

# Incorporated Legal Practices

## Self Assessment Audit

*Legal Profession Act 2007 (Section 130)*

# INTRODUCTION

## SECTION 130 SELF ASSESSMENT AUDIT

The *Legal Profession Act 2007* ("**Act**") contains the key provisions governing the operation of Incorporated Legal Practices (ILPs) and is the source of the Commission's (and the Society's) powers to undertake audits and investigations in respect of ILPs, their legal practitioner directors and executive officers. In keeping with the co-regulatory nature of the Act, the LSC and the QLS have the role of regulating ILPs to ensure compliance with the Act, the Australian Solicitor Conduct Rules (ASCR) and the general law. The LSC and QLS have agreed that, in practice, the Commissioner will take the lead role in regulating ILP's while the Society will have an educative and member services focus.

Section 130 of the Act provides that an ILP authority may undertake an audit to ensure compliance by the ILP with the provisions of the Act. The Commissioner requires every corporation that engages in legal practice in Queensland to undertake an internal (or self assessment) audit of its compliance with its obligations under part 2.7 of the Act.

Part A of this form relates to information about your practice. The purpose of this part is to assist the Commission in understanding your firm better and to ensure that the corporation is complying with section 129 of the Act. The information gathered is strictly confidential and will be used by the Commission in determining whether or not there are factors which may require an external audit or which may raise concerns regarding contravention of section 143 (Undue Influence) of the Act.

Part B of the form relates to ensuring that the practice has and keeps appropriate management systems. The form outlines the key concepts for legal practitioner directors to consider and also provides suggested approaches to ensure the ILP meets the objectives. The suggestions are not exhaustive or prescriptive, as each ILP will differ in terms of its size and the nature of legal work undertaken. It will be up to each ILP to determine the most effective systems for their practices.

Whilst undertaking the self assessment audit it is important to remember that the intent of these provisions is to encourage ethical practice within ILPs and to promote professional standards, competence and honesty. It is important when completing the form not to simply view it as an administrative hurdle to be completed as quickly as possible. The Commission encourages ILP's to engage positively in the self assessment process and to candidly identify areas of non-compliance.

In the event that you have any questions regarding the completion of the self assessment audit, please do not hesitate to contact the Queensland Law Society Practice Support Manager 1300 367 757 or the Manager of Compliance at the Commission on 07 3406 7737.

# PART A

## INFORMATION ABOUT YOUR PRACTICE

To assist the Commission in understanding your practice and to collect better risk assessment information<sup>1</sup>, please provide the following information or documentation:

1. Is the incorporated legal practice providing services other than legal services? If so, please advise the nature of the other business<sup>2</sup>.
2. Please advise the major areas of law by revenue<sup>3</sup> in which the law practice offers legal services.
3. Please provide details of staff numbers involved in the provision of legal services<sup>4</sup>:

Type of Employee	Number
Principal practising certificate holders	
Employed solicitors	
Law Graduates / Trainee Solicitors	
Paralegals	
All other non-legal staff	

4. Please provide your estimated gross fee income<sup>5</sup> for the current financial year.
5. Please provide a copy of the law practice's professional indemnity insurance<sup>6</sup>.
6. Please provide a copy of the ASIC current company extract for the ILP.
7. How many professional indemnity claims were made against the firm in the last financial year?
8. How many professional indemnity claims were paid, whether by the insurers or the firm, in the last financial year?

<sup>1</sup> For more information on this Part, please see page 4 of the Explanatory Statement

<sup>2</sup> For example, a tax advisory service, real estate agent, financial services etc.

<sup>3</sup> List up to three (3). For example, conveyancing, commercial, personal injury, family law, wills/estates etc

<sup>4</sup> Note that staff numbers are being collected for consideration in respect of suitability of supervision procedures and management systems in general.

<sup>5</sup> Gross Fee Income is the Gross Professional Fees Rendered for a year or expected to be rendered. This will be the amount you have previously advised to your professional indemnity insurer. This information is strictly confidential and covered by the Commission's strict confidentiality obligations provided by the Act.

