

Law Office Accounting 101
Learning Outcomes
version July 25, 2017

At the end of your course, you should be able to:

1. explain the professional duty that lawyers and accounting staff have to the client with respect to managing the accounts of the firm;
2. understand the difference between accounting and law firm accounting;
3. understand the life cycle of a file;
4. understand how GST and PST are generally applied to legal services;
5. understand the general concepts of trust accounting;
6. explain what the accounting records retention and storage requirements are; and
7. develop best practices to help lawyers comply with LSBC rules.

Course Pre-requisite

This course is open to those who have a strong understanding of the Accounting Standards for Business Enterprise in Canada.

Primary Teaching Tools

To be done once the learning outcomes are completed. Recommended: a calculator.

Presenters:

Aida Holmes, Victory Square Law Offices Office Administrator
Dom Bautista, Facilitator and course designer

Name: _____

Law Courts Center Course Summary Sheet

Student Name: _____

Date of Course: _____

Summary of Marks:

Pre-course Work (40 marks) due at the start of class	_____
Participation (20 marks)	_____
Post-course Work (40 marks) due a week after class	_____
Minus 5% per day late demerit (if applicable)	_____
Total	<u> /100%</u>

For continuing professional development reporting purposes to the Law Society of British Columbia, this course is 7.0 hours long with 7.0 hours that qualify for practice management.

Upon the completion of a course, you will receive one of these two types of certificates - attendance or completion. The Certificate of Completion indicates that you attended the course, participated in the discussions, completed the pre and post course work and achieved a minimum mark of 70%.

Course Outline

version July 25, 2017

- 9 Welcome & housekeeping
- 9:15 Professional Responsibility, LSBC and the Accounting Staff
- 10:00 What is Legal Accounting?

Life Cycle of a File Part 1

- 10:05 Opening a client matter
 - Run a conflict search from record management database.
- 10:30 Break
- 10:45 Opening a client matter [*continued*]
 - Client ID & Verification [includes Case Study]
 - Contingency Fee Agreements
- 11:15 A Primer on Taxes - PST & GST on legal services (Fees & Disbursements)
- 11:45 PST: a case study
- 12:15 Lunch (*on your own*)

Life Cycle of a File Part 2

- 1:15 Q/A and Summary of AM
- 1:30 Trust Accounts
 - Retainer
 - Source documents
 - Cash rules
 - Investments
 - Trust Administration
- 2:00 Time Entry
 - Disbursements - What is a taxable and non-taxable disbursement?
- 2:30 Billing [includes in-class work]
 - Pre-billing, write downs, taxes
 - What is the process for applying trust funds applied to the invoice?
- 3:15 Break
- 3:30 Completing of File [includes in-class work]
 - Accounts Receivable
 - Work in Progress balances
 - Trust funds - Return balance to client
 - Contingency Fee Agreements
 - Unclaimed trust funds procedures [Discipline Digest]
- 4:15 File Retention: Storage and Electronic copies 15 minutes
- 4:30 Duty to client *Just Say No Suzie...* a case study in ethics [15 minutes]
- 4:45 Summary, Question / Answer & Go over Post-course work [15 minutes]
- 5:00 Good-bye

Pre-course Work
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The pre-course work will assist you in getting acquainted with the subject material. It will also enable you to engage in your professional development in a more fulfilling and effective manner.

Please take a moment to review the accounting cycle (WIP, AR, Revenue recognition, bad debts and bank reconciliation).

Please complete in a concise manner, the following questions and submit it at the beginning of the class (5 questions @ 8 marks each):

1. Write a memo on how conflicts check conducted.
2. Describe how your firm conducts client identification and verification.
3. Describe how you firm goes about disbursing from trust funds.
4. Prepare a list of disbursements that your firm normally incurs for your clients and indicate which taxes you apply.
5. Describe the process that your firm uses when a write down of a bill has to take place.

Remember to put your name on the upper right hand side of each page.

Post-course Work
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To further enhance your learning, we ask that you do submit your response to us by midnight a week after having taken this workshop (5 questions @ 8 marks each):

1. Create a file opening checklist.
2. Create a file closing checklist.
3. Describe what procedure your firm has in place when accepting cash.
4. Write a memo that outlines what procedures must be done on a quarterly and monthly basis.
5. Describe how you would handle the request of the partner in the case study: *Just Say No Suzie*.

Submission Protocols

1. Save your work as one PDF file. Name it as surnameinitialLOA101post.pdf (ie bautistadLOA101.pdf).
2. Email your work to [dom@lawcourtscenter.com] by midnight one week after your course date. After that date, 5% is deducted for each day that your work (or part thereof) is late in being submitted.