

# What practitioners should consider for this year's External Examiners Report 2020

## External Examiners

The Legal Practice Board have advised all external examiners that due to the changing climate with COVID 19 all external examiners will need to assess the risk in undertaking the external examinations and how best to complete the examinations. Many external examiners will be completing their trust account examinations remotely or via 'virtual' examinations. I encourage all external examiners to contact their client to discuss how this may work.

While the Board is not able to extend the date when the external examination is due, if reports are received later than 31 May 2020, but within a reasonable time frame, then they will be accepted with no significant consequence to the law practice or the external examiner.

If there are problems with being able to submit your external examination reports by **31 May 2020** we encourage you to email our Trust Account Team on [TAI@lpbwa.com](mailto:TAI@lpbwa.com).

## What can the Law Practice do to facilitate the process?

### *Discuss process with External Examiner*

Contact the external examiner if they haven't already contacted you to discuss how the external examination can be undertaken.

It would assist the process if the law practice completes the WA Law Practice Declaration Trust Money Statements Part A & B [WA Law Practice Declaration Trust Money Statement Parts A & B](#).

### *Look at your records to see what is viable*

How are your trust accounting records maintained:

- Manually
- Electronically

How can these be accessed by the external examiner?

- Do you maintain all your records electronically if so, are they accessible remotely.
- Can you provide remote access to the examiner to review.
- If so, do you have the ability to restrict access to view only?

Looking at the broader issues, such as:

- Can you have access to your premises to collect required records / matter files / supporting documents if required?
- What office equipment is available?
- The Board does not recommend posting originals, but consider other secure delivery methods, or Verified copies scanned and forwarding verified copies of documents. In all cases, maintain originals for audit purposes.
- Do you have a secure network or portal in which information can be shared?

### *What will be needed and in what format do you hold these documents?*

- Do you have all your bank statements for trust and controlled money accounts? Are they digital or in hard copy?
- If your records are maintained manually do you have access to a scanner.
- Trust account records include:
  - Trust receipts
  - Trust payments
  - Trust cashbook
  - Transfer journals
  - Trust ledgers
  - Trust reconciliations

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### *Have these been completed in anticipation of the examination?*

- Are all your reconciliations completed and up-to-date?
- Does the trust bank reconciliation have any outstanding items or adjustments? If so have they been investigated?
- Does the law practice have any dormant balances which should be investigated?
- Have all, if any, deficiencies been investigated, rectified and notified to the Board.
- Has the controlled money account listing been prepared for the month.
- Has the law practice up-dated registers for files opened, closed, power & estates, financial interest, safe custody packets and if they hold investment accounts?

While this is not an exhaustive list it highlights the need to look at various aspects specific to your practice so that you can be able to keep your records updated and have them adequately examined for 2020.

### **Contact**

If you have any queries, please contact:

Legal Practice Board  
Senior Trust Account Inspector  
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