<sup>6</sup> The legal practitioner director(s), executive officers are responsible for maintaining professional indemnity insurance: Section 121 *Legal Profession Act 2007*

# NON-LEGAL DIRECTORS & EXECUTIVE OFFICERS

Section 129 *Legal Profession Act 2007* provides *inter alia* that an incorporated legal practice commits an offence if a disqualified person<sup>7</sup>:

- is an officer or employee of the incorporated legal practice, whether or not the person provides legal services, or is an officer or employee of a related body corporate;
- is a partner of the incorporated legal practice in a business that includes the provision of legal services;
- shares the receipts, revenue or other income arising from the provision of legal services by the incorporated legal practice;

In order to assess compliance with section 129<sup>8</sup> *Legal Profession Act 2007* and for the purpose of collecting better risk assessment information, please provide the following details in respect of the non-legal directors and executive officers:

Name of Non-Legal Director	Occupation	Relationship to law practice <sup>9</sup>

<sup>7</sup> See Dictionary Schedule 2 *Legal Profession Act 2007*; Australian Solicitor Conduct Rules, Rule 40

<sup>8</sup> This information will also assist in assessing the risk associated with possible contravention of the Act, Rules and Regulations and, in particular, section 143 (Undue Influence) *Legal Profession Act 2007*

<sup>9</sup> For example, is the non-legal director a spouse or a third party who is a business partner or an officer or employee of a related body corporate or business. This information will assist in assessing the risk associated with possible contravention of the Act, Rules and Regulations and, in particular, section 143 (Undue Influence) *Legal Profession Act 2007*.

# SHAREHOLDERS

Section 129 *Legal Profession Act 2007* provides *inter alia* that an incorporated legal practice commits an offence if a disqualified person<sup>10</sup>:

- is a partner of the incorporated legal practice in a business that includes the provision of legal services;
- shares the receipts, revenue or other income arising from the provision of legal services by the incorporated legal practice;

In order to assess compliance with Section 129<sup>11</sup> *Legal Profession Act 2007* and to collect better risk assessment information, please provide the following details in respect of the shareholders who are not Australian legal practitioners engaged in the provision of legal services by the law practice:

Name of Shareholder	Relationship to law practice <sup>12</sup>

<sup>10</sup> See Dictionary Schedule 2 *Legal Profession Act 2007*; Australian Solicitor Conduct Rules, Rule 40

<sup>11</sup> This information will also assist in assessing the risk associated with possible contravention of the Act, Rules and Regulations and, in particular, section 143 (Undue Influence) *Legal Profession Act 2007*

<sup>12</sup> For example, is the shareholder a spouse; a third party who is a business partner or an officer or employee of a related body corporate or business or a person unknown. This information will also assist in assessing the risk associated with possible contravention of section 143 (Undue Influence) *Legal Profession Act 2007*

# PART B

## APPROPRIATE MANAGEMENT SYSTEMS

Section 117(3) of the Legal Profession Act 2007 requires legal practitioner directors of incorporated legal practices (ILPs) to ensure that “*appropriate management systems*” are implemented and kept to ensure that the provision of legal services by ILPs comply with the requirements of the Act. Failure to comply may amount to unsatisfactory professional conduct or professional misconduct.

While the legislation does not define “appropriate management systems”, the LSC, working collaboratively with QLS and the Legal Services Commission in NSW and the Legal Services Board in Victoria, has adopted an “education towards compliance” strategy to assist ILPs. In order to ensure that an ILP has implemented “appropriate management systems”, I require all ILPs to undertake an internal, or self assessment, audit. This Part deals with the ten areas (reflected in the Objectives column in this document) that we suggest should be addressed in considering “appropriate management systems”. To enable legal practitioner directors to assess the systems in place in their practices when considering these “appropriate management systems”, it might be helpful to use the ratings shown below. **All examples provided in this document are suggestions only** because ILPs vary in terms of size, work practices and nature of operations and thus no “one size fits all”. Legal practitioner directors are encouraged to contact the LSC or the QLS for any clarification needed or additional examples. See the explanatory statement for further information.

