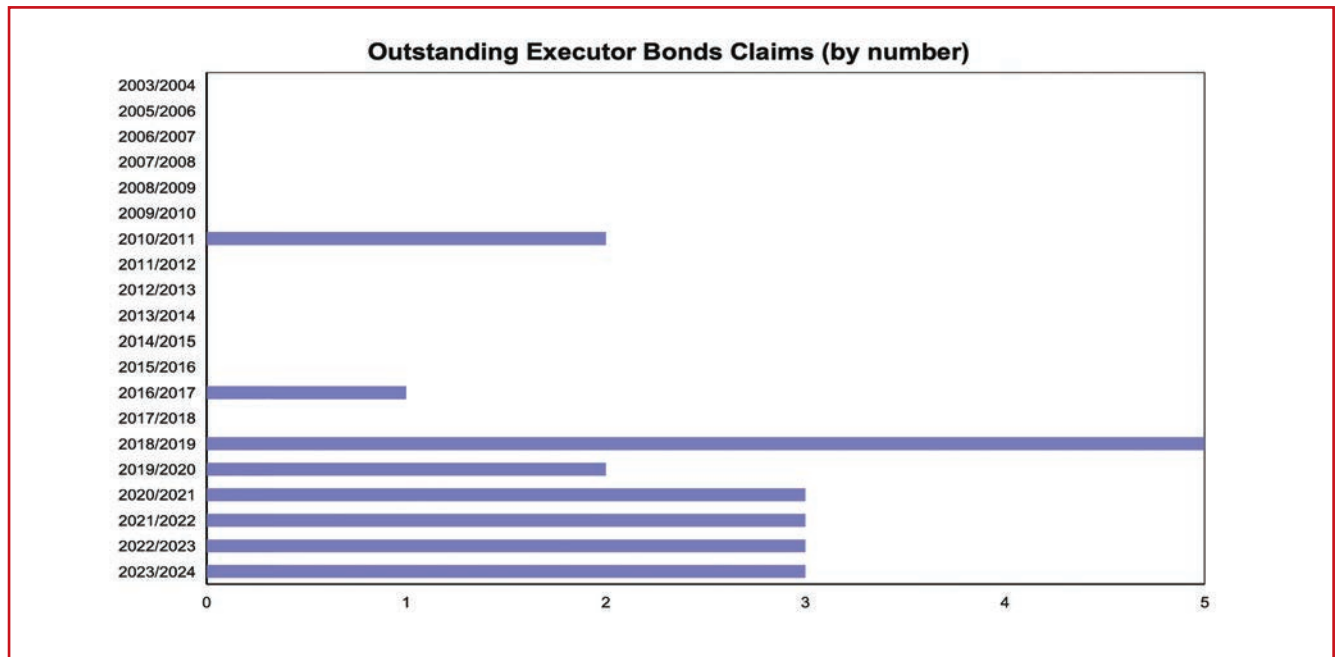
Graph 13: Finalised Bond Claims - Numbers as of December 2024



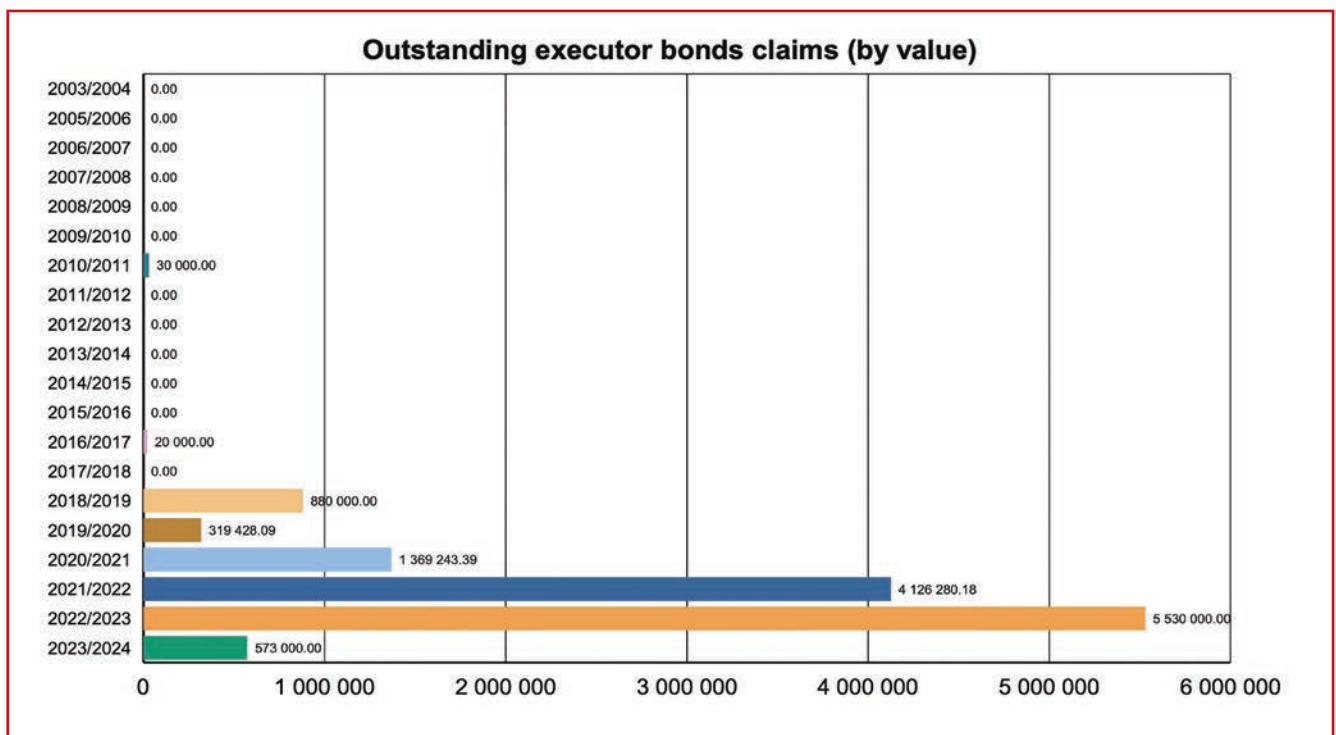
Graph 14: Finalised Bond Claims - Values as of December 2024

The graphs below provide an overview of the number and value of executor bond claims

that are still under investigation. Because a bond of security is issued in favour of the Master of the High Court, any claim arising therefrom, can only be instituted by the Master's office. The major challenge in finalising the majority of these claims is lack of information. In most instances the delay in finalising these claims is the lack of critical information which supports the master's claim. In some instances, the lack of information is due to the fact that the loss is discovered many years after the fact and the executor has already been suspended or struck off the practising roll and they are not cooperative.



Graph 15: Outstanding Bond Claims - Numbers as of December 2024



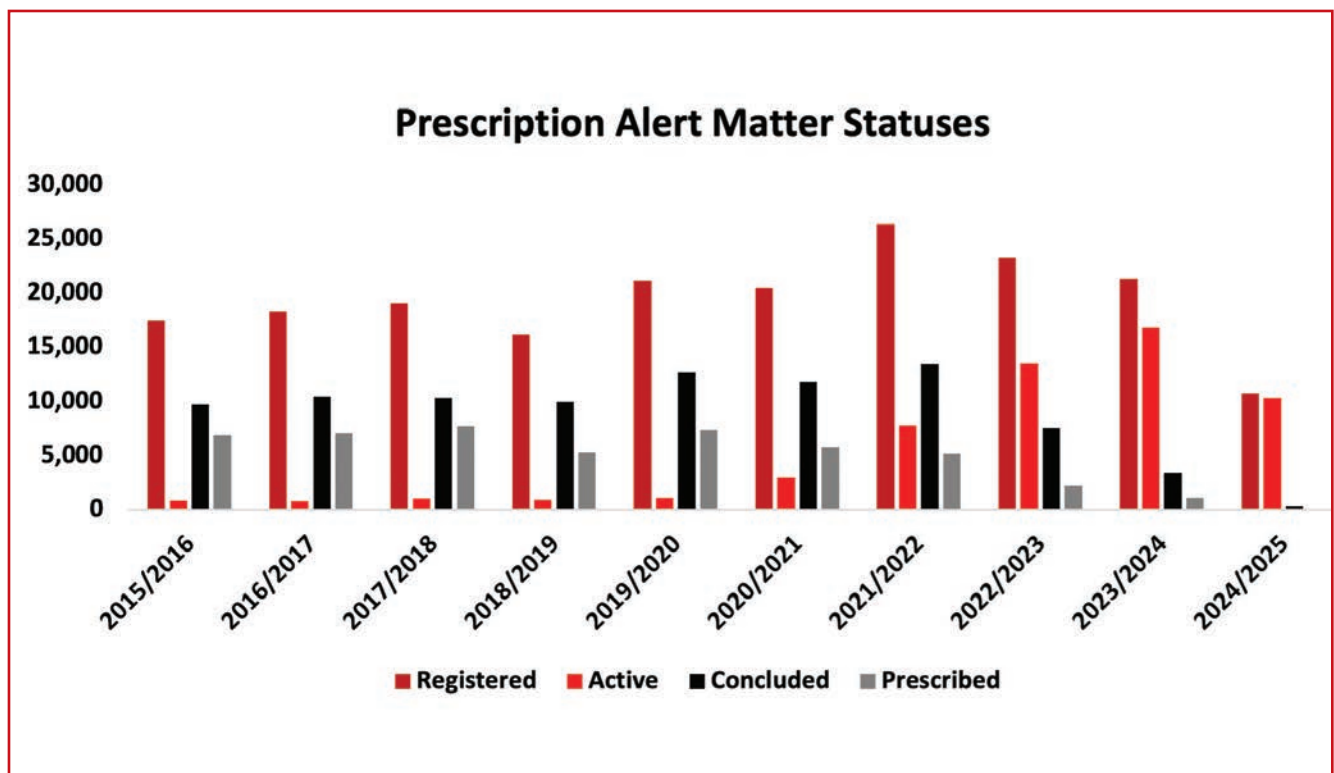
Graph 16: Outstanding Bond Claims - Values as of December 2024

Prescription alert

Prescription Alert is a computerised diary system which is provided by the LPIIF to the profession. It is a risk management tool which assists the profession in managing their time-barred matters. Practitioners that register their matters on this system receive reminders at predetermined intervals alerting them of the approaching prescription dates. Practitioners have full control over their firm profiles and matters. A negligible number of prescribed claims which were registered on this system have resulted in professional indemnity claims. The reason behind such claims has been due to the practitioners ignoring the reminders and thus failing to timeously interrupt prescription.

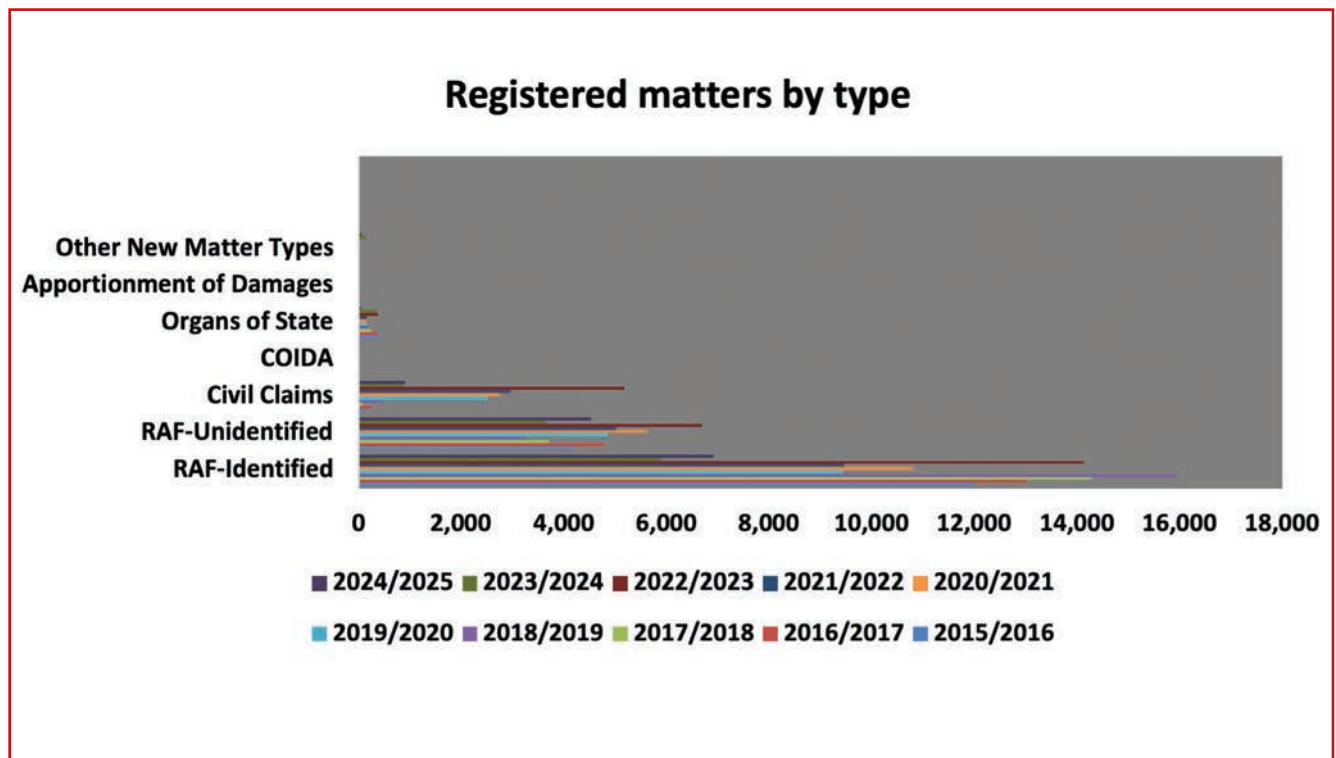
We continue to see a steady increase in the number of firms that utilise this system for their time-barred matters. We liaise with newly admitted practitioners, introducing them to this service monthly.

