

**COURSE: LEGAL ACCOUNTING**

**YEAR: 2019**

**LECTURER: MRS A. WAGENAAR**

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**1. INTRODUCTION**

**1.1 Overview**

Legal Accounting is a single semester course aimed at providing students with a working, theoretical and practical knowledge of general principles of accounting with special emphasis on Trust Accounts. This course prepares the student who wishes to take the attorney's admission examination on bookkeeping.

The purpose of the course is to provide students with a basic knowledge and understanding of the variety of transactions essential to complete an adequate set of books and to design a plan of accounts to suit the needs of a legal enterprise.

The course is an elective in their final year of studies.

**1.2 Credit Value**

This course has a credit value of 30. Students will be expected to spend at least 300 hours of study time on this course, although extra time is recommended and encouraged. This includes time spent in lectures.

**1.3 Assumptions of Prior Learning**

This module has been designed on the assumption that students have prior knowledge of basic business documentation and procedures, i.e. invoices, receipts, bank statements etc. As the course is practically founded, students are required to be proficient in the use of financial calculators.

**2. OUTCOMES**

**2.1 Critical Cross-Field Outcomes**

Students will be able to:

- a) Identify and solve problems
- b) Collect, analyse and evaluate information
- c) Communicate effectively

- d) Recognize problem solving contexts
- e) Explore education and career opportunities
- f) Develop entrepreneurial opportunities

## **2.2 Specific Intended Outcomes**

On completion of this course students will be able to:

- Prepare a set of Annual Financial Statements
- Compute and account for VAT
- Account for moneys received on behalf of clients to be held in trust for them.
- Compute and account for income (fees) and expenses (disbursements)
- Compute and account for interest received to be paid over to the Attorneys Fidelity Fund
- Compute and account for conveyance fees

## **3. NATURE OF CONTACT SESSIONS**

The course will consist of two 45 – minute lectures per week. In addition, students will write a class test. A 2-hour examination will be sat at the end of the semester.

## **4. COURSE/MODULE CONTENT**

Basic principles of double entry accounting.

The accounting cycle which refers to the process by which transactions are finally recorded.

Year-end adjustments, the income statement and balance sheet.

Use of a transfer journal to transfer amounts from trust accounts to business accounts.

Internal and cash controls including bank reconciliation statements.

A study of value added tax as it applies to legal practices.

Legislation and law society rules especially as they apply to accounting requirements, investment practice and maintenance of trust accounts.

Transactions with correspondents.

The accounting requirements of conveyance transactions.

Forms of enterprise including partnership and company financial statements.

## **4. PRESCRIBED TEXTBOOK**

The reference texts used in this course are as follows:

S Kalideen, L Sullivan, (2008). Accounting for Law Students & Practitioners, Juta, Cape Town.