SELF-ASSESSMENT RATING	EXPLANATION
1	The Objective has not been addressed.
2	The Objective has been addressed but management systems are not fully functional.
3	Management systems exist for the Objective and are fully functional.
4	Management systems exist for the Objective and are fully functional and regularly assessed for effectiveness.
5	The Objective has been addressed, all management systems are documented and all are fully functional and all are assessed regularly for effectiveness plus improvements are made when needed.

Please consider each key concept and rate the performance of your practice’s management systems against the overall Objective based on the rating scale 1- 5 as explained above. If you rate yourself as either 1 or 2 please outline the action you will take to address any weakness in your system. If you use an alternate system to those described in this form which you believe addresses the key concepts, please describe it. If you believe any of the key concepts are not applicable, please note them as being inapplicable and provide reasons.

# NEGLIGENCE

Objective: Competent work practices to avoid negligence  
Compliance with Rules 4 & 7 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement Required by ILP
Fee earners practise only in areas where they have appropriate competence and expertise.	A written statement setting out the types of matters in which the practice will accept instructions and that instructions will not be accepted in any other types of matters.		
All fee earners have a good grasp of issues involved in running a practice and serving clients.	Written records of attendance at CLE programs indicating some attendance at programs concerning practice management, staff management and risk management.		
The legal practitioner directors meet on a regular basis to review the performance of the practice or, in the case of sole practitioner practices, meetings are held regularly with staff.	Minutes/notes recording the decisions taken at meetings and the actions taken.		

## NEGLIGENCE (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement Required by ILP
Legal practitioner director/s regularly consider and review workloads, supervision, methods of file review, and communication with clients.	Written records including file registers, number of files assigned to each fee earner, dates and methods of file review.		
Legal practitioner director/s ensure that legal services are always delivered at a consistently high standard.	Up to date precedents covering relevant practise areas are available and used, the practice has appropriate resources for legal research in the areas in which it accepts instructions (whether subscriptions to loose leaf services, up to date text books, training in internet based research) and the work of all employed solicitors and paralegals is properly supervised.		

Overall rating for Objective  
(Please circle one rating)

1   2   3   4   5



## ADDITIONAL COMMENTS

# COMMUNICATION

Objective: Effective, timely and courteous communication  
 Compliance with Rules 7, 22, 33, 34 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement Required by ILP
Clients are always informed in writing of the steps involved in their matter.	Written descriptions of the processes involved in each type of matter in which the practice accepts instructions are available and given to each client. These descriptions can be in the form of a short letter, a brochure, pamphlet or otherwise.		
The ambit of the retainer is described precisely in writing to the client and includes a statement of what the practice will do and what the practice will not do.	In every matter there is a written retainer (often part of the costs agreement).		
The likely time frame involved in each matter and the likely cost is disclosed in writing to each client.	Disclosed in each matter in the written retainer or in the costs agreement.		

## COMMUNICATION (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
All staff likely to be involved in the matter are disclosed to the client.	Disclosed in retainer and/or costs agreement.		
Methods and time frames for communicating with the client are agreed at the start of each matter and are adhered to.	In each matter, a working plan exists which deals, amongst other things, with client communication including time frames for return of telephone calls, responses to correspondence, responses to emails.		
All comments and complaints by clients are dealt with promptly and, where possible, by someone else in the practice other than the person complained about.	A written record of the system for dealing with client comments and complaints and a written record of monitoring client satisfaction.		