From the graph below a comparative picture of the various statuses of matters registered over the ten-year period may be gleaned. Those matters that are classified as prescribed were not updated on the system to show that prescription was interrupted, prior to the expiry of the prescriptive period.



Graph 17: Prescription Alert Matter Status as of December 2024

It must be noted that Prescribed RAF claims attract a 20% loading on the deductible if they were not registered with Prescription Alert and/or where the reminders sent by that unit were not adhered to. The graph below shows the various matters registered on this system through the years.



Graph 18: Registered Matter - Type as of December 2024

Prescription Alert may be used for all time-barred matters; however, the trend has continued that it is mainly used to manage the Road Accident Fund matters.

Z Mbatha
Executor Bond Executive, LPIIF





SPECIALIST COMMITTEES

Alternative Dispute Resolution

Members: Mojau Ramathe (Chairperson); Martus De Wet, Ugeshnee Naicker, Ugeeta Pala, Joanne Anthony-Gooden, Dumisani Sonamzi, Thembelani Nkele and Chandika Singh (Invitee).

The Alternative Dispute Resolution Committee (ADR) convened on 6 August 2024 to address key issues relating to alternative dispute resolution. The key focal points related to collaboration with other organisations, empowerment of training of members, guidelines of Arbitration under the Law Society of South Africa (LSSA), appointment of Mediators and Arbitrators as well as means to influence legislature to enable family law arbitration.

We noted the low level of interest in mediation training offered by the LSSA. To improve accessibility, the Committee considered suggestions, including offering payment plans and dividing the course into phases. South African courts have increasingly emphasised the importance in complying with Rule 41A, which deals with mediation. It requires the plaintiff or applicant to serve a notice indicating whether they agree to or oppose the referral of the dispute to mediation, along with the summons or notice of motion.

Similarly, the defendant or respondent must serve a corresponding notice indicating their acceptance or rejection of the referral. Rule 41A aims to encourage mediation as a cost-effective and efficient means of resolving disputes. In a recent judgment emanating from the South Gauteng High Court, it was reiterated that: 'The purpose of Rule 41A is clearly to expedite the resolution of the dispute thereby alleviating the court's case load burden and promoting access to justice. The parties also benefit from mediation by saving substantial time and costs which are associated with litigation. Even if mediation is unsuccessful it still helps to indicate which issues have to be litigated.' To give full expression to this Rule, it is important that the LSSA continues its efforts to encourage more practitioners to participate in its mediation training.

The LSSA continues to actively participate in the Gauteng High Court Mediation Pilot Project, with the aim of addressing the long civil trial lead times and a backlog of Road Accident Fund matters. We look forward to seeing this project unfold and take shape as it addresses serious challenges currently being experienced by litigants in the Gauteng division in the allocation of trial dates far into the future. The successful implementation and roll out of this project will have a high impact and ensure access to justice.

The Committee also reviewed the ADR brochure aimed

at providing guidance for arbitrators, which is awaiting final approval before publication. Although the topic of arbitration in matrimonial matters was raised, we noted no significant progress had been reported. The creation of a database of arbitrators and mediators was also discussed, and the consensus was that the LSSA should expand this database. The Committee decided to proactively establish this database to better serve practitioners and clients alike.

The Committee in 2025 will strive to continue improving the subject of the ADR in the practice of law and within offering of legal education. It remains imperative that we pursue the SADCLA arbitration centre and ensure the development of acceptable rules by the member countries. We urge members to find time to incorporate this discipline in their practices and be skilled and empowered in executing this responsibility and participate competently when the opportunity arises.

The biggest challenge we have is the competing interests in that space with other institutions, save that we cannot lose traction in the BRICS legal forum as this discipline seems to be a better means to resolve dispute between countries and companies of member countries.

We thank the LSSA professional affairs department for the support they have given us in making sure that this committee adds value to the LSSA.

Mojau Ramathe
Chairperson

Company Law Committee

Members: Peter Veldhuizen (Chairperson), Abigail Reynolds (Deputy Chairperson), Millie Shantall-Lurie, Arnold Mohobo, Onesimo Mkhumbuzi, Umesh Jivan, Lily Teffo (*ex officio*) and Nolundi Mda.

The Committee operates to achieve the LSSA's strategic objectives by taking account of the constituency which the LSSA represents and endeavouring to protect its interests whilst bearing in mind the interests of the public. It does so predominantly by meeting with the officials at the relevant institutions to raise ongoing problems experienced by legal practitioners and their clients, and by commenting on legislation. The Committee continues to act sustainably and meetings take place virtually where possible. Committee meetings are only held when necessary; in all other cases e-mail engagements are used.

Key developments:

- On 18 January 2024 we held a meeting with the CIPC. At this meeting the implementation issues related to the new K2 E-Services platform for directorship amendments were discussed and teething problems raised. The meeting closed with the CIPC agreeing to meaningfully engage with the view of addressing the remaining implementation challenges.
- In January 2024 we concluded our comments and input on the LSSA's submission to the Department of Trade, Industry and Competition on the draft COMPANIES AMENDMENT BILL [B 27B - 2023] and COMPANIES SECOND AMENDMENT BILL [B 26B - 2023], which the LSSA proceeded to then submit. (Those Bills were published as Acts in July 2024, and the majority of their sections were brought into operation on 27 December 2024.)
- On 12 February 2024 a further committee meeting was held to deal with the ongoing issues related to the introduction of the new K2 E-Services platform for directorship amendments. This ended in the drafting of the letter to the CIPC.
- On 5 November 2024 the LSSA and the CIPC co-hosted a webinar/training session on beneficial ownership which was attended by committee members and 320 legal practitioners.

Focus for 2025:

The Committee will continue to monitor developments on the relevant legislation affecting Companies and members of the profession.

- The Committee will continue to participate in and monitor developments at the Business Rescue Liaison Committee and the Companies Liaison Committee and advocate for the interests of legal practitioners who are registered as business rescue practitioners and advising and assisting companies.
- The Committee will continue to monitor any developments in the proposed Insolvency Bill and any effect it may have on legal practitioners operating in the commercial and company law arena.

Peter Veldhuizen
Chairperson

Compliance Committee

Members: Nkosana Mvundlela (Chairperson), Angela Itzikowitz, Greg Duncan, Martus De Wet, Muziwandile Nhlapo and Mfana Gwala (*ex officio* member of the Information Regulator).

As South Africa (SA) remained on the Financial Action Task Force's greylist, the legal profession, together with other professions, continued to attract the compliance spotlight. This also meant that the Committee was particularly active

during this reporting period as it had to deal with several pertinent developments

The Financial Intelligence Centre (FIC) addressed the legal profession at the LSSA's AGM during April 2024. At that stage, the FIC warned that of the country's roughly 16 000 law firms, only 52% had submitted risk and compliance returns (RCR). The compliance rate increased to 61% in August 2024. Legal practitioners have been blamed by the FIC for keeping SA on the greylist. The RCRs were due at the end of May 2023. According to the FIC the expected compliance rate is 100%, or close to 100%.

Legal practitioners who have not yet submitted their RCRs, are strongly urged to do so as a matter of priority. Failure to do so would inevitably attract administrative fines.

Following a radio interview with the LSSA, a law firm that has been issued with an administrative fine of R 285 000, approached the LSSA for assistance while the matter was being considered by the FIC's Appeal Board. The following critical issues were raised by the firm:

- The penalty of R 285 000 imposed on the firm, which may threaten its future existence.
- The firm asserted that the FIC has extended its authority to a time period prior to the FIC becoming the official supervisory body for the legal profession.

The Committee recommended that the LSSA should apply for joinder to the proceedings in order to address the implications of the retrospective nature of the administrative fine that was imposed from 2017, when the obligation to prepare a Risk Management and Compliance Programme was introduced on accountable institutions.

The LSSA applied and was admitted as *amicus curiae* in the matter. The Appeal Board hearing took place on 28 November 2024 and the Appeal Board's decision was handed down on 13 December 2024.

The Appeal Board upheld the FIC's right to apply penalties retrospectively, revealing a critical juncture for the legal sector as it faces increased compliance pressures. The matter has been referred back to the FIC on another point *in limine* for the FIC to reconsider the administrative sanction taking into account the introduction of the appellant's financial statements for the financial year that ended on 29 February 2024, as admitted by the Appeal Board.

Another firm was issued with an administrative penalty in excess of R 7 million and its appeal to the Appeal Board was also dismissed during 2024. Both firms have requested the LSSA to consider its involvement due to both matters raising issues of significant importance for the legal profession at large.

The Committee also advised that the LSSA should consider directly challenging the constitutionality of specific provisions within the FIC Act. This approach should involve collaborating with other stakeholders in the legal profession to address the issues presented by the FIC Act and to ensure the profession's sustainability.

The Committee recommends the LSSA should seek a legal opinion to determine the feasibility of obtaining a declaratory order from the court regarding the burdensome sections of the FIC Act and the FIC's authority to impose retrospective fines, which can be considered in conjunction with the current *amicus* roles. The LSSA should also engage the legal profession to secure external contributions for significant litigation efforts.

Nkosana Mvundlela
Chairperson

Court Practice Committee

Members: Graham Bellairs (Co-chairperson) Umesh Jivan (Co-chairperson); Bannick Mabunda, Mvuzo Notyesi, Bukky Olowookorun, Ntsoafi Maema, Frankl Weber, Odwaa Nyembezi, Zuko Tshutshane, Asif Essa, Dudu Mthimunya-Hluyo, Marianne Pretorius; Ex officio members: Mhlangabezi Maliwa, Titus Randall, Machini Motloun and Muke Khanyile.

The Committee held a virtual meeting on 8 April 2024. This report deals with matters discussed at that meeting and issues which were dealt with prior to and thereafter by way of e-mail exchanges.

Rules Board Communications and proposed changes to rules and tariffs

During the year under review the LSSA has received numerous communications from the Rules Board regarding proposed amendments to rules and tariffs of the courts. The Committee members have considered and exchanged views by way of e-mail during the course of the year. The comments by the Committee were by in large favourable and supportive of those amendments and were sent in response to the Rules Board.

The Committee has also considered Practice Directives issued by the various Divisions of the High Court of South Africa.

Right of appearance of a practising attorney before a Taxing Master without a right of appearance certificate

The case *L Fenyane v SN Ndengane NO and Others* 2024 (5) SA 212 (GJ) reported on last year was finalised and as a result the court found that any duly admitted and enrolled practicing attorney may appear on behalf of their clients before a Taxing Master.

Legislation

The promulgation of the new Marriage Act was consid-

ered and the Committee noted that it took into account religious marriages and made provision for polygamous marriages.

The Judicial Matters Amendment Act 15 of 2023 was also considered in particular in relation to regulations regarding the calling of witnesses in the magistrates court and the use of assessors.

PEEC and NEEC meetings

The various PEEC and NEEC minutes were considered and noted by the Committee.

Rationalization of areas under the jurisdiction of the Divisions of the High Court of South Africa Judicial Establishments

The interim report on the above topic was considered and noted by the Committee. It runs to 365 pages.

Next meeting of the Committee

The Committee is presently deciding on dates for its next meetings.

Umesh Jivan
Graham Bellairs
Co-Chairpersons

Criminal Law Committee

Members: William Booth (Chairperson), Dr Llewelyn Curlewis, Avinash Maharaj, Odwa Mgxali, Tshepo Thusi, Zincedile Tiya and Amanda Vilakazi.

The Criminal Law Committee met on two occasions, via Zoom, on 20 March 2024 and 11 November 2024.

During the meetings, the following was highlighted:

Problems Experienced with regard to the Transcription of Court Records:

A letter was recently sent to the DGD at the Department of Justice and Constitutional to address the problems that are experienced with the court records.

No response has been received as yet.

The high cost of the typing of court records impacts on an accused's constitutional right of appeal and needs to be addressed.

The holding of Regional Efficiency Enhancement Committee meetings (REEC) Provincial Efficiency Enhancement meetings (PEEC) and National Efficiency Enhancement meetings (NEEC)

It is important that these meetings take place on a regular basis and that the Law Society of South Africa (LSSA) en-

sure that its attendees have the necessary experience to provide meaningful input.

The representatives for the various provinces are as follows:

- Western Cape – William Booth, Meerushini Govender and Frankl Webber
- Gauteng – Marianne Pretorius
- Northwest – Albert Jacobsz
- Kwa-Zulu Natal – Umesh Jivan
- The Western Cape PEEC held meetings on 14 August 2024 and 27 November 2024.

The date of the Western Cape PEEC meeting has not yet been finalised.

After hours' bail applications and the availability of detectives at police stations.

The LSSA wrote to the provincial offices to request them to make the list of detectives available as there has been a significant turnover of personnel.

No response has been received as yet.

On the LSSA receiving the response to the letter, it was agreed on that they will make the list available to the Provincial Law Associations.

Often Detectives are not available at police stations to process cases. Some detainees for minor offenses have to remain in custody unnecessarily awaiting the arrival of a detective. This is unconstitutional.

New approach from the LSSA, engagement with the legal profession and public

It had been previously resolved that committee members would submit the topics they wanted to address to be recorded for the LSSA YouTube channel.

The members were encouraged to make use of the channel being that it is a good form to communicate and to promote issues.

No input has been received to date.

The procedure followed with regard to complaints against legal practitioners

There is concern that the complaints lodged with the LPC are being dealt with effectively, this concern is not relating to a specific province, but on a national level.

The view is that the more serious complaints are not being dealt with in an effective manner. It is felt that petty complaints are also not being properly investigated which is resulting in practitioners spending an inordinate amount of time dealing with minor issues which should not be the case.

Loadshedding and the impact thereof on legal practitioners, their clients as well as the general public particularly insofar as how it affects the efficient running of courts.

The issue of load shedding had seemed to diminish as it was no longer happening as constantly as it used to.

