

Legal Profession (Solicitors' Accounts) (Amendment) Rules 2004

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No. S 109

LEGAL PROFESSION ACT (CHAPTER 161)

LEGAL PROFESSION (SOLICITORS' ACCOUNTS) (AMENDMENT) RULES 2004

In exercise of the powers conferred by section 72(1) of the Legal Profession Act, the Council of the Law Society of Singapore, with the approval of the Chief Justice, hereby makes the following Rules:

Citation and commencement

1. These Rules may be cited as the Legal Profession (Solicitors' Accounts) (Amendment) Rules 2004 and shall come into operation on 1st April 2004.

Amendment of rule 2

2. Rule 2 of the Legal Profession (Solicitors' Accounts) Rules (R 8) (referred to in these Rules as the principal Rules) is amended —

- (a) by inserting, immediately before the definition of “approved finance company”, the following definition:

“ “accounting corporation” and “accounting firm” have the same meanings as in the Accountants Act 2004 (Act 4 of 2004);”;
and

- (b) by inserting, immediately after the definition of “client’s money”, the following definitions:

“ “public accountant” has the same meaning as in the Accountants Act 2004;

“Public Accountants Oversight Committee” means the Public Accountants Oversight Committee appointed under section 4 of the Accountants Act 2004;”.

Amendment of rule 8

3. Rule 8 of the principal Rules is amended by inserting, immediately after paragraph (3), the following paragraphs:

“(4) No money shall be drawn from a client account by a cash cheque except with the written authority of the client.

“(5) Unless the solicitor has engaged or employed a book-keeper for the purposes of rule 11 (8), no sum exceeding \$5,000 shall be drawn from a client account except upon a cheque (or other instruction effecting the withdrawal) signed by 2 solicitors.”.

Amendment of rule 11

4. Rule 11 of the principal Rules is amended —

- (a) by deleting the words “3 months” in the 1st line of paragraph (4) and substituting the words “one month”;
- (b) by deleting the words “period of 3 months” in the 3rd line of paragraph (4) and substituting the word “month”; and
- (c) by inserting, immediately after paragraph (7), the following paragraph:

“(8) Subject to rule 11A, a solicitor may engage or employ a book-keeper to keep his books and accounts properly written up and reconciled as required by this rule.”.

New rule 11A

5. The principal Rules are amended by inserting, immediately after rule 11, the following rule:

“Engagement of book-keeper

11A.—(1) A solicitor shall not engage or employ a book-keeper for the purposes of rule 11(8) unless he has obtained the written approval of the Council to do so.

(2) An application for the approval of the Council to engage or employ a book-keeper for the purposes of rule 11(8) shall be submitted to the Council in such form as the Council may require and shall be accompanied by a statutory declaration affirmed or sworn —

- (a) if the proposed book-keeper is an accounting firm, by the sole proprietor or managing partner (as the case may be) of the accounting firm —
 - (i) stating that no proprietor or partner of the accounting firm, as the case may be, is an immediate family member of the solicitor;
 - (ii) undertaking that he will inform the Council in writing immediately if the book-keeper encounters any of the difficulties referred to in paragraph (8); and
 - (iii) undertaking that he will inform the Council in writing immediately if there are any changes in the matters referred to in sub-paragraph (i);
- (b) if the proposed book-keeper is an accounting corporation, by the managing director of the accounting corporation —
 - (i) stating that no director or member of the accounting corporation is an immediate family member of the solicitor;
 - (ii) undertaking that he will inform the Council in writing immediately if the book-keeper encounters any of the difficulties referred to in paragraph (8); and

- (iii) undertaking that he will inform the Council in writing immediately if there are any changes in the matters referred to in sub-paragraph (i);
- (c) if the proposed book-keeper is a firm or corporation providing book-keeping services (other than an accounting firm or accounting corporation), by the sole proprietor, managing partner or managing director of the firm or corporation (as the case may be) —
 - (i) stating that no relevant person is an immediate family member of the solicitor;
 - (ii) undertaking that he will inform the Council in writing immediately if the book-keeper encounters any of the difficulties referred to in paragraph (8);
 - (iii) stating the professional qualifications of persons who will provide book-keeping services to the solicitor on behalf of the firm or corporation and any relevant experience they may have in preparing accounts for a solicitor; and
 - (iv) undertaking that he will inform the Council in writing immediately if there are any changes in the matters referred to in sub-paragraph (i) or (iii); or
- (d) if the proposed book-keeper is an individual, by the book-keeper —
 - (i) stating that he is not an immediate family member of the solicitor;
 - (ii) undertaking that he will inform the Council in writing immediately if he encounters any of the difficulties referred to in paragraph (8);
 - (iii) stating his professional qualifications and, if he is not a public accountant, any relevant experience he may have in preparing accounts for a solicitor; and
 - (iv) undertaking that he will inform the Council in writing immediately if there are any changes in the matters referred to in sub-paragraph (i) or (iii).