

Solicitors Accounts' Rules

What are the Solicitors Accounts Rules?

The primary objective of the Solicitors Accounts Rules is to protect clients' interests by regulating the custody and protection of clients' money. The rules stipulate compliance procedures designed to minimise the risk of a solicitor mixing monies belonging to clients with those of the practice. The rules also seek to ensure the fair treatment of clients' money by the payment of interest and apply, with slight modification, to controlled trust money. These rules have recently been revised, and the new SAR 1998 rules should now have been implemented. The Law Society requires an annual report from a qualified accountant in respect of every solicitor who handles clients' money, to confirm that they have complied with the Rules. It is important to note that the work required in support of the Accountants Report is not an audit, as no opinion is given under the Rules on the financial statements of the practice.

Our Solicitors' Accounts Rules Programme

We have developed a Solicitors' Accounts Rules programme to assist us in:

- Satisfying the reporting requirements of the SAR 1998
- Providing our clients with a comprehensive but cost-effective service.

We will plan our work, to ensure that it is carried out efficiently and effectively to an agreed timetable, that risk areas are identified, and that sufficient - but not excessive - evidence is obtained. We will also review the controls that are built into the client money accounting systems, and compare these with the Law Society's guidelines.

At the end of the programme we will produce an Accountants Report, which will be discussed with the client before being submitted to the Law Society. The Branston Adams partner who signs off the Accountants Report will act for a number of legal clients and will be extremely familiar with the Rules.

As a standard part of our work we also produce a report for the client identifying any weaknesses or problems that we have identified during the course of our work and making constructive, commercially aware suggestions as to how these matters can be remedied.

Keeping up-to-date

The staff who undertake this work are trained in the implementation of our Solicitors Accounts Rules programme, and attend the firm's annual technical training conference in order to keep their knowledge and skills up to date. It is our policy to keep clients fully informed of actual and proposed developments in the regulatory environment, especially the SAR, and we provide training and support as required to practice managers and cashiers

Branston Adams

Suite 2, Victoria House, South Street, Farnham, Surrey GU9 7QU

Tel: +44 (0) 1252 728598 Facsimile: +44 (0) 1252 728652 E-mail: paul@taxaccountancy.com

Branston Adams

Branston Adams has enjoyed continued success since the practice became full time in February 1999. Branston Adams aims to be different from most accountants by providing an excellent value for money service in a down to earth and friendly manner.

Branston Adams is a modern computerised practice with fully trained and qualified staff who are very personable and approachable.

We are authorised by our regulators to undertake Solicitor's Account's Rules Audits and currently perform this service for a number of solicitors.

Staff

The qualified staff engaged on SAR's are Paul Adams and Emily Joyce.

Approach

We use the Kestrian SAR programme, which is approved, by our regulatory body and the Law Society.

Returned Cheques

The issue of returned cheques has changed over the last few years. The Auditor now has to inspect a sample of returned cheques. The Solicitor has to be able to supply the returned cheques and necessary arrangements should be in place with the bank.

Set Off

We look beyond the work being undertaken so as that we can advise clients on related matters that affect them. An example of this is that we had for some time advised all client's who maintain an office bank account and clients' bank account at the same branch to ensure that have written confirmation that the bank have no right of set off.

Fees

We calculate fees on the basis of time occupied and our standard daily rate is £400 per day. Every job varies and our average fee is in the region of £1,500 plus VAT. We will agree the fees to be charged with you in advance of starting the assignment. In order to give a specific fee quote we would ask you to let us spend some time reviewing your records to assess the time required.

Reference

We can supply names and addresses of referees should you wish to obtain confirmation of the nature of the service we provide.