There are still concerns with the effective running of the courts such as the breaking down of the recording machines, the interruption of the water supply, overcrowding, air-conditioning etcetera.

These issues have been raised repeatedly, and proposed changes were raised at both the PEEC and the NEEC meetings in order to bring about change.

The safety of all legal practitioners at court

It was resolved at a previous meeting that this matter would be raised at the PEEC meetings.

The concerns are for the safety of legal practitioners due to poor security and the inability of the appointed security companies to handle high-risk situations.

While these issues will be continued to be raised at the PEEC meetings it was noted that the Department of Public Works is responsible for the court buildings and the management of the security personnel.

Some courts need to be urgently refurbished and the safety of legal practitioners to be prioritised.

High Court backlog of trials

A letter was addressed to the Minister regarding the backlog of trials in Gauteng. A date for a meeting was received, however the meeting was indefinitely postponed at the Minister's request.

This issue affects other provinces, including the Western Cape.

One option to combat this issue is to appoint competent and experienced Acting Judges to deal with the backlog.

Some accused who are in custody are having their cases postponed for long periods of time, causing injustice.

National conference on Integrated Criminal Justice System (27-29 February 2024)

Committee member, Amanda Vilakazi attended the National Conference on the Integrated Criminal Justice System (ICJS) and the Review of the Criminal Procedure Act, 1977, which was held from 27 to 29 February 2024 at the Birchwood Hotel in Gauteng. The conference, themed 'Strengthening the Integrated Criminal Justice System to Keep Our People Safe and Secure', brought together key stakeholders from government, the legal professions, civil society, and academia. The aim was to evaluate the criminal justice system's challenges and propose legislative and policy reforms. Key focal areas included assessing the progress of the Justice, Crime Prevention, and Security (JCPS) Cluster's 7-Point Plan, reviewing the Expert Panel Report on the July 2021 Civil Unrest, Criminal Procedure Act, 1977.

Deputy President Paul Mashatile delivered the keynote address, highlighting the constitutional imperative to ensure safety, security, and access to justice. He emphasised the need for legislative reform to modernise South Africa's criminal justice system in accordance with contemporary security challenges, international best practices, and hu-

man rights standards. Key themes from his addresses included the role of the criminal justice system in a constitutional democracy, challenges in crime prevention and law enforcement, legislative and policy interventions, anti-corruption efforts, and state capture investigations.

The conference resulted in several significant recommendations for legislative and policy reforms. These included reviewing and modernising the Criminal Procedure Act to ensure alignment with constitutional values, strengthening investigative and prosecutorial capacity by allocating additional resources to relevant agencies, and reforming bail laws to balance public safety with constitutional rights. Other recommendations focused on expanding community policing initiatives, improving oversight of parole and early release programs, and ensuring judicial independence. Amanda recommended, among other, that the LSSA's Criminal Law Committee should:

- Proactively engage with the Criminal Procedure Reform Committee.
- Prepare and submit formal recommendations on legislative reforms to ensure fairness and efficiency in criminal justice procedures.
- Advocate for continued judicial independence and the enhancement of legal aid services for indigent persons.
- Collaborate with stakeholders in government and civil society to monitor the implementation of recommendations.
- Host workshops to prepare legal professionals for upcoming changes in criminal law and procedure.

Training of Magistrates

There is concern about the lack of regulation in the appointing of magistrates.

The LSSA had prepared comments on the appointment of Acting Judges and part of the proposal was that this was to be replicated in terms of appointing Acting Magistrates.

There have been complaints about the conduct of certain magistrates. However, the Magistrates Commission is very lethargic in investigating these complaints. Some unresolved for years. This is not in the interest of an efficient court system.

Crime statistics

It was suggested engaging with SAPS and possibly inviting a member of the National Prosecuting Authority (NPA) to a meeting to discuss the standard of the prosecutors, the bail system and other related topics.

A member of the NPA as a representative to be invited to the next meeting, such meetings have proved to be productive.

Legal Sector Code

The legal sector code as published on 20 September 2024 came into effect.

The Legal Sector Codes Task Team recommended that a workshop be convened, the date of which will be circu-

lated.

Appreciation

All the members of the committee including the staff of the LSSA are thanked for their input throughout 2024.

We also wish Lizette Burger well on her retirement from the LSSA where she has served tirelessly for many years.

Dates are still to be determined for the committee meetings for 2025.

William Booth
Chairperson

Deceased Estates, Trusts and Planning Committee

Members: Hussan Goga (Chairperson), Ceris Field (Deputy Chairperson), Elvira le Roux, Marche Davel, Nduduzo Mohlala, Ngqiqo Sakhela, Refilwe Tshukudu, Thumeka Dwanya, Johan Gijsbers and Willie van der Westhuizen.

The reporting period was preceded by several engagements during 2023 between the LSSA, the Parliamentary Portfolio Committee on Justice, the then Minister of Justice and Correctional Services and his deputy, the Acting Chief Master and others, which was fully reported on in the LSSA's 2023-24 Annual Report.

In order to maintain momentum on this very important engagement, a formal letter was addressed to the, then Deputy Minister of Justice in which the Committee requested a meeting with a view of also identifying further areas of cooperation, as alluded to at the meeting with the Portfolio Committee. Despite further requests, the LSSA has been unable to secure a meeting, taking into account that the national elections took place during 2024, which resulted in the appointment of a new Minister of Justice and Constitutional Development, together with a new deputy. The newly appointed minister was subsequently appointed to another portfolio. The LSSA has continued its efforts to secure a meeting with the new minister.

The acting Chief Master, Kanyane Mathibe, also addressed the profession at the LSSA's AGM which took place during April 2024. She expressed willingness to collaborate with the LSSA in the form of a pilot project where attorneys can assist with resolving the backlogs experienced at various masters' offices. This has unfortunately not materialised, while the backlogs have remained unresolved.

The LSSA also requested performance statistics from the acting Chief Master, but no response has been received. The Committee is committed to ensuring that transparency and factual representation are prioritised.

The Committee noted that legal practitioners and the public are still facing significant delays in the administration of estates. Incorrect contact information and lack of a revised directive on appointing independent trustees contribute to inefficiencies.

The Committee remained concerned about the inconsistent application of standards across different Masters' offices which require coordination and guidance by the acting Chief Master to ensure improved national alignment and efficiency. The Committee remains keen to engage with the acting Chief Master to enhance compliance and streamline processes. The inconsistent treatment of security requirements for s 18(3) estates offers a good example. Although the acting Chief Master insisted that security is not necessary under certain conditions, discrepancies persist. Ambiguity also exists within the requirements within ss 18(3) and 23. Chief Master's Directive 9 of 2023 is pivotal in this discourse, although its clarity is questionable. The Committee agreed on the necessity of submitting a clarification request to the acting Chief Master and possibly revising the directive.

We are deeply concerned that despite the several interventions to resolve the perpetual dysfunction at the Masters' Offices, no meaningful inroads have been made. Without drastic action, it is difficult to conceive how the current downhill trajectory can be reversed.

The 2022/2023 Annual Report of the Department of Justice, seems to indicate that the Masters' offices are performing well and are issuing most letters of appointment within a period of 21 days. Actual achieved performance range between 77-92%. In the absence of underlying audit evidence, the Committee is not persuaded that the achieved performance range at Master's Offices are accurate. The recording of the incorrect marital status on death certificates is a severe constraint to the expeditious administration of a deceased estate. A submission was made to the Minister of Home Affairs to address this burning issue but unfortunately it still remains unresolved. This causes inordinate delays and is untenable.

The Committee observed that long processing times for account closures and document certification by deposit-taking institutions pose significant challenges. Legal practitioners are experiencing substantial delays and inefficiencies in certifying necessary documents, necessitating potential legal actions to expedite these processes. The Committee will pursue further engagement with financial institutions aimed at tackling these concerns.

Twenty years ago, the South African Law Reform Commission published its Discussion Paper 105 for public comment in which its first in-principle recommendation stated: A change to the law is necessary to provide for an alternative to the curatorship system (without abolishing the latter) and to introduce the concept of the enduring power of attorney into our law. In December 2015, its Assisted Decision-making Report was published. In it, the Commis-

sion strongly recommends the introduction into our law of a power of attorney that is not terminated by the subsequent 'disability' of the principal. Despite the Commission having 'strongly emphasised the dire public need for the implementation of the enduring power of attorney', there has seemingly been no progress on this matter almost ten years after the final report has been published.

Hussan Goga
Chairperson

E-Law Committee

Members: Brendan Hughes (Chairperson), Gavin McLachlan, Sizwe Snail, Dineo Phalatsi, Memory Sosibo and Mfana Gwala.

In its annual report for 2023, the LSSA E-Law Committee noted that 'the sudden growth in the popularity of artificial intelligence solutions for professionals posed many urgent, questions for legal practitioners and much attention will need to be given to this area in 2024 and in further years to come' and that a "focus area for 2024 would be the drafting of Guidelines for the Profession on the Ethical Use of Artificial Intelligence in Legal Practice'.

The Committee subsequently noted and appreciated the attention given to this topic at the LSSA's Annual General Meeting held in Durban in April 2024 in a session facilitated by Mr Lucien Pierce and the general consensus of panelists in urging practitioners to embrace the technology or get left behind and to also prioritize artificial intelligence (AI) education for lawyers.

In May 2024, the Committee chairperson met with Attorney Paul Esselaar regarding guidance for the profession on the use of generative AI in legal practice based on existing work being carried out in this field by Mr Esselaar, Advocate Donrich Thaldar and Dr Marietjie Botes (an academic at the University of KwaZulu-Natal).

After internal review of draft documents, the Committee formally met on 19 July 2024 to consider a working draft guidance document, at which meeting the Committee resolved to submit the draft guidance document to the LSSA for comment by LSSA members.

The Committee also subsequently nominated Advocate Donrich Thaldar, lead-drafter of the draft guidance document, to speak on AI in legal practice at a legal tech webinar hosted by LexisNexis with the support of the LSSA.

Regrettably, as at the date of this report, no written guidance has been published for the profession on the ethical use of AI in legal practice. This is as a result of a difference in views between our committee and the Ethics Committee which has expressed that publication of the guidelines at this point would be premature and have preferred an approach of addressing this through the amendment of the

Code of Conduct and through legal education. We do trust that continuous engagement on this issue will bring the committees closer to agreeing on an approach beneficial for the legal profession.

Two recent court judgments have revealed examples of South African legal practitioners citing nonexistent cases as a result of using AI solutions inappropriately in the formulation of legal arguments. These cases are *Mavundla v MEC: Department of Co-Operative Government and Traditional Affairs KwaZulu-Natal and Others* (7940/2024P) [2025] ZAKZPHC 2 (8 January 2025) and a previous unreported judgment in *Parker v Forsyth NO and others* (Regional Court, Johannesburg, Gauteng) case no 1585/20 (29 June 2023) available at <https://lawlibrary.org.za/akn/zagp/judgment/zagprd/2023/1/eng@2023-06-29> (last accessed on 30 December 2024).

However, these two judgments may be just the tip of the iceberg. It is quite possible that legal opinions are being generated on a daily basis in South African legal practices based on non-existent precedents and artificially generated case citations. This is due to the tendency of lawyers to find time-efficient ways of carrying out their work, paired with the tendency of generative AI to 'hallucinate' or produce intelligent-sounding outputs that are entirely made up and based on statistical inferences drawn from legal language models rather than from actual legal rules, precedents and logic. This problem may be compounded by potential reliance placed by senior lawyers on junior, 'tech-savvy', lawyers to complete time-consuming work within tight deadlines.

Urgent work needs to be done on educating the profession on the use of AI in legal practice.

Comments on regulatory matters

As in previous years, the Committee struggled with lack of Committee resource and capacity to submit detailed comments on a number of complex draft regulatory matters that arose for comment in 2024. This problem is likely to subsist in 2025. The Committee is far more likely to succeed in guiding and steering the preparation of comments by a paid resource than be able to devote significant time to preparation of written submissions by Committee members themselves on a broad range of regulatory matters that arise for consideration and comment.

Digital Privacy Law

The Committee was also represented in a project kick-off meeting held in October 2024 between the LSSA and the America Bar Association (ABA) in relation to an ABA-funded project, the 'Rule of Law Initiative – Digital Privacy' project, aimed at strengthening the understanding of digital privacy rights among South African lawyers through educational programs for the profession. Committee member Mr Sizwe Snail was requested to submit a proposal to the ABA regarding educational curriculum for the project, however, the ABA subsequently identified Ms Hlengiwe Dube, Project Co-ordinator of the Democracy, Transparency and Digital Rights unit at the University of Pretoria, to lead the de-

velopment of educational curriculum for this project, and the Committee will request to be updated on the status of this project in 2025.

Note of Appreciation

My thanks go to all E-Law Committee members who gave of their time in support of the work of the Committee in 2024. Further thanks go to LSSA personnel for their support of the Committee, including but not limited to Kris Devan and Ricardo Wyngaard.

Finally, the Committee mourned the passing of Mr Tony Pilay, LSSA Executive Director, in 2024. The Committee will also miss the support of Ms Lizette Burger, who left the employment of the LSSA having served in the Professional Affairs department until 2024 and who supported the Committee's work for many years.

Brendan Hughes
Chairperson

Environmental and Climate Justice Affairs Committee

Members: Ilan Lax (Chairperson), K Krishna, H Kara, C Warburton, T Winstanley and N Brauteseth.

Meetings: 21 November 2023

The Committee held one virtual meeting for the year. Members did, however, maintain informal contact via e-mail, telephone and other communication modalities. C Warburton rejoined the committee.

During the course of year the committee received notices of various changes to legislation via e-mail or the media. When appropriate these were circulated for consideration and possible comments or if required submission.

