

The Law Society of Scotland Financial Benchmarking Survey 2019

The latest Law Society of Scotland financial benchmarking survey results showed a reduced number of participating firms, from 86 to 58, which represents only 5% of Scottish Law firms. Sole practitioners and two to four partner firms had the highest participation rates, however there was a decline in the representation from larger firms.

Due to the low participation rate, it has been difficult to draw any categorical sector wide conclusions however the main findings from the survey include;

- General reduction in median total income per partner, with Glasgow firms falling to £234,562 and Edinburgh firms falling to £229,976.
- Median profit per partner increased in Aberdeen/Dundee/Perth and Glasgow, with a small reduction in Edinburgh and country firms.
- Overall median profit per partner for the whole country was £76,000 but again is well below the level of £128,000 for UK firms as reported in the RBS financial benchmarking survey published earlier in the year
- Continued decline in legal aid income per partner adding weight to the belief that firms are reducing legal aid engagements due to lower financial returns from this work.

The survey results also suggest some unusual trends, not least that participating Glasgow firms reported a reduction in median fee income of 13.3% but an increase in median profit per partner of 38.2%. This is presumably indicative of the low participation rate this year.

Despite the lukewarm response from the Scottish legal profession, benchmarking remains a valuable tool in assessing financial performance and can be a catalyst for change and improved financial performance. Our EQ Professions specialists can assist with interpreting financial data, benchmarking, monitoring of KPI's and financial budgeting.

If you wish to discuss how we can support your legal practice, email us at professions@eqaccountants.co.uk or visit our website for further information on the Professions Sector www.eqaccountants.co.uk/professions

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