

Computerised trust accounting systems



Fact sheet

It was previously the practice of the Department of Justice & Attorney-General to assess computerised trust accounting systems with a view to approval of their use by solicitors. This practice was discontinued in 1994.

The Queensland Law Society does not assess computerised accounting systems. Sections 28 to 32 of the Legal Profession Regulation 2007 set out the requirements for a complying computerised trust accounting system. Sections 28 to 32 provides:

“28 Application of ss 29–32

Sections 29 to 32 apply if a law practice keeps trust records, including records relating to controlled money, by means of a computerised accounting system.

29 Copies of trust records to be printed

- (1) The law practice must print a paper copy of trust records as follows—
 - (a) *trust account receipts and payments cash books are to be printed monthly as at the end of each named month, unless a copy of the books as at the end of the named month is kept in electronic form that is readable or reportable on demand;*
 - (b) *reconciliation statements prepared under section 44 are to be printed as at the end of each named month;*
 - (c) *lists of trust ledger accounts and their balances are to be printed monthly as at the end of each named month;*
 - (d) *lists of controlled money accounts and their balances are to be printed monthly as at the end of each named month;*
 - (e) *trust ledger accounts, the controlled money movement records and the trust transfer journal are to be printed before they are archived or deleted from the system;*
 - (f) *trust ledger accounts and controlled money account details are to be printed on request by and provided to an investigator.*
- (2) The trust records printed monthly as at the end of a named month under subsection (1)(a) to (d) must be printed within 15 working days after the end of the named month.
- (3) The paper copies printed under subsection (1) are to be kept by the law practice, except if they are printed on request under that subsection. The electronic copy of the trust account cash books under subsection (1)(a) is to be kept by the law practice.

30 Chronological record of information to be made

- (1) The law practice must keep a record, compiled in chronological sequence, of the creation, amendment or deletion of information in its computerised accounting system in relation to the following—
 - (a) *client name;*
 - (b) *client address;*
 - (c) *matter reference;*
 - (d) *matter description;*
 - (e) *ledger account number or other descriptor.*
- (2) The record is to be kept by the law practice.



31 Requirements regarding computer accounting systems

- (1) The law practice must ensure its computerised accounting system is not capable of accepting, in relation to a trust ledger account, the entry of a transaction resulting in a debit balance to the account, unless a contemporaneous record of the transaction is made in a way that enables the production in a permanent form, on demand, of a separate chronological report of all occurrences of that kind.
- (2) The law practice must ensure the system is not capable of deleting a trust ledger account unless—
 - (a) the balance of the account is zero and all outstanding cheques have been presented; and
 - (b) *when the account is deleted, a copy of the account is kept in a permanent form.*
- (3) The law practice must ensure any entry in a record produced in a permanent form appears in chronological sequence.
- (4) The law practice must ensure each page of each printed record is numbered sequentially or is printed in a way that no page can be extracted.
- (5) The law practice must ensure its computerised accounting system is not capable of amending the particulars of a transaction already recorded otherwise than by a transaction separately recorded that makes the amendment.
- (6) The law practice must ensure its computerised accounting system requires input in every field of a data entry screen intended to receive information required by this division to be included in trust records.

32 Back-ups

The law practice must ensure—

- (a) *a back-up copy of all records required by this division is made not less frequently than once each month; and*
- (b) *each back-up copy is kept by the law practice; and*
- (c) *a complete set of back-up copies is kept in a separate location so that any incident that may adversely affect the records would not also affect the back-up copy."*

If you wish to discuss any of the above requirements, please contact the Queensland Law Society Trust Account Investigations Section on telephone number (07) 3842 5908.