The committee considered a range of relevant new case law and legislation and amendments dealing with, among others:

- the recent judgment on sentencing, arising out of the first private prosecution for environmental offences under the National Environmental Management Act 107 of 1998 (NEMA) (*Uzani Environmental Advocacy CC V BP Southern Africa (Pty) Ltd*);
- again discussed the issues around the National Water Amendment Bill, 2023, as well as transfer of water use rights under the National Water Act 36 of 1998;
- the Climate Change Act 22 of 2024, which has been

signed into law. Regulations have been drafted and are under review; and

- the recent judgment dealing with the validity of certain SPLUMA Bylaws that allowed for the delaying of property transfers. (Govan Mbeki Local Municipality V Glencore Operations South Africa (Pty) Limited and others).

Other areas of importance the committee discussed included:

- An important ruling the European Court of Human Rights – on climate litigation by citizens and groups in various jurisdictions.
- The Legal Sector Codes had been published on 20 September 2024 and would come into effect soon. An LSSA task team was reviewing how to facilitate compliance. The profession needed more information on these matters.
- The implications of completing beneficial ownership registers for community trusts and the obligations of practitioners to comply with them.
- The need to continue to provide practical and useful information and education to the public and in particular affected communities, to broaden an understanding of environmental rights and justice issues so as to facilitate proper consultation.

I am grateful to the committee members and the LSSA team for their commitment and support in the past year.

Ilan Lax
Chairperson

Ethics and Rules Committee

Members: Krish Govender (chairperson), Butch van Blerk, Motsomi Litheko, Nicolette De Witt, Odwa Nyembezi and Sam Matsimela.

The past year has seen many changes in the Law Society of South Africa (LSSA) and the Legal Practice Council (LPC). The sudden passing away of the CEO of the LSSA, Tony Pillay, was a challenge for our organisation. Tony ensured that we were kept up to date with trends, reports and publications involving ethics, the rule of law and justice, both internationally and on our continent. The Acting CEO, Ogilvie Ramoshaba has now taken charge of these many responsibilities in the interim. The management of the Professional Affairs Department and the oversight of Committees of the LSSA has moved to Ncumisa Sotenjwa after the retirement of a stalwart of the LSSA, Lizette Burger. We wish Ncumisa all the best in her new role at the LSSA.

The newly elected members of the LPC took office in December 2024, and the newly elected Board of the Legal

Practice Fidelity Fund also took office in late 2024, after a legal challenge to the LPC's controversial actions. The Executive Officer of the LPC is facing an investigation by the Office of the Legal Services Ombud as well, which was due to start in February 2025. In addition, the looming crises facing both the LPC and LSSA relate to their future financial sustainability.

Fortunately for the LSSA its fiscal discipline and financial controls are always maintained in a transparent and structured manner and has historically remained in good hands. This serves to only strengthen the LSSA which impacts on our work and activities as the Ethics Committee.

It is timeous to welcome the new member of the Committee who joined in 2024, namely Nicolette De Witt. She serves alongside the long serving members, namely the Chairperson, Butch van Blerk, Motsomi Litheko; Odwa Nyembezi and Sam Matsimela.

The positive contributions of our new members during the past year have added to the consistency and performance of our work. Our meetings were always dynamic and engaging and the many enquiries for advice on a wide range of legal matters were dealt with swiftly and professionally in the course of the year.

The matter of a national conference or meeting on Ethics is still under consideration. The changes in the management of the LSSA has added to the delays in this regard.

Legal practitioners are trapped between the demands to compromise on fees due to touting, severe competition for the ever shrinking and limited work, greed and the drive downwards in fees towards the bottom where poor service becomes the norm. Sadly, this affects the historically poor black conveyancer and general practitioner. They must be distinguished from the top slice of connected and wealthy black practitioners who benefit from a narrow application of BEEE directives and who dare not challenge the status quo. The banks are in total control as they demand severe cuts in tariff fees from the small number of black conveyancers and the resultant desperate 'dog eats dog' principle prevails.

The disunity and ethical paralysis amongst the black conveyancers does not help the cause as they are at the mercy of the rapacious banks and their corrupt systems that keep token black firms on their so called 'panels' which only serves to increase corrupt relationships and enable the handful of the rich, mainly large white legal firms to get wealthier. The Competition Commission sits on the sidelines and cannot deal with this exploitation and is rather focussed on a blind adherence to competition principles and this serves to widen the inequality gap within the profession and society in general.

Black lawyers amongst themselves are content to divide along racial lines as the divide and rule is now more deeply entrenched in our post democratic society. Why should the Competition Commission intervene at all! They do not have the capacity or the will to drive a process of demanding disclosure of the inherently corrupt and secretive

'panel system' which is opaque as the brick ceiling that imprisons enterprise, justice and equity. This is the sad state of our country as well at nearly every level of the public and private sectors. The pendulum is far from moving downwards or ever reaching any equilibrium under failing and selfish leadership in every section of society and government, largely gripped by corruption. The demands for any adherence to ethical behaviour is hollow and observed in the breach. Ethics remains a dream in someone's forgotten prayers and remains an expired ticket in a lottery. The Ethics Committee remains hamstrung in this regard but strong in will as this subject is a matter of concern in our meetings.

Apart from the psychological and sociological challenges that ethics cannot overcome, the biggest threat is the exponential growth of artificial intelligence - AI. Its phenomenal impact on society and the legal profession in particular is both positive and negative in many respects. Billions of people will be joyously applying AI in all aspects of their lives without considering any of the risks that go with it. The legal profession is greatly concerned at the abuses and reckless use of AI in our wide ranging legal work.

As a result, our Committee was requested to consider draft guidelines for the ethical use of AI for lawyers. A draft formulated by a few AI practitioners was sent to our Committee, via the E-Law Committee, and this was debated in a specially convened meeting of our Committee on 13 December 2024. The draft did not pass 'ethical muster' of our Committee after a lengthy discussion but the committee commended the E-Law Committee for its initiative. A detailed summary of the Committee's discussion points and recommendations was prepared and submitted to the Exco of the LSSA.

Without traversing any of the details of the debates the Committee indicated that with the almost weekly changes to the AI landscape, it would be difficult to set any guidelines in such a fluid environment. The education and training of legal practitioners in the ethical and fair use of AI was seen as paramount. In this regard the Standing Committee of the LSSA on Legal Education (SCLE) was identified as having an important role to play to achieve some of this purpose. The development of education modules for legal training through a short course on AI or through workshops. Experts in the field could prepare material covering areas of legal work including risk and breaches of codes of good practice.

As an interim measure, the Committee recommends that the Code of Conduct of the LPC, be amended to include a clause headed 'Artificial Intelligence' and words to the following effect:

The reckless or negligent use of AI, in particular, the false, misleading or abusive use of AI generated material for any legal purpose, including violations of intellectual property shall be deemed to be unprofessional conduct, thereby inviting sanctions under the disciplinary rules of the LPC.

This is a brief synopsis of the meeting, and a short suggestion, as an interim measure to cope with the machina-

tions of "Big Tech", which under President Trump's watch, are sweeping the world with some diabolical consequences for humanity.

Globally, 2025 is going to be a year filled with pain, fear, hunger and danger as a result of the phenomenal challenges to the troubled world order and the sledgehammer decrees of the President of the USA. He has taken office with a proverbial blast which has sent integrity, ethics, respect for international law, gender justice, human rights, the hopes of the poor, vulnerable and marginalised, the fight for climate justice and all other struggles for justice and good around the world against genocide and war crimes, flying out of the proverbial White House window. Democracy and equality internationally is intentionally under threat. Age old countries face threats of annexation and invasion. We live in unprecedented, and as the so called Chinese curse goes, 'interesting times'.

The principles of ethics and integrity are inviolable and will outlive the forces of war, death and destruction.

Krish Govender
Chairperson

Family Law Committee

Zenobia du Toit (Chairperson); Amanda Catto (Deputy Chairperson), Ugeshnee Naicker (2ND Deputy Chairperson), Joanne Anthony-Gooden, Ncumisa Nongogo, Queen Mamaila, Colin Geoffreys

The Family Law Committee was active during the course of the year, 2024.

The Marriage Bill: The Committee convened during early 2024 and after much deliberation prepared substantial comments on the Marriage Bill. The following aspects were, amongst other, addressed in the comments. Life relationships in South Africa are widespread but remain largely unregulated, leaving many partners without meaningful access to justice. Recent court cases have highlighted the critical need for legal recognition and protection of these relationships. However, the proposed Marriage Bill overlooked the South African Law Reform Commission's (SALRC) work on matrimonial property law, which may delay justice and equitable outcomes for many individuals, compounded by a lack of resources and education on legal consequences.

The Bill's requirement for court approval of polygamous marriages under Section 6(2)(b) has been deemed impractical by the Constitutional Court. Also, the Bill neglects the recognition of Hindu and polyandrous marriages and limits polygamy to males, which is deemed unconstitutional. Many South Africans lack birth certificates and identity documents, and provisions are needed to accommodate

unregistered births and foreign nationals. For refugees and foreigners, obtaining necessary documentation remains a significant challenge, hindering equitable outcomes in contractual relationships.

The Bill should be expanded to address the needs of gender-diverse and non-binary individuals and consider the inclusion of polyandrous marriages. It also fails to address marriage officers' religious objections to certain marriages. Complications in identity documentation and legal status continue to affect marriage processes. The Bill should align with the Matrimonial Property Act for clarity, as proposed amendments could lead to potential litigation. The adoption of a single standard for divorce across all marriage types is problematic, and the Bill does not adequately address religious and gender diversity. To ensure comprehensive legal reform, an omnibus approach is necessary to avoid piecemeal legislation and ongoing disputes.

Discussion Paper 160 Project 100e -Review of the Aspects of Matrimonial Property Law: The Committee, in collaboration with various stakeholders, also prepared comprehensive comments on the Discussion Paper 160 Project 100e-Review of the Aspects of Matrimonial Property Law. The proposals contained in the Discussion Paper will impact on the personal lives and intimate choices of South Africans, potentially creating legal uncertainty while addressing structural inequalities. Extensive public consultation was recommended for effective law reform, as the SALRC seeks to rectify historical inequalities in marriage. Recognition of polyandry and Hindu marriages is suggested for legal inclusion, while new legislation should not be retrospective to ensure legal certainty.

Couples should receive guidance on marital property regimes before marriage, with clear agreements outlining risks and information to promote equality, especially when there are differences in education or income. New laws should not apply retroactively to ensure legal certainty, and career assets should be excluded from matrimonial property considerations.

It participated in various webinars for example, two webinars by the IAFL on mediation, with an accent on South Africa. It also inputted into a conference in regard to arbitration in family law matters.

We commented to the SALRC on ADR and its latest issue paper, also with a particular accent on arbitration. We commented from time to time on some of the other issue papers by the Department of Justice and the Department of Home Affairs as well as the HSRC.

We were invited to Parliament to comment on some of the draft bills, but the meetings were postponed. We hope to attend in future.

We also commented on draft amended regulations in regard to the Children's Bill and other bills.

We participated in an ART forum with the Western Cape Family Advocate with an accent on international surrogacy as well as in a stakeholders' forum.

The chair also participated in various international conferences such as the American Bar Association conference in Boston in May 2024, speaking on the ART provisions in South Africa, and the IAFL conference in Boston in June 2024 speaking on the International Hague Convention on the Abduction of Children and the s13 defences.

She was one of the experts invited to sit on the Hague Planning Committee for the Forum on Domestic Violence, Article 13, and the Hague Convention on the Abduction of Children, and attended the Forum in Johannesburg in July 2024.

Zenobia du Toit
Chairperson

General Agreements on Trade and Services Committee

Members: Willy Phalatsi (Chairperson), Bayethe Maswazi, Mosiuwa Mokoena, Zincedile Tiya; Joanne Anthony-Gooden

As reported last year, the issue of cross-border practice rights has been edging closer and closer. The Committee participated in a productive workshop organised by the SADC Secretariat from 2-4 September 2024, in Johannesburg. This workshop marked a significant step towards negotiating professional-specific Mutual Recognition Agreements (MRAs).

The workshop commenced with presentations from various professions. The Southern African Development Community Lawyers' Association (SADCLA) led a session on legal services, reflecting on a session from their Annual General Meeting (AGM) in August 2024. The session focused on professional standards, collaboration, and challenges within the region. Key highlights included the importance of achieving regulated experience and maintaining high standards among professionals, the need for regional collaboration to foster innovation and sustainable development and addressing the misalignment between academic training and industry needs. The development and implementation of MRAs were also discussed to facilitate the movement of professionals across borders, crucial for economic integration.

Day two of the workshop focused on the governing principles of the legal profession across Eswatini, Zimbabwe, Zambia, Tanzania, and South Africa. I was offered an opportunity to provide introductory remarks, in which I have also

referenced the 2022 Constitutional Court judgment affirming the legislature's authority over non-citizen admissions into the legal profession. Day three concluded with agreements on key aspects of legal services, including eligibility requirements for cross-border practice, court appearances, and fresh graduates' rights. Regulatory cooperation, disciplinary harmonisation, and professional indemnity were highlighted as essential. The need for a risk-based approach to CPD points, with collaboration between SADCLA and SADC law societies, was also raised to ensure legal practitioners are well-prepared for cross-border practice.

As I highlighted in last year's report, it is essential for the legal profession to stay informed and engage in this process at the right moment. Cross-border practice rights present numerous opportunities, and South African legal practitioners must prepare and consider how to take advantage of these opportunities

A follow-up workshop on Mutual Recognition Agreements (MRAs), hosted by the SADC Secretariat was held in Johannesburg from 25 – 27 February, 2025. During this workshop, the Legal Practice Council (LPC) offered to draft the initial Mutual Recognition Agreement (MRA) for the legal profession. Additionally, the LPC committed to coordinating the participation of member states between meetings.

Most points of convergence regarding the guidelines for MRAs were identified with the exception of two vexing questions which remain unresolved, namely discipline and personal insurance (PI) cover. These issues are crucial as they pertain to public interest and protection. It was agreed that member states would address these issues in their respect countries, with the aim of finalizing them in the next workshop.