Overall rating for Objective  
(Please circle one rating)

1   2   3   4   5

## ADDITIONAL COMMENTS

# DELAY

Objective: Timely delivery, review and follow up of legal services to avoid instances of Delay  
 Compliance with Rules 4.1.3, 7 & 8 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
The client is regularly kept informed at each stage of the matter and is provided with periodic billing.	A system for ensuring that the working plan in each matter (see above) is adhered to and that the file contains all appropriate file notes or time records or other evidence that the plan has been adhered to.		
The file contains a complete record of all aspects of the transaction or matter.	Copies of all letters notes, emails, records of telephone calls, statements, calculations and tax invoices are on file.		
Critical dates are recorded, monitored and complied with.	Procedures for regular review of files, checklists and a firm wide diary system, which may or may not be computer based.		

## DELAY (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Procedures for locating files and documents and for monitoring activity in all open files.	Documented procedures effective in:-  (a) locating files and tracing documents, correspondence and other items relating to any matter that is open or has been closed but the file is still retained by the ILP  (b) monitoring files for inactivity at pre-determined times		

Overall rating for Objective (Please circle one rating)	1   2   3   4   5
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## ADDITIONAL COMMENTS

# LIENS AND FILE TRANSFERS

Objective: Acceptable processes for Liens and File Transfers  
 Compliance with Rules 13, 15, 16 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Timely preparation of bills of costs when a file transfer is requested.	Policy and procedures covering liens/file transfers, appropriate records of costs to date and a list of those documents to be transferred or retained where necessary are on file.		
Acceptable processes for release of documents to clients.	Rules covering professional obligations in relation to clients' documents upon termination of retainer are followed.		

Overall rating for Objective  
 (Please circle one rating)

1 2 3 4 5



## ADDITIONAL COMMENTS

# COST DISCLOSURE, BILLING PRACTICES AND TERMINATION OF RETAINER

Objective: Shared understanding and appropriate documentation from commencement, through to termination of retainer covering cost disclosure, billing practices and termination of retainer.

Compliance with Chapter 3 Part 3.4 Legal Profession Act 2007; Rules 7, 13, 14 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
The use of established new client engagement procedures including universal use of approved retainer/costs agreements.	An acceptable and "client friendly" form of retainer/ costs agreement that complies with the Rules and Regulation.		
Standardised procedures for collecting client data, opening of new files and the recording of data within the firm's accounting and practice management systems with provision for separate client records in the case of multi-disciplinary practices.	A Disclosure policy (eg whether or not taking advantage of exceptions to disclosure, policy about disclosure of costs of non-legal services used in the legal matter) with a process ensuring disclosure is made in accordance with the Act, Rules and Regulation. An up to date File/Matter Register or Practice Management system listing files and individual client files.		

## COST DISCLOSURE, BILLING PRACTICES AND TERMINATION OF RETAINER *(continued)*

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
<p>What is to occur when a retainer is terminated and action to be taken if to occur close to a critical date.</p>	<p>The client receives written confirmation (unless exceptional circumstances apply) of:-</p> <ul style="list-style-type: none"> <li>• the outcome, any further action the client is to take in the matter and what, if anything, the practice will do next</li> <li>• the arrangements for storage and retrieval of retained documents (if any)</li> <li>• accounting to the client for any outstanding money</li> <li>• return to the client of original documents and other property belonging to the client</li> </ul>		

## COST DISCLOSURE, BILLING PRACTICES AND TERMINATION OF RETAINER (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
	<ul style="list-style-type: none"> <li>• information about whether the matter should be reviewed in the future and if so, when?</li> <li>• Where the practice terminates the retainer or withdraws its services, grounds for such action are clearly stated in writing to the client.</li> </ul>		
Use of an established policy for formulating accounts and a system for checking bills of costs for compliance with policy.	Capacity for accurately recording time or another acceptable basis for charging clients and a process for the issue of checked tax invoices to clients.		

## COST DISCLOSURE, BILLING PRACTICES AND TERMINATION OF RETAINER (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Review of all files ready to be closed by legal practitioner director/s or nominated supervising practitioner/s to ensure all steps have been taken to complete the matter including return of client documents and issue of a final account.	Appropriate letter on file, executed releases where needed, provision of copy documents to external parties as required and a note as to whether client needs further services if new developments arise.		

