



PRACTICE NOTE 03/2026

PSNI Data Breach claims – Crown Solicitors Office (CSO) batch payments – Solicitors’ Accounts Regulations 2014 (SAR 2014) accounting treatment (bulk receipts)

The CSO will be issuing batch remittances to firms in respect of PSNI Data Breach claims. Depending on the firm’s caseload, each remittance may relate to a substantial number of individual claimants and overall volumes could be significant.

Most firms receive such remittances directly into a client account. The Law Society recognises that due to the unusually high volume of individual items within each remittance, posting each receipt and transfer on a claimant-by-claimant basis may be disproportionately time consuming.

This Notice confirms the Society’s expectations under the SAR 2014 and sets out a practical bulk posting approach for CSO batch remittances in this scheme, to reduce the administrative burden while maintaining a clear audit trail.

1. Status of monies received

CSO remittances may comprise client monies (damages payable to claimants) and office monies (professional costs payable to the firm). The costs element may include professional fees and VAT (where applicable)

2. Receipt into client account and transfer to office (10 working day rule)

Where office monies (costs) are received into a client account, firms must ensure the office monies are transferred to the office account promptly and in any event within 10 working days of receipt, in line with the SAR 2014. Any transfer of the costs element from client to office must be supported by an appropriate bill or written costs notification.

3. Permitted bulk posting approach (CSO batch remittances)

For CSO batch remittances under this scheme, firms may adopt the following practical approach:

Client account bookkeeping

- Post each CSO batch remittance as one bulk receipt to a single dedicated client ledger opened specifically for this purpose (for example, “CSO PSNI Data Breach – Bulk Ledger”).
- Post the matching transfer of the costs element from client account to office account (within 10 working days) against the same dedicated ledger, so that the balance is clearly shown and is promptly cleared.

Office account bookkeeping

- Record the bulk transfer to office in the office ledgers with a split between:
 - o Professional fees (net)
 - o VAT (for VAT registered firms)

This approach avoids the need to post large numbers of individual claimant lines in the accounting system, while still maintaining a clear audit trail.

4. Supporting records to retain

Firms should retain with their accounting records for each CSO batch remittance the following:

- The CSO remittance / payment notification (or equivalent report) identifying the individual claimants/matters and gross amounts making up the bulk payment; and
- A worksheet supporting the split between damages and costs and the split posted to office between fees and VAT (and tying back to the bank lodgement).
- A payments schedule evidencing individual payments made to claimants, linking each payment to the relevant claimant/matter reference.

5. Queries

If you have queries on the above, please contact the Law Society via email Regulation@Lawsoc-ni.org