The committee remains with a task to discuss and deal with these issues in collaboration with the Legal Practice Council.

Willy Phalats
Chairperson

Immigration and Refugee Law Committee

Members: Marcus A Malan (Chairperson), Kabelo Manamela, Onesimo Nkumbuzi, Sam Nemuhuyuni, Neil Goodway and Boitumelo Maubane.

In comparison to previous years, 2024 saw some noteworthy developments in the areas of immigration and the Department of Home Affairs (the Department).

The Committee congratulates the appointment of Dr Leon Schreiber as the new Minister of the Department, and we wish him all the best with his mandate.

On 4 July 2024, the Department issued a directive announcing that the minister had extended the temporary concession period for foreign nationals whose visa, waiver, or appeal applications remained pending. This extension, valid until 31 December 2024 and applied to individuals who had submitted their applications on or before 30 June 2024. These applicants were allowed to exit and re-enter the country without facing penalties, provided they did so by the extension date. The statement further noted that delays in processing were due to the Department's efforts to reduce application backlogs, with a commitment to resolving the issue as quickly as possible.

On 18 December 2024, the minister issued Immigration Directive 16 of 2024, confirming that the Department had made significant progress in addressing the backlog of visa and permit applications since the earlier extension. However, while the visa backlog had been substantially reduced according to the directive, the results of many applications would not be available before the festive season in 2024. The backlog in appeals and permanent residence applications, however, persisted. As such, the minister once again extended the temporary measures until 31 March 2025 to assist foreign nationals experiencing delays in visa, waiver, and appeal processing.

A concerning trend in 2024 was the increasing number of visa refusals by the Department on unfounded grounds. In response, the Director-General issued Immigration Circular 13 of 2024 on 20 November 2024 to address the challenges caused by the high volume of negative visa and permit decisions. The VFS Global appointment system had also faced constraints, preventing many applicants from securing appointments within the required 10 working days following a negative outcome. To mitigate this, the Circular allowed applicants to submit appeal applications online via the VFS portal within the ten-working-day window, with the option to schedule a later appointment to submit physical documentation on the earliest available date according to the VFS Appointment Slot Calendar. This temporary deviation from standard procedure will remain in effect until 31 March 2025.

In September 2024, during the annual meeting, the Committee discussed the possibility of arranging a meeting with the minister to address several key and pressing immigration and Department-related issues. The Committee is pleased to report that the Chairperson of the Committee successfully secured a meeting with the minister on behalf of the LSSA, meeting held on 25 February 2025. A detailed update will be provided to fellow members and the LSSA following the meeting.

As of November 2024, the Department extended the validity of the Zimbabwean Exemption Permits (ZEP) until 28 November 2025. This extension allows permit holders to continue residing, working, studying, and conducting business in South Africa during this period. Permit holders must apply for the new exemption permits through the VFS online portal. While this extension provides temporary relief, it is unlikely that there will be further extensions beyond 28 November 2025. Therefore, permit holders are

encouraged to explore alternative visa options or make necessary arrangements before the expiration date.

We also noted the amendment to the Immigration Regulations published on 20 May 2024, which included changes to the definition of a 'police clearance certificate' as well as the amendment of several Regulations of the Immigration Act, 2002.

The Committee and the LSSA remains committed to engaging with the Department to address key developments and challenges in immigration law and policy. In this regard, the Committee expresses its keen interest in establishing a regular consultative framework with the minister to facilitate constructive discussions on emerging issues, legislative developments, and practical solutions. We believe that such engagements will foster greater collaboration between legal practitioners and policymakers, ultimately enhancing the efficiency, fairness, and clarity of South Africa's immigration system.

It has been an honour and privilege to serve as the newly appointed chairperson of the Committee, and I would like to express my sincere gratitude to all the members of the LSSA for their unwavering support, valuable input, and the sharing of vital updates pertaining to immigration and refugee law.

The LSSA wishes to express its sincere gratitude to former chairperson, Julian Pokroy for his leadership, and I wish all my colleagues and fellow Committee members a healthy and prosperous 2025.

Marcus A Malan
Chairperson

Labour Law Committee

Members: Jason Whyte (Chairperson), Bonolo Thebe, Roy Ramdaw and Riaan de Lange.

Key developments:

A single meeting of the Committee took place on 27 September 2024. The meeting discussed:

- the outcome of the meeting held with the Acting Judge President and Acting Deputy Judge President of the Labour Courts on 1 March 2024; and
- the outcome of the meeting held with the Commission for Conciliation, Mediation and Arbitration (CCMA) on 10 April 2024.

The aforesaid meetings were very fruitful and have fostered a good working relationship between the profession and the bench and CCMA. The meetings have allowed the Committee to understand the severe budgetary constraints that the institutions are facing.

It was agreed to focus on the following areas in 2025:

- a meeting with the Ministers of Justice and Constitutional Development to discuss budgetary constraints;
- aim to conduct a training session on the new Labour Court Rules; and
- to continue meeting with the Labour Courts and CCMA.

Jason Whyte
Chairperson

Legal Aid and Pro Bono Committee

Members: Shaun Hangone (Chairperson), Benedict Jordaan, Ettienne Barnard, Liesl Williams, Majobhi Mokoena, Ncumisa Nongogo, Zincedile Tiya, Philippa Kruger, Nonduduzo Samukelisiwe Khanyile (*ex officio*) and Rehana Kahn Parker (*ex officio*).

During the year under review the LSSA's specialist Legal Aid and *Pro bono* Committee (the Committee) in its current format met on one occasion, 15 November 2024. This was the first meeting of the Committee since the disbanding of the Legal Aid, *Pro Bono* and Small Claims Court Committee.

At this meeting, the Chairperson was elected and tasked to prepare this report on the workings of the Committee and indirectly to comment on the state of *pro bono* in South Africa. I wish to express my appreciation and well wishes for the Committee's former chairperson, Ms Ncumisa Sontenjwa, who has since taken up her new position as Senior Manager at the LSSA's Professional Affairs Department.

Pro bono in South Africa

An unintended consequence of the Legal Practice Act 28 of 2014 was the systematic collapse of the institutional infrastructure of the former statutory law societies.

The Legal Practice Council (LPC) has during the reporting period published, for comment, draft Guidelines on Community Service. The Committee identified several concerns with the draft Guidelines and submitted written comments. The LPC has during December 2024 indicated that it is in the process of reviewing the comments received from stakeholders with a view of revisiting both the guidelines and the Regulations to ensure they comprehensively address these concerns. Consequently, the implementation of Regulations 4A and 4B, along with the application of the guidelines, originally set for 1 January 2025, will be postponed allowing for further consultation and revision.

The LSSA will continue to pursue the establishment and support of provincial structures to support the provision of pro bono services by legal practitioners.

Notwithstanding same, in the year under review, the Committee acknowledged and witnessed the continued commitment from large law firms to dedicate significant time and resources to *pro bono* work, focusing on providing legal assistance to marginalised communities.

Positive trends

It is common knowledge that larger firms have dedicated *pro bono* departments and strategic focus on impactful litigation.

This trend can be seen in the reporting and transparency of the various reports published annually. Many firms are publishing annual pro bono reports detailing their activities and impact, demonstrating accountability and commitment to pro bono. The community service regulations, as published by the then Minister of Justice and Correctional Services may have had unintentional consequences for this practice as it made no provision for the aggregation of community service at firm level. It remains to be seen whether this will be taken into consideration during the further consultation process.

The Committee was addressed by Advocate S Ameerma the National Director of ProBono.org. Advocate Ameerma advised the committee that ProBono.org is actively facilitating connections between attorneys and individuals requiring legal support, particularly in areas like housing, family law, and employment matters.

Pro bono by its very nature attempts to address social issues in our communities. *Pro bono* work often centres on addressing social challenges like poverty, discrimination, domestic violence, and access to basic services. Similarly, there is a strong focus on community outreach. The collaboration with community organisations and legal clinics to identify and serve marginalised communities. Legal education is important and a number of firms incorporate *pro bono* work into training programmes for new attorneys fostering a culture of giving back.

Challenges to pro bono

The challenges to *pro bono* have persisted notwithstanding the establishment of the LPC.

The challenges to *pro bono* include but are not limited to:

- **Administration of pro bono:** The administration and allocation of pro bono matters to legal practitioners remains a huge challenge. Probono.org proposes to assist in resolving this challenge by providing their infrastructure and becoming a partner with LSSA to administer the allocation and monitoring of *pro bono* matters to members of the profession. This collaboration must be

encouraged and supported.

- **Reaching remote areas:** Ensuring access to *pro bono* legal services in geographically isolated communities remains a significant barrier to access to justice.
- **Capacity constraints:** Balancing *pro bono* work with commercial obligations can be challenging for smaller firms and individual practitioners. The capacity constraints similarly are prevalent at the LPC provincial officers who do not have the capacity and budgets to administer the allocation of *pro bono* matters to legal practitioners. The Legal Aid clinics similar have capacity constraints in civil law matters and essentially only offers *pro bono* services in criminal law context.
- **Awareness and engagement:** Raising awareness about available *pro bono* services among the public and encouraging wider participation from the legal community.

Recommendations

- **Policy initiatives:** The Committee proposes that the LSSA explore potential regulatory changes to incentivise and streamline *pro bono* work, including the enforcement of and the recognition of mandatory *pro bono* hours for legal practitioners.
- **Collaboration:** The Committee encourages the fostering of partnerships between government agencies, NGOs, and legal firms to identify critical needs and develop targeted *pro bono* programs. This could include programmes designed to specifically address access to justice by assisting government departments experiencing service delivery constraints. While it remains a contentious issue if legal practitioners under the guise of *pro bono* be allowed to provide assistance to the state, it is high time that role of ensuring access to justice be reconsidered to remove any artificial barriers to rendering of *pro bono* services.
- **Technology utilisation:** The case lines system is systematically being introduced across the country to ensure effective management and administration of our High courts. This virtual platform together with introduction of virtual meetings could present a novel solution to allow access to remote areas. The Committee recommends that we leverage technology to facilitate efficient case management and connect clients with *pro bono* legal practitioners in inter alia remote areas.
- **Training and support:** The scope of *pro bono* should be broadened to allow that the ongoing training and resources for legal practitioners engaging in pro bono work to ensure high quality legal representation is recognised.
- **Acknowledgement of pro bono service by providing awards/recognition:** The Committee has proposed a recognition of legal practitioners who have provided *pro bono* services to ensure public awareness and to incentivise members to participate and provide *pro bono* legal services.

Conclusion

In conclusion, we must acknowledge that progress has been made in South Africa's *pro bono* landscape. That being said, the Committee accepts that we need continued efforts to address existing challenges and we must ensure that all individuals regardless of their social and or economic status have meaningful access to legal services and access to justice.

Shaun Hangone
Chairperson

Legal Practitioners and Accountants Committee

Members: Martus de Wet (Co-Chairperson), Matubane Ramontja, Asif Essa, Morolong Noge, Meerushini Govender, Robert Burawundi (LPFF representative), Cledwin. Dzinamarira (LPFF representative) and Ashwin Reddy (LPC representative).

As Co-chairperson of LPAC, I am pleased to present the annual report for 2024.

The LPAC is aimed at facilitating interaction and cooperation between the Law Society of South Africa (LSSA), South African Institute of Chartered Accountants (SAICA), the Independent Regulatory Board of Auditors (IRBA), Legal Practitioners Fidelity Fund (LPFF) and the Legal Practice Council (LPC). The LPAC engages in and deliberates on decisions made by the LPC, LPFF and the LSSA and to proactively address auditing, accounting and legislation issues affecting the legal practitioners and their auditors.

This year, the committee has focused on addressing key challenges impacting the legal and accounting professions, particularly concerning the Companies and Intellectual Property Commission (CIPC) and the Financial Intelligence Centre Act (FICA).

The LPC's Rules (the Rules) and the Legal Practice Act 28 of 2014 (the Act) require an audit engagement to assess compliance with trust account obligations. However, the Rules and the Act do not mandate the auditing of a legal practitioner's financial statements (i.e., business accounts).

The Companies Regulations, under Regulation 28(2), provide that a company must have its financial statements audited if it holds assets exceeding R 5 million in a fiduciary capacity during the financial year. However, terms such as 'ordinary course of its primary activities' and 'fiduciary capacity' were undefined, leading to differing interpretations. In 2013, the CIPC issued a non-binding opinion stating that trust account funds

were held in a fiduciary capacity, but this did not form part of the firm's primary activity, which is the provision of legal services. Consequently, legal practitioners operating as personal liability companies were not subject to audit requirements based on trust account balances.

In 2019, the CIPC withdrew this non-binding opinion. This was generally interpreted to mean that companies holding assets in a fiduciary capacity exceeding R 5 million were subject to audit requirements under Regulation 28(2). This included legal practices incorporated under the Companies Act. As a result, firms structured as personal liability companies holding significant trust account balances became subject to audit requirements for their business accounts.

The LSSA's Company Law Committee maintained that eligible personal liability companies were, by virtue of s 30(2A) of the Companies Act exempted from complying with this requirement. Regulation 28(2) states that this regulation applies to a company unless, in terms of s 30(2A), it is exempt from having its annual financial statements either audited or independently reviewed. Section 30(2A) essentially provides that if every person who is a holder of, or has a beneficial interest in, any securities by that company is also a director of the company, that company is exempt from the requirements to have its annual financial statements audited or independently reviewed.

On 14 March 2024, the Gauteng Division of the High Court in Pretoria issued an order exempting all law firms incorporated as personal liability companies under the Companies Act from auditing their business accounts. This order applies irrespective of their Public Interest (PI) score, diverging from the Companies Act requirement that companies with a PI score above 350 must undergo audits. The CIPC has since indicated its intention to appeal this order, suspending its operation in the interim.