Overall rating for Objective (Please circle one rating)	1	2	3	4	5
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## ADDITIONAL COMMENTS

# CONFLICTS OF INTEREST

Objective: Timely identification and resolution of the many different incarnations of Conflict of Interest - (including when acting for both parties or acting against previous clients as well as potential conflicts which may arise in relationships with debt collectors and mercantile agencies, or conducting another business, referral fees and commissions etc)

Compliance with Rules 9, 10, 11, 12 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
<p>Recognition that :-</p> <ul style="list-style-type: none"> <li>conflicts can emerge in many areas and contexts, be they potential or actual and</li> <li>conflicts can emerge before or during a retainer, may arise if acting against a previous client, where acting for more than one client, and where the solicitor prefers his/her interests over those of the client</li> </ul>	<p>Policy and procedures for conflict of interest checks.</p> <p>The taking of full instructions, especially in commercial matters, from clients as to companies and related entities in which the client is involved.</p> <p>Maintenance of a suitable database that records all relevant details of the parties and related corporations and related entities to facilitate conflict checks.</p>		

## CONFLICTS OF INTEREST (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
	Conflict checks are undertaken prior to file opening and the result of search processes, including electronic and paper based records, is evident. When there has been some change in the matter (like a new party becoming involved), further conflict checks are carried out.		
Being aware of potential conflicts if holding an office that may lead to conflict with the interests of a client.	A system for opening and recording files with written policies and procedures and checklists for determining circumstances of conflicts.		

Overall rating for Objective  
(Please circle one rating)

1   2   3   4   5



## ADDITIONAL COMMENTS

# RECORDS MANAGEMENT

Objective: Minimising the likelihood of loss or destruction of correspondence and documents through appropriate document retention, filing, archiving etc and providing for compliance with requirements as regards registers of files, safe custody, financial interests.  
 Rules 14, 16 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
The practice has appropriate mail opening and distribution processes, including electronic mail.	A clear policy and related procedures exist		
File management processes with an appropriate matter closing procedure and a system for safe custody and document retention as well as storing and accessing files.	Established processes with checklists for opening, maintaining, moving, reviewing and closing files. Also safe custody/document retention and file closing records. In the case of files stored externally, a record of that arrangement. A diary system, which may or may not be computer based, accessible to necessary staff, especially for critical dates in matters. Maintaining a backup record of key dates. Identifying relevant matters (when acting for a client in a number of matters) and linking files (where more than one file is relevant to the client's case).		

## RECORDS MANAGEMENT (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Files for legal services are kept separate from files for "non-legal" services.	A system to determine who is able to access legal files/safe custody and mechanisms to ensure that staff know and observe these.		
	A File Register, Safe Custody Register, and a Register of Financial Interests are held and are up to date.		

Overall rating for Objective  
(Please circle one rating)

1   2   3   4   5

## ADDITIONAL COMMENTS

# UNDERTAKINGS

Objective: Providing for undertakings to be given, monitoring of compliance and timely compliance with notices, orders, rulings, directions or other requirements of regulatory authorities such as LSC, Law Society, Courts, Cost Assessors.

Compliance with Rules 6, 35 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Knowing the implications of providing undertakings and compliance is monitored on a regular basis.	<p>A Register/record of solicitor undertakings (their authorisation and monitoring, including discharge) given on behalf of the practice.</p> <p>Timely and full responses are given to notices, orders, rulings etc.</p>		

Overall rating for Objective  
(Please circle one rating)

1 2 3 4 5

## ADDITIONAL COMMENTS

## SUPERVISION OF PRACTICE AND STAFF

Objective: Providing for compliance with statutory obligations covering licence and practising certificate conditions, employment of persons and ensuring proper quality assurance of work outputs and performance of legal, paralegal and non-legal staff involved in the delivery of legal services.