On FICA, LPAC has engaged extensively with the Financial Intelligence Centre (FIC) to address the impact of compliance requirements on legal practitioners. A key concern raised is that FICA obligations, while essential for combating money laundering and other financial crimes, impose disproportionate burdens on smaller law firms, particularly sole practitioners who form over 80% of the profession and often serve lower-income communities. These firms are the backbone of access to justice in South Africa, yet the financial and administrative costs of FICA compliance threaten their viability.

The committee emphasised the constitutional implications of these requirements. Legal practitioners have a unique role in safeguarding individual and collective freedoms, including the right to confidential legal advice and representation. Stringent FICA requirements risk undermining this role by increasing costs, reducing affordability, and discouraging practitioners from serving vulnerable sectors of society. The potential conflict between anti-money laundering initiatives and the constitutional mandate of legal practitioners requires a balanced approach.

LPAC has discussed the possibility of a tiered compliance framework to mitigate these challenges. This framework

would differentiate between firms based on their size, client base, and risk exposure, ensuring that smaller firms can fulfil their obligations without compromising their sustainability. Such a framework would also enhance the profession's ability to deliver cost-effective legal services while maintaining robust anti-money laundering standards.

The LPAC committee, comprising representatives from SAICA and the LSSA, with the LPC, IRBA, CIPC, and FIC as invitees, continues to monitor these issues.

Martus de Wet
Co-Chairperson

Liquor Matters Committee

Members: Kobus Burger (Chairperson), Sandile Dlomo, Abongile Matomane, Eugene Kruger, Mhlanga Bala and Sam Matsimela.

The following is a very brief summary regarding the position of the provincial Liquor Boards as well as the National Liquor Board. There is not much to say regarding the functioning of the National Liquor Board as they seem to have sorted out most of their problems, but their turnaround time of applications did not improve and a lot can still be done to improve service delivery.

The Free State Liquor Amendment Bill, 3 of 2024, was enacted on 10 May 2024. Without going into the detail thereof there are a number of important changes. The procedure for the new applications was changed, applicants must themselves obtain the reports from the South African Police Service and the municipality. It also requires that liquor licence holders whose licences were issued in terms of the 1989 Liquor Act to apply to the authority for the conversion of their licences within 24 months as from 10 May 2024 and must be lodged substantially in the form and manner as prescribed. Unfortunately, no amended regulations have been published, therefore, making it impossible for licence holders to comply. No off-consumption liquor outlet on premises attached to petrol service stations or on the same erf of such petrol stations will be granted an operating licence. The board must also consider the norms and standards as approved by the National Liquor Policy Council from time to time. In terms of the amendments a natural person and who is not a citizen of South Africa or in case of a juristic person and whose members, sharehold-

ers or directors are non-citizens may not be registered. This provision seems to be unconstitutional and will surely be tested in court. Another important amendment is that the prescribed appeal procedures must first be complied with before an applicant can proceed with a review application.

The North West Province is the only province that is still making use of the previous liquor act being Act 27 of 1989. Their turnaround time has not improved, and it is absolutely frustrating to have applications finalised which also includes transfer applications.

The Mpumalanga Liquor Board functions rather smoothly and applications can now also be lodged electronically. The challenge with applications in Mpumalanga is that a municipal report must be obtained from the municipality prior to the lodgement of the liquor application which is quite challenging and this requirement delays the finalisation of liquor applications.

The feedback received from the practitioners regarding the Limpopo Liquor Board is that it seems to function without too much teething problems.

The Northern Cape Liquor Board published their new legislation on 4 April 2024, that act deals with gambling and liquor related matters. No Liquor Board has been appointed for some months now and it is unknown as to when a new board will be appointed.

The KwaZulu-Natal Liquor Board's turnaround time is appalling, making it difficult for new liquor businesses to obtain liquor licences and for existing liquor licence holders to finalise other categories of applications such as removals, transfer, etcetera. The same is applicable to the Western Cape Liquor Board where their turnaround time is between eight to ten months.

The Gauteng Liquor Board had a huge backlog in respect of transfer applications which was addressed after practitioners met with the Member of the Executive Council. However, their turnaround time regarding new applications is still much too slow and there is a lot of room for improvement on service delivery, making it extremely difficult for legal practitioners to finalise applications.

The Eastern Cape Liquor Board published amended regulations for public comment. The current status regarding the regulations is unknown as there was discussion in December to hold them in abeyance. Operationally the Eastern Cape Liquor Board functions in a stable and orderly manner meeting regularly to consider applications. With the involvement of Ward Councillors in the application process, this has seen the turnaround period increasing to two months on average as a number of Ward Councillors fail

to timeously perform their legislative obligations. Further challenges experienced relate to the involvement of municipalities in the process where some municipalities delay the process through protracted internal processes regarding the applications.

One of the most significant factors that contributes to unnecessary delays in the finalisation of applications in almost all Liquor Boards, is that they concern themselves with issues other than those provided for by their relevant legislation. They seem to forget that they are creatures of statute and that their powers are limited to those contained in their applicable legislation.

Kobus Burger
Chairperson

Personal Injury Committee

Members: Jacqui Sohn (Chairperson), Likhaya Makana, Lindy Langer, Mpendulo Gama, Sinawo Makangela, Conrad Van Der Vyfer and Benock Shabangu (now late).

The Committee made use of e-mail and virtual meetings as required.

The Committee was greatly saddened by the death of our long-standing committee member, Benock Shabangu during the course of the year. His valuable contribution, able assistance and willingness to participate in all aspects of matters receiving the committee's attention is sorely missed.

Key developments:

Interaction with the Minister of Transport on the Road Accident Fund (RAF)

On 2 July 2024, the LSSA, representing the collective of various legal and other bodies formed in 2023 to address the ongoing crisis at the RAF, addressed a letter to the newly appointed Minister of Transport.

In response a virtual meeting was held with the Minister and Deputy Ministers of Transport on 23 July 2024. Mr Hlengwa, having been the chairperson of SCOPA during the 6th Parliament, had a clear grasp of the issues.

The Minister and Deputy Minister were advised that last

year, a collective of legal representative bodies and a medico-legal organisation had addressed a memorandum to several Ministers, Departments and Parliamentary Portfolio Committees, detailing the ongoing RAF challenges and proposing strategic interventions. The CEO of the RAF, the previous Minister of Transport and the Portfolio Committee on Transport were also included. Unfortunately, no substantive feedback from any of the stakeholders was received.

During the meeting with the Ministers the Committee reiterated that these challenges are complex and referenced the previously submitted memorandum for comprehensive context. The Committee also highlighted the RAF's total disregard of court orders.

The Committee raised a concern that parliament appeared to be prioritising the 2023 Road Accident Fund Amendment Bill, which we believe is fatally flawed. When it was published for comment by the Department in 2023, substantive submissions were made which do not appear to have been taken into consideration in the Bill that made its way to Parliament. We requested that the Minister ensure that proper public consultation takes place, including at Portfolio Committee level, before the Bill is promoted any further.

The Minister advised that, while acknowledging that there are operational challenges with the RAF, the sustainability of the RAF is of great concern to government, particularly in light of stringent measures imposed by the fiscus. She asked our view on this.

The Minister requested us to provide her with

- details of the issues at the RAF, as raised in the 2023 memorandum, including an executive summary;
- the profession's concerns with the RAF Amendment Bill, including an executive summary;
- a document dealing with the sustainability of the RAF, including recommendations on how interventions can be integrated into government policy.

The Minister expressed appreciation for the profession's commitment to assist in turning the RAF around. She advised that she is still meeting with other stakeholders, including the RAF, and will review all the information before reverting to us.

On 26 August 2024 a letter summarising the major concerns with the 2023 Road Accident Fund Amendment Bill was dispatched to the Minister on behalf of the collective and on 25 September 2024 a further letter summarizing the ongoing issues with the RAF.

To date there has been no further interaction. LSSA intends to take this up further in the new year.

Road Accident Fund Board Notice 271 of 2022 and Directives on Past Medical and other expenses paid by Medical Aids

Despite decisions of the High Court, Supreme Court of Appeal and the Constitutional Court the RAF persists in rejecting all claims which do not comply with the additional requirements stipulated in the new Form 1. The declaration by the full bench of the High Court Gauteng, Pretoria in the case of *Adam Mudawo and Others vs The Minister of Transport and Others* (Case Number 011795/2022), that those portions of the above denying claims to foreign nationals who are not in possession of the required travel documents is *ultra vires*, as well as paragraph (iii) of the order made by the full bench of the High Court Pretoria on 20 March 2024 in the case of *LPIIF and Others vs The Road Accident Fund and Others* (Case Number 046038/2022) that Board Notice 271 of 2022 is declared unlawful and set aside, are currently on appeal to the Supreme Court of Appeal. It is anticipated that the appeal will be argued later in the year,

The balance of the judgement in the LPIIF case is unaffected by the appeal.

However, the fact that approximately 90% of all new claims are still being rejected as being non-compliant with the new RAF 1 Form and Board Notice 271 continues to add to delays in finalizing claims and the congestion of court rolls, particularly in Gauteng, where trial dates are now being allocated in 2030.

RAF Proposed Solution Design Report to Stakeholders

During late November 2024 LSSA was approached by the RAF for a meeting in order to engage on the development of a standard formula for the calculation of the RAF's liabilities to claimants. On 10 December 2024 the President and Vice Presidents of LSSA as well as members of the Personal Injury specialist committee together with staff members of LSSA met with a delegation from the RAF headed by the Chief Executive Officer. A power point presentation was made outlining a proposal to develop and implement a standardised formula for the assessment of personal injury awards for all heads of damages. Recently, a detailed document was received headed:

Paper on the development of standard formulae for calculation of loss of earnings, loss of support and general damages for the Road Accident Fund (RAF)

The LSSA has disseminated the paper to the legal profes-

sion and the due date for submission of comments being 28 February 2025. At the meeting on 10 December 2024, it was indicated that the RAF wished to implement this system on 1 March 2025. Part of the proposal is the creation of a live interactive portal online which will enable claimants (either represented or claiming direct) to file claims and thereafter have the quantum thereof computed in accordance with the various formulae still to be finally developed.

The Committee will prepare comments for consideration and submission by the LSSA on the proposal for the development of a standard formula for computing various heads of damages. It is the Committee's views that the implementation or effect of any system to facilitate the computation of damages and the results it produces will continue to be evaluated in the light of the law as it currently stands, including case law. The existence and implementation of any such system or process cannot deny a claimant access to the courts in order to argue his or her case if not satisfied with any settlement offer it might produce.

Focus for 2025

The Committee will closely monitor any further developments in relation to the 2023 Road Accident Fund Amendment Bill.

As was reported last year, despite adverse court orders and settlement agreements the RAF continues to refuse payment of claims for expenses covered by medical aid. It now argues that such claims are the subject of legislation governing medical aids which relieves the RAF from liability for paying these expenses alternatively that they are hit by section 19 of the Road Accident Fund Act. The RAF also persists in its refusal to pay claims for future loss of earnings despite existing court orders and/or settlement agreements where the claimant has died after judgment or settlement but before payment. The RAF still persists in its refusal to pay the claims of foreign nationals who cannot prove that they were legally in South Africa when they were injured or when they are due for payment despite court orders and/or settlement agreements to the contrary.

There is no basis in law for refusing the above payments. The Committee will continue to monitor the current litigation with a view to making further recommendations for consideration by LSSA regarding any action to be taken by LSSA depending on the outcome of the appeals.

Jacqui Sohn
Chairperson

Property Law Committee

Members: Dave Bennett (Chairperson), Hussan Goga, Anton Theron, Anita Gounden, Monise Ponoane, Elivira Le Roux, Leah Mamabolo and Bonwabile Nyanda.

The Property Law Committee met during July and October 2024, and has a scheduled meeting for March 2025.

In our previous annual report, we highlighted the interpretation challenges pertaining to s 56(3) and (5) of the Property Practitioners Act (the PPA). The primary issue revolved around whether conveyancers are legally obligated to transfer remuneration (commission) due to a property practitioner to the Property Practitioners Fidelity Fund in instances where the property practitioner did not possess a valid Fidelity Fund Certificate (FFC).

The PPRA argued that if a property practitioner did not have a valid FFC during a transaction, the conveyancer must transfer the commission to the PPRA Fund, as provided for in s 56(3). The Property Law Committee conversely argued that s 56(3) places no burden on the conveyancer to pay moneys to the PPRA Fund, and that in terms of s 56(5) a conveyancer may not pay remuneration over to a property practitioner who was not properly registered in terms of the Act, as such practitioner is not entitled thereto in terms of s 56(1). Thus, the money should be paid to the seller who will be obliged to pay the commission to the property practitioner should he/she eventually comply or become otherwise entitled to payment.

The Legal Opinion provided that: 'While Section 55(5) of the PPRA is silent on who conveyancers must pay the remuneration to, the common law duty on conveyancers to act in the best interests of sellers creates an obligation on conveyancers to pay sellers directly.' It concludes that although property practitioners must pay any fee received in contravention of s 55(1) to the Fund if they do not have a valid FFC, conveyancers are not required to do so and must prioritise

the seller's interests. Conveyancers cannot pay property practitioners without an FFC and should pay the seller directly to avoid financial issues for the seller. The law supports the conveyancer's duty to protect the seller's interests, and court involvement is only needed if there is a dispute regarding the Fund.

The Committee reviewed and agreed with the legal opinion, but the PPRA indicated that they still disagree therewith. Should they wish to take the matter any further, the Property Law Committee shall consider a suitable course of action.

Also, the Committee reviewed the investigation report from the Office of the Legal Services Ombud, with an emphasis on the historical context of the Conveyancing Task Team's appointment in March 2019. Some of the recommendations of the Task team were implemented immediately, while others required the Legal Practice Council's intervention.

At our second meeting on 17 October 2024, the Committee discussed the way forward for electing a new chairperson and proposed that nominations be forwarded in writing to the LSSA.

Throughout the year, Committee members actively participated in several workshops and meetings pertaining to the development of the anticipated Electronic Deeds Registration System (EDRS). Although the profession was initially not actively included in the development stages of the project by the office of the Chief Registrar of Deeds (CRD), the committee did receive an invitation to attend a demonstration in June 2024, and thereafter participated in two sessions with the developers and the Banking Association of South Africa to provide input into the transfer, cancellation and bond registration processes, which was constructive and promising. However, since August 2024, no further communication was received from the CRD's Office, until we were again invited to a briefing on the latest developments in February 2025. This comprised the four stages of development (information provisioning/e-preparation a e-submission (lodgement)/e-examination /e-registration (execution) and e-delivery), as well as a demonstration of the three types of transactions which will initially be rolled out when EDRS is introduced, namely simple transfers, cancellations and bonds. The meeting was then informed that the planned implementation date remained 1 April 2025, which seemed unlikely in the

light of the time left to finalise the development, provide training to the staff of the Deeds Office, and to conveyancers and their paralegals/conveyancing secretaries. Pertinent questions were put to the developers about the training of conveyancers and their staff to be able to operate on the system, and undertakings were given that it will be commenced prior to the system becoming operative.

Since the demonstration in February 2025, the Electronic Deeds Registration System Regulations were promulgated on 4 March 2025. These regulations and the developments pertaining to the EDRS system, will be discussed by the committee at its forthcoming meeting in March 2025, with a view of circulating information in respect of these developments to members as soon as possible. We will also discuss the potential implementation of the Electronic Deeds Registrations Act and Regulations, expressly with regard to making electronic registration mandatory before all transaction types are fully possible and supported electronically. The Committee plans to follow up on these issues and ensure comprehensive consultation, especially considering the impact on all practitioners.

The Committee would like to extend our gratitude to the Professional Affairs team of the LSSA for their invaluable contributions throughout the year.

Dave Bennett
Chairperson

Tax Matters and Exchange Control Committee

Members: Robert Gad (Chairperson), Iqbal Ganie, Vusumuzi Rajuili, Thopane Maloka, Charles Ancer and Mzawuthethi Kalimashe.

Key Engagements:

RCB forum meetings:

- RCB Forum discussion re SARS treatment of TPs – 4 April 2024
- RCB Forum Meeting – 4 June 2024

Initiated discussions regarding LPC and Sars Declarations for tax practitioners (ongoing matter).

This Committee held virtual meetings during the period under review to discuss relevant topics, including proposed engagement with other Sars and professional bodies. In lieu of physical meetings, virtual meetings seem to be a more economical and convenient alternative.

We continue to receive invitations to attend Sars/National Treasury workshops, and make submissions on proposed Tax Law, to which the Committee responds.

The Committee has been a regular invitee and participant in the Regulatory Controlling Body (RCB) stakeholder workshops with Sars on issues of concern to tax practice. In addition, the Committee has been invited to a smaller group workshop with Sars on streamlining tax dispute processes.

More generally, former Acting Executive Director, Lizette Burger had a very good relationship with Sars, and she had regular access in order to raise any tax operational issues, such as the challenges being faced by attorneys in tax compliance and in relation to the Tax Administration Act.

Where appropriate, this Committee participates in written and oral comments on changes to the tax and related legislation.

As Chairperson, I would like to thank the Committee very much for all of their input and efforts during the course of the year under review. I would also like to acknowledge the important contribution made by the late Nonhlanhla Chanza in her role as the LSSA's Parliamentary Liaison Officer. The passing of the LSSA's Executive Director, Tony Pillay, has also been a huge loss for the LSSA during the reporting period. I also wish Lizette Burger all the best with her retirement. My sincere appreciation to Kris Devan, (Professional Assistant), Ricardo Wyngaard (Senior Legal Official) and Selinah Sekano (Committee Secretary) for their assistance provided to the Committee. I look forward to working with Ncumisa Sotenjwa, who is the new Senior Manager in the Professional Affairs Department.

Robert Gad
Chairperson

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The Law Society of South Africa (LSSA) requests voluntary contributions from attorneys in support of the organisation's activities and initiatives for 2025.

As a respected member of the legal profession, your contribution will play a vital role in enabling the LSSA to continue its efforts in enhancing the standards and advocacy of the legal profession across South Africa.

The LSSA has long been committed to the development of legal practices, advancing access to justice, and representing the interests of the attorneys' profession.

Your voluntary contribution will directly support these initiatives, which include professional development programmes, advocacy for legal reforms, and various other services for attorneys in the country.

Key details of the contribution are as follows:

Amount: R 300 per annum

Payment information:

Law Society of South Africa

FNB – Business Account

Account Number:

6200 964 1029

Branch Code: 251445



- Reference: 004 (your initials) and province number as per below :
 - Eastern Cape: 01
 - Free State: 02
 - Gauteng: 03
 - KwaZulu-Natal: 04
 - Limpopo: 05
 - Mpumalanga: 06
 - Northern Cape: 07
 - North West: 08
 - Western Cape: 09

If you require further information on how to make your contribution or about the LSSA's activities, please do not hesitate to contact our office at (012) 366 8800.



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Law Society of South Africa

(Registration number: 021-221-NPO)

Annual Financial Statements for the year ended 31 December 2024

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Preparer

Z M Mtwecu
Senior Finance Manager
Law Society of South Africa

Law Society of South Africa

(Registration number: 021-221-NPO)

Annual Financial Statements for the year ended 31 December 2024

House of Constituents (HoC) Responsibilities and Approval

The HoC is required by the Non-Profit Organisation Act 71 of 1997, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is its responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and the requirements of the Non-Profit Organisations Act 71 of 1997. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and the requirements of the Non-Profit Organisations Act 71 of 1997, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The HoC acknowledge that it is ultimately responsible for the system of internal financial control established by the organisation and places considerable importance on maintaining a strong control environment. To enable the HoC to meet these responsibilities, the HoC sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that, in all reasonable circumstances, is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The HoC is of the opinion, based on the information and explanations given by management and the Audit and Risk Committee, that the system of internal control provides reasonable assurance that the financial records may be relied upon for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The HoC has reviewed the organisation's cash flow forecast for the year to 31 December 2025 and, in the light of this review and the current financial position, it is satisfied that the organisation has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the organisation's annual financial statements. The audited financial statements have been examined by the organisation's external auditors and their report is presented on page 5 - 7.

The annual financial statements set out on pages 8 to 21, which have been prepared on the going concern basis, were approved by the HoC on 28 March 2025 and were signed on its behalf by:

Signed on behalf of the HoC by:



Ms J Anthony-Goosen
LSSA President

Law Society of South Africa

(Registration number: 021-221-NPO)

Annual Financial Statements for the year ended 31 December 2024

House of Constituents (HoC) Report

The HoC has pleasure in submitting its report on the annual financial statements of the Law Society of South Africa for the year ended 31 December 2024.

1. Nature of business

The Law Society of South Africa is the representative, professional body of the attorney's profession in South Africa. The organisation operates in South Africa.

There have been no material changes to the nature of the organisation's business from the prior year.

2. Review of financial results and activities

The audited financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Non-Profit Organisations Act 71 of 1997. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the organisation are set out in these audited financial statements.

3. HOUSE OF CONSTITUENTS

The HoC in office at the date of this report are as follows:

HOUSE OF CONSTITUENTS	Office
Ms J Anthony-Gooden	President
Mr N Mvundlela	Vice-President
Ms E Masipa	Vice President
Ms E Ramagaga	
Mr Z Ngqeza	
Ms T Mpanza	
Mr C Hendricks	
Ms N Maema	
Mr E Barnard	
Mr C Kgotlagomang	
Mr T Joubert	
Ms E le Roux	
Mr A Jacobsz	
Mr P Horn	
Mr D Bennett	
Mr M Gwala	
Ms U Naicker	
Mr K Govender	
Ms C Selepe	
Mr M Ramathe	
Mr S Tshehla	
Mr U Jivan	
Mr M De Wet	
Mr Z Tiya	
Ms B Olowookorun	
Mr M Motlounj	
Ms W Zama	

Law Society of South Africa

(Registration number: 021-221-NPO)

Annual Financial Statements for the year ended 31 December 2024

House of Constituents (HoC) Report

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the organisation or in the policy regarding their use.

5. Events after the reporting period

The HoC members are not aware of any material event which occurred after the reporting date and up to the date of this report.

6. Going concern

The HoC believe that the organisation has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The HoC have satisfied themselves that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The HoC is not aware of any new material changes that may adversely impact the organisation. The HoC is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the organisation.

7. Auditors

Nexia SAB&T have been appointed as auditors for the organisation for 2024 on a three year cycle ending with the 2025 year-end audit.

INDEPENDENT AUDITOR'S REPORT

To the House of Constituents of Law Society of South Africa

Opinion

We have audited the financial statements of Law Society of South Africa set out on pages 8 to 21, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Law Society of South Africa as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Non-Profit Organisation Act 71 of 1997.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organisation in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The House of Constituents are responsible for the other information. The other information comprises the information included in the document titled "Law Society of South Africa Annual Financial Statements for the year ended 31 December 2024", which includes the House of Constituents (Hoc) Report as required. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Audit. Tax. Advisory.

Chairperson: Mrs A Zange
Chief Executive Officer: Mr MF Sulaman
SAB&T Chartered Accountants Incorporated t/a Nexia SAB&T
Company Registration Number: 1997/018869/21 | IRBA Registration Number: 921297
Offices in: Bloemfontein, Cape Town, Centurion, Durban, Johannesburg, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
B-BBEE rating: Level 1 Contributor in terms of Generic Scorecard - B-BBEE Codes of Good Practice
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* A full list of directors is available for inspection at the company's registered office or on request.

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, 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 House of Constituents for the Financial Statements

The House of Constituents are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of Non-Profit Organisation Act 71 of 1997, and for such internal control as the House of Constituents 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 House of Constituents are responsible for assessing the organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the House of Constituents either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

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 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, 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the House of Constituents.

- Conclude on the appropriateness of the House of Constituents' 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 organisation'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 our auditor's report. However, future events or conditions may cause the organisation 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.

We communicate with the House of Constituents regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia SAB&T

Nexia SAB&T

Aadila Aboobaker

Director

Registered Auditor

25 April 2025

Law Society of South Africa

(Registration number: 021-221-NPO)

Annual Financial Statements for the year ended 31 December 2024

Statement of Financial Position as at 31 December 2024

Figures in Rand	Notes	2024	2023
Assets			
Non-Current Assets			
Property, plant and equipment	2	8 235 609	8 631 124
Intangible assets	3	3 502	4 877
Loans to related organisations	10	628 089	788 084
		8 867 200	9 424 085
Current Assets			
Loans to related organisations	10	182 518	-
Trade and other receivables	4	10 811 942	5 529 568
Operating lease asset		324 603	74 417
Cash and cash equivalents	5	152 843 461	163 489 290
		164 162 524	169 093 275
Total Assets		173 029 724	178 517 360
Equity and Liabilities			
Equity			
Accumulated surplus		84 280 555	83 708 230
Liabilities			
Non-Current Liabilities			
Provisions	6	11 677 389	11 087 405
Current Liabilities			
Trade and other payables	7	22 899 109	24 456 449
Financial assistance	9	2 308 603	2 308 603
Operating lease liability		11 467	378
Special projects	8	49 589 545	49 808 299
Provisions	6	2 263 056	7 147 996
		77 071 780	83 721 725
Total Liabilities		88 749 169	94 809 130
Total Equity and Liabilities		173 029 724	178 517 360

Law Society of South Africa

(Registration number: 021-221-NPO)

Annual Financial Statements for the year ended 31 December 2024

Statement of Comprehensive Income

Figures in Rand	Note(s)	2024	2023
Revenue	11	60 140 030	57 433 209
Other income	12	29 996 517	61 220 849
Operating expenditure	13	(103 028 197)	(112 955 042)
Operating Deficit		(12 891 650)	5 699 016
Investment revenue	14	13 468 033	13 255 131
Finance costs	15	(4 058)	(2 362)
Surplus for the year		572 325	18 951 785
Total comprehensive income for the year		572 325	18 951 785

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Statement of Changes in Equity

Figures in Rand	Note	Accumulated surplus	Total equity
Balance at 01 January 2023		64 756 445	64 756 445
Surplus for the year		18 951 785	18 951 785
Total comprehensive income for the year		18 951 785	18 951 785
Balance at 01 January 2024		83 708 230	83 708 230
Surplus for the year		572 325	572 325
Total comprehensive income for the year		572 325	572 325
Balance at 31 December 2024		84 280 555	84 280 555

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Statement of Cash Flows

Figures in Rand	Notes	2024	2023
Cash flows from operating activities			
Cash receipts from customers		59 500 512	54 983 579
Cash paid to suppliers and employees		(83 819 713)	(68 261 725)
Cash used in operations	17	(24 319 201)	(12 106 041)
Interest income		13 468 033	13 255 131
Finance costs		(4 058)	(2 362)
Net cash from/(in) operating activities		(10 855 226)	1 146 728
Cash flows from/(in) investing activities			
Purchase of property, plant and equipment	2	(163 868)	(550 375)
Proceeds from sale of property, plant and equipment	2	395 788	24 835
Advance of loans to related organisation		(22 523)	7 142
Net cash from/(in) investing activities		209 397	(518 398)
Cash flows from financing activities			
Total cash movement for the year		(10 645 829)	628 330
Cash and cash equivalents at the beginning of the year		163 489 290	162 860 960
Total cash at end of the year	5	152 843 461	163 489 290

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Annual Financial Statements for the year ended 31 December 2024

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The audited annual financial statements have been prepared on a going concern basis in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and the requirements of the Non-Profit Organisations Act 71 of 1997. The audited annual financial statements have been prepared on the historical cost basis, except for the cash flow statement which is prepared on a cash basis of accounting, and incorporate the principal accounting policies set out below. The audited annual financial statements are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the organisation holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the organisation.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight line	50 years
Furniture and Equipment	Straight line	6 years
Computer Equipment	Straight line	3 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

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Annual Financial Statements for the year ended 31 December 2024

Accounting Policies

1.2 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided to write down the intangible assets as follows:

Item	Depreciation method	Average useful life
Computer Software	Straight line	3 years

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposit and short term highly liquid investments that are readily convertible to a known amount of cash and are subjected to an insignificant risk of change in value. These are initially measured at fair value and subsequently recorded at amortised cost.