Compliance with Rule 37 Australian Solicitor Conduct Rules

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Ensuring all practitioners have practising certificates and that all legal practitioner directors have unrestricted practising certificates.	Each legal practitioner director must hold an unrestricted practising certificate and there is to be a record of the appointment of the legal practitioner director.		
Ensuring notifications of changes are provided to the Law Society e.g. new legal practitioner director/s or employed solicitors etc.			

## SUPERVISION OF PRACTICE AND STAFF (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
<p>Legal practitioner directors meet on a regular basis (at least monthly) to review the performance of the practice with an agenda covering such items as operational and work/risk management policies and controls, compliance issues and people management. In practices with one legal practitioner director, such meeting should be held with senior staff such as selected employed solicitors, paralegals, bookkeeper etc</p>	<p>Minutes/notes of such meetings recording the matters covered, decisions agreed on and action taken.</p>		



## SUPERVISION OF PRACTICE AND STAFF (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Compliance with the Legal Profession Act, Legal Profession Regulations, Rules and other statutory/taxation obligations	On a periodic basis, at least several times a year, there is a review of compliance. All personnel, both professional and support, are aware of relevant obligations and compliance standards and a record of outcomes and action taken are kept. Evidence of compliance with withholding tax obligations e.g. PAYG, GST as well as payment of superannuation guarantee contributions.		
A delegation process ensuring that:- <ul style="list-style-type: none"> <li>• staff are clear about the boundaries of their role, responsibilities and authority</li> <li>• staff are capable of doing the work delegated</li> </ul>	People management policies and procedures, a file of executed employment agreements, duty statements/job descriptions of all staff and copies of up to date practising certificates.		

## SUPERVISION OF PRACTICE AND STAFF (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
A structured induction and training program, which will ensure that all staff are properly trained and qualified for the duties they are employed to perform. Induction and training should also cover statutory obligations in the Legal Profession Act; Workers Compensation, holidays and leave etc	Documented induction procedures for both professional and support staff; a training register for both professional and non-professional staff and records of training needs being addressed in the staff performance review process.		
Staff performance reviews should be carried out on a periodic basis no less frequently than once a year.	Records of regular staff feedback and appraisal.		

## SUPERVISION OF PRACTICE AND STAFF (continued)

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
All current files are reviewed by a legal practitioner director or nominated supervising practitioner on an appropriate periodic basis.	Notations on files used to review and discuss files with employed solicitors. Compliance with policy and procedures is part of staff performance reviews.		
Development of budgets	Budgets are in place and future profitability is monitored.		

Overall rating for Objective  
(Please circle one rating)

1   2   3   4   5

## ADDITIONAL COMMENTS

# TRUST MONEY & TRUST ACCOUNTS

Objective: Avoiding failure to account and breach of Chapter 3 Part 3.3 of the Legal Profession Act, and Legal Profession Regulations

Key concepts to consider when addressing the Objective	Examples of possible evidence or systems most likely to lead to compliance	Arrangements already implemented/ Location of evidence	Details of System Improvement required by ILP
Accounting systems established for <ul style="list-style-type: none"> <li>- General/Other</li> <li>- Trust</li> <li>- Controlled Money</li> <li>- Transit Money</li> </ul>	A suitable accounting software package with appropriate written delegations and procedures for the handling of trust monies especially issue of trust account cheques.		
Suitably trained/qualified staff are involved	Accounting records are accurate, up to date and regularly monitored		

Overall rating for Objective  
(Please circle one rating)

1   2   3   4   5

## ADDITIONAL COMMENTS

# CERTIFICATION

Date Self-assessment completed          /     /    

Length of time taken to complete audit:             Days or        Hours

Names of staff involved in self-assessment

\_\_\_\_\_

\_\_\_\_\_

I/We declare that the information given in this self assessment audit is true and correct.

Certified by \_\_\_\_\_ (Legal practitioner director)

\_\_\_\_\_ (Legal practitioner director)