Other financial liabilities

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Trade and other Payable

Debt instruments are defined in the standard are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of each reporting date the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment and if so, an impairment deficit is recognised.

Legal Practice Council

The Legal Practice Council is an obligation on the basis of normal credit terms and do not bear interest. The liability is governed by an agreement between the parties.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Any contingent rents are expensed in the period they are incurred.

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Annual Financial Statements for the year ended 31 December 2024

Accounting Policies

1.5 Impairment of assets

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7 Provisions and contingencies

Provisions are recognised when the organisation has an obligation at the reporting date as a result of a past event; it is probable that the organisation will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.8 Revenue

Revenue is recognised to the extent that the organisation has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the organisation. Revenue is measured at the fair value of the consideration received or receivable, excluding value added taxes and discounts.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.10 Project grants/Special Projects

Grant income is considered financial assistance by the legal institution in the form of transfer of resources/funds to the Law Society of South Africa, in return for compliance with certain conditions to the operating activities of the entity for a specific programme and/or project. There will be an agreement between the Law Society of South Africa and the Funder to perform certain projects with set terms and conditions.

Any contributions not utilised for a specific project in the current year is deferred and recognised as income over the period which the contribution is utilised for that project. The contribution not utilised will be classified as deferred grant income and measured as a current liability.

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Annual Financial Statements for the year ended 31 December 2024

Notes to the Annual Financial Statements

Figures in Rand

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2. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	1 327 560	-	1 327 560	1 327 560	-	1 327 560
Buildings	7 872 440	(2 043 815)	5 828 625	7 872 440	(1 886 366)	5 986 074
Furniture and fixtures	1 809 184	(955 125)	854 059	1 411 391	(910 264)	501 127
IT equipment	3 293 802	(3 068 437)	225 365	3 530 003	(2 713 640)	816 363
Total	14 302 986	(6 067 377)	8 235 609	14 141 394	(5 510 270)	8 631 124

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Reassessment	Depreciation	Closing balance
Land	1 327 560	-	-	-	-	1 327 560
Buildings	5 986 074	-	-	-	(157 449)	5 828 625
Furniture and fixtures	501 127	32 388	(17 106)	376 237	(38 587)	854 059
IT equipment	816 363	131 480	(378 682)	16 117	(359 913)	225 365
	8 631 124	163 868	(395 788)	392 354	(555 949)	8 235 609

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Prior period error	Depreciation	Closing balance
Land	1 327 560	-	-	-	-	1 327 560
Buildings	6 143 523	-	-	-	(157 449)	5 986 074
Furniture and fixtures	370 409	230 383	(1 148)	(52 823)	(45 694)	501 127
IT equipment	635 717	319 992	(23 687)	(220 170)	104 511	816 363
	8 477 209	550 375	(24 835)	(272 993)	(98 632)	8 631 124

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Notes to the Annual Financial Statements

Figures in Rand

2024

2023

3. Intangible assets

	2024			2023		
	Cost	Accumulated amortisation and impairment	Carrying value	Cost	Accumulated amortisation and impairment	Carrying value
Computer software	82 501	(78 999)	3 502	82 501	(77 624)	4 877

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Closing balance
Computer software	4 877	(1 375)	3 502

Reconciliation of intangible assets - 2023

	Opening balance	Disposals	Amortisation	Closing balance
Computer software	14 266	(14 003)	4 614	4 877

4. Trade and other receivables

Deposits	210 078	212 126
Other receivable	318 540	580 031
Prepayments	914 442	1 241 878
Provision for bad debt	(1 457 403)	(1 198 461)
Sundry debtors	5 580 810	-
Trade receivables	5 245 475	4 605 957
VAT	-	88 037
	10 811 942	5 529 568

Trade and other receivables pledged as security

Trade and other receivables have not been pledged as security for any financial obligation.

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	14 281	22 000
Bank balances	152 829 180	163 467 290
	152 843 461	163 489 290

In order to maximise interest received, funds are held in call accounts and linked money market account and are only transferred to the current accounts when payments are presented to the bank, in terms of a sweeping arrangement with First National Bank.

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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6. Provisions

Reconciliation of provisions - 2024

	Opening balance	Additions	Utilised during the year	Closing balance
Schools projects	7 147 996	-	(4 884 940)	2 263 056
Restructuring	11 087 405	589 984	-	11 677 389
	18 235 401	589 984	(4 884 940)	13 940 445

Reconciliation of provision - 2023

	Opening balance	Additions	Closing balance
Schools projects	6 514 549	633 447	7 147 996
Restructuring	10 835 843	251 562	11 087 405
	17 350 392	885 009	18 235 401

Non-current liability	11 677 389	11 087 405
Current liability	2 263 056	7 147 996
	13 940 445	18 235 401

Due to the formation of the Legal Practice Council in 2018 and the subsequent reduction of funding legal education received from the Legal Practice Council, Law Society of South Africa initiated a restructuring process aimed at improving operational efficiency and reducing costs.

The restructuring plan includes:

- Implementation of latest technology
- change in business model
- change of the structure within Law Society of South Africa.

7. Trade and other payables

Accruals for payroll taxes	-	1 277 341
Accrued leave pay	2 473 555	2 008 377
Revenue received in advance	15 759 304	16 829 427
Other payables	4 588 621	4 341 304
VAT	77 629	-
	22 899 109	24 456 449

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Annual Financial Statements for the year ended 31 December 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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8. Special projects

Reconciliation of special projects - 2024

	Opening balance	Utilised during the year	Closing balance
Provincial Law Societies Project Funds	49 808 299	(218 754)	49 589 545

Reconciliation of special projects - 2023

	Opening balance	Utilised during the year	Closing balance
Provincial Law Societies Project Funds	50 000 000	(191 701)	49 808 299

9. Financial assistance

At amortised cost

Financial assistance brought forward	2 308 603	2 308 603
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Current liabilities

At amortised cost	2 308 603	2 308 603
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Financial assistance

In prior years the Legal Practitioners Fidelity Fund (LPFF) provided funds to the Law Society of South Africa to enable it to provide loans to law graduates for the payments of fees for the Society's PVT Schools. These loans are not included in trade receivables and other receivables. Fair values of the financial liabilities were determined.

As at 31 December 2024 the loans unpaid by law graduates which are subject to impairment amounted to :	123 795	123 795
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10. Loans to related organisations

SADC Lawyers Association	810 607	788 084
This loan is unsecured, bears no interest and will be repaid through annual subscription fees.		

11. Revenue

Advertising - De Rebus	1 075 566	919 079
Business Development	16 464 243	12 744 185
De Rebus subscriptions	(15 007)	45 850
Diplomas and certificates	1 649 496	1 082 464
Financial assistance recovered	21 180	37 363
PVT course fees	10 166 871	10 770 548
PVT school fees	26 409 094	27 717 958
Practice Management	4 232 930	3 846 044
Publication and other	135 657	269 718
	60 140 030	57 433 209

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Notes to the Annual Financial Statements

Figures in Rand	2024	2023
12. Other income		
Legal Practice Council	28 000 000	48 034 794
Selling of documentation	1 642 606	3 008 455
Sundry income	1 344 796	11 219 573
Discount allowed	(990 885)	(1 041 973)
	29 996 517	61 220 849
13. Operating expenditure		
Operating expenditure includes the following expenses:		
Administration and management fees	9 745 094	11 689 337
Amortisation	1 375	(4 614)
Business development	5 768 327	5 729 355
Depreciation	555 949	98 631
Employee cost	47 050 655	48 116 803
Examinations and training	1 829 805	5 663 095
Extraneous expenses	1 903 665	3 531 980
Governance	2 999 904	2 693 036
Other operating expenses	3 359 195	4 887 652
PVT expenses	28 005 487	28 992 239
Practice Management	1 808 741	1 557 528
	103 028 197	112 955 042
Depreciation and amortisation	557 324	94 018
Employee costs	47 050 655	48 116 803
14. Investment revenue		
Interest revenue		
Other interest	13 468 033	13 255 131
15. Finance costs		
Bank	4 058	2 362
16. Auditor's remuneration		
Fees	64 858	533 756

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Annual Financial Statements for the year ended 31 December 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
17. Cash used in operations		
Net surplus before taxation	572 325	18 951 785
Adjustments for:		
Depreciation, amortisation	557 324	94 018
Movement in provisions	(218 754)	(191 701)
(Increase) decrease in operating lease assets	(250 186)	(74 417)
(Increase) decrease in operating lease liabilities	11 089	(297 406)
(Increase) decrease in provisions	(4 294 956)	885 009
Prior period errors	-	286 996
Reassessments	(392 354)	-
Investment income	(13 468 033)	(13 255 131)
Finance costs	4 058	2 362
Changes in working capital:		
(Increase) decrease in trade and other receivables	(5 282 374)	138 880
Increase (decrease) in trade and other payables	(1 557 340)	(18 646 436)
	(24 319 201)	(12 106 041)

18. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	1 570 218	6 039 826
- later than one year but not later than 5 years	365 456	707 180
	1 935 674	6 747 006

Operating lease payments represent rentals payable by the society for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

19. Related Parties

Related party balances and transactions with key management personnel of the society

Related party balances

Amounts included in Trade receivable (Trade Payable) regarding related parties

Trade payables	(3 170 091)	(4 691 355)
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Related party transactions

Lecturing service, Committee and Council services rendered by members of the organisation or their firms or constituents' member payments	10 763 146	10 220 035
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Compensation paid to key management

Compensation paid	15 584 420	17 546 379
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20. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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Annual Financial Statements for the year ended 31 December 2024

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

21. Contingencies

Law Society of South Africa issued combined summons against a former employee, for the recovery of stolen money in the amount of R3 791 776.88 by substituting supplier's bank account numbers with her account number. The outcome of this matter is yet to be determined by the Court of Law.

22. Comparative figures

Certain comparative figures have been reclassified.

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Annual Financial Statements for the year ended 31 December 2024

Detailed Income Statement

Figures in Rand	Notes	2024	2023
Revenue			
Advertising - De Rebus		1 075 566	919 079
Business Development		16 464 243	12 744 185
De Rebus subscription		(15 007)	45 850
Certificates		1 649 496	1 082 464
Financial assistance recovered		21 180	37 363
PVT course fees		10 166 871	10 770 548
PVT school fees		26 409 094	27 717 958
Practice Management		4 232 930	3 846 044
Publication and other		135 657	269 718
	11	60 140 030	57 433 209
Other income			
Legal Practice Council		28 000 000	48 034 794
Selling of documentation		1 642 606	3 008 455
Sundry income		1 344 796	11 219 573
Discount allowed		(990 885)	(1 041 973)
		29 996 517	61 220 849
Expenses (Refer to page 23)		(103 028 197)	(112 955 042)
Operating (loss) profit		(12 891 650)	5 699 016
Investment income	14	13 468 033	13 255 131
Finance costs	15	(4 058)	(2 362)
		13 463 975	13 252 769
Surplus for the year		572 325	18 951 785

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Annual Financial Statements for the year ended 31 December 2024

Detailed Income Statement

Figures in Rand	Notes	2024	2023
Operating expenses			
Administration and management fees		(9 745 094)	(11 689 337)
Advertising		(477 703)	(391 847)
Auditors remuneration	16	(64 858)	(533 756)
Bad debts		(141 532)	(905 218)
Bank charges		(195 538)	(234 023)
Business Development		(5 768 327)	(5 729 355)
Committees		(443 005)	(540 847)
Consulting and Professional fees - Accounting		-	(47 756)
Correspondence - Courses		(586 273)	(436 132)
De Rebus magazine printing		(114 246)	(121 656)
Depreciation and amortisation		(557 324)	(94 018)
E- learning		(971 034)	(641 227)
Employee costs		(47 050 655)	(48 116 803)
Examinations		(21 064)	(4 105 567)
Extraneous expenses - LSSA		(1 903 665)	(3 531 980)
General activities		(2 173 747)	(2 592 717)
Governance LSSA		(2 999 904)	(2 693 036)
Other publication cost - De Rebus		(117 376)	(54 174)
PVT course material and production		(694 117)	(604 050)
PVT courses		(5 746 426)	(5 943 823)
PVT schools		(21 447 568)	(22 390 192)
Practice Management		(1 808 741)	(1 557 528)
		(103 028 197)	(112 955 042)

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Segment report - Legal Education Funding

Figures in Rand	2024
Revenue	
Advertising - De Rebus	1 075 566
De Rebus subscription	(15 007)
Certificates	1 649 496
Financial assistance recovered	21 180
PVT course fees	11 353 560
PVT school fees	26 576 790
Practice management	4 232 930
Publication and other	135 657
Seminars	1 266 183
	46 296 355
Other income	
Legal Practice Council	28 000 000
Sundry income	284 777
	28 284 777
Expenses (Refer to page 25)	(82 938 508)
Operating surplus (loss)	(8 357 376)
Investment income	181 444
Deficit for the year	(8 175 932)

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Segment report - Legal Education Funding

Figures in Rand

2024

Operating expenses

Administration and management fees	(17 921 172)
Bad debts	(141 532)
Bank charges	(55 558)
Commission paid - De Rebus	(119 616)
De Rebus magazine printing	(114 246)
Employee costs	(31 495 581)
Other publication cost - De Rebus	(116 500)
PVT courses	(9 782 385)
PVT schools	(21 388 892)
Practice management cost	(1 803 026)
	(82 938 508)