

THE LAW SOCIETY OF SINGAPORE

PRACTICE DIRECTION 3.3.2

[Formerly PDR 2013, para 107; Council's Practice Direction 1 of 2011]

ENGAGEMENT OF A BOOK-KEEPER UNDER THE LEGAL PROFESSION (SOLICITORS' ACCOUNTS) RULES

This Practice Direction shall apply to all law practices that wish to engage a book-keeper. The book-keeper may be an accounting firm, an accounting corporation, an accounting LLP, a firm or body corporate providing book-keeping services or an individual pursuant to rule 11A of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) ('SAR'). In addition, member's attention is drawn to the guidelines in relation to engagement of book-keepers as set out in the Law Society's "Guide to Solicitors' Accounts".

A sole proprietor, managing partner or director of any such law practice must apply annually in writing to the Council of the Law Society for approval to engage a book-keeper. The application must be accompanied by the relevant statutory declaration. See Parts C and E of this Practice Direction. The relevant forms (attached at the end of this Practice Direction) can be downloaded at <http://www.lawsociety.org.sg/For-Lawyers/Running-Your-Practice/Forms>:

- (a) Application for Book-Keeper's Form 1 - Individual ('BK Form 1')
- (b) Statutory Declaration 1 - Individual ('SD 1')
- (c) Application for Book-Keeper's Form 2 - Entity ('BK Form 2')
- (d) Statutory Declaration 2 - Entity ('SD 2')

Upon written approval by Council, the law practice may engage the approved book-keeper to keep the cash books, ledgers and journals and such other books and accounts required by rule 11 of the SAR ('Books and Accounts') properly written up and reconciled in accordance with rule 11 of the SAR.

A. Criteria for a Book-keeper Who is an Individual or a Person ('Relevant Person') Who Provides Book-keeping Services to a Law Practice on Behalf of a Firm or Body Corporate (Other Than an Accounting Firm or Accounting Corporation or Accounting LLP)

Such a book-keeper or relevant person must satisfy the following criteria:

- (a) possess relevant qualifications as defined in Part B (below);
- (b) be independent, that is, not an employee, parent, spouse, sibling, adopted child, step child or child of the solicitor;
- (c) he/she, or in the case of a relevant person, the proprietor, managing partner or managing director of his/her firm or body corporate must submit the required statutory declaration to Council on an annual basis and whenever there is a change of book-keeper by the law Practice during that accounting period; and
- (d) if he/she has not completed the mandatory book-keeping course as prescribed by Council, he/she must undertake to complete the said course within 12 months of being so appointed.

B. Qualifications of a Book-keeper who is an Individual and of a Relevant Person

A book-keeper is required to have at least one of the following approved qualifications:

- (i) London Chamber of Commerce and Industry;
- (ii) Association of Accounting Technicians;
- (iii) Certified Accounting Technician;
- (iv) a diploma in accounts from a polytechnic;
- (v) passed ACCA level 2; or
- (vi) a Degree in Accountancy.

For those possessing only the qualifications set out in (i), (ii) and (iii) above, the book-keeper or relevant person must also have at least one year's experience in writing up the Books and Accounts for a law practice.

For a book-keeper or relevant person who does not possess any of the qualifications described above, the book-keeper or relevant person must have at least five years' experience in writing up the Books and Accounts for a law practice.

C. Contents of the Statutory Declaration

A law practice that engages an individual or an accounting sole proprietorship or any other sole proprietorship providing book-keeping services to write up the Books and Accounts must submit, two weeks prior to the engagement, a statutory declaration exhibiting a certified true copy of the educational certificates and Accounting and Corporate Regulatory Authority search of the business/company providing book-keeping services to Council in the form ('SD 1') attached with this Practice Direction.

D. Book-keeping by an Accounting Firm, Accounting Corporation or Accounting LLP

An "accounting firm", "accounting corporation" or "accounting LLP" is defined in the Accountants Act (Cap 2, 2005 Rev Ed).

E. Contents of the Statutory Declaration

A law practice that engages an accounting firm, accounting corporation, accounting LLP, or any other firm or body corporate providing book-keeping services to write up the Books and Accounts must submit two weeks prior to that engagement a statutory declaration to Council in the form ('SD 2') attached with this Practice Direction.

Practice Direction 2 of 2007 has been superseded by Practice Direction (PDR 2013, para 107) with effect from 1 January 2012.

For a period of five months beginning 1 August 2011 until 31 December 2011, the SAR and Practice Direction 2 of 2007 shall continue to apply to any law practice holding conveyancing money or anticipatory conveyancing money that was deposited into the law practice's client account before 1 August 2011.

Date: 31 January 2019

THE COUNCIL OF THE LAW SOCIETY OF SINGAPORE



To : The Council
The Law Society of Singapore
#01-03
Maxwell Chambers Suites
28 Maxwell Road
Singapore 069120

BK FORM 1

Year of Application: 20 _____

**APPLICATION FOR APPROVAL OF A BOOK-KEEPER
TO BE ENGAGED BY A LAW PRACTICE**
(Where Proposed Book-Keeper is an Individual/Sole Proprietor)

A. Law Practice's Particulars

Name of Proprietor/Managing Partner/Director: _____

Admission No: _____

Name of Law Practice: _____

Address of Law Practice: _____

Tel: _____ DID: _____ E-mail: _____

Contact Person: _____ Designation: _____

B. Book-Keeper's Particulars

Name of Book-Keeper: _____

Name of Book-Keeping Business: _____

NRIC No: _____ Registration No (UEN): _____

Tel: _____ Fax: _____ E-mail: _____

Residential Address: _____

C. Particulars of Professional Qualifications/Experience of Book-Keeper to be Engaged

Book-Keeper's Professional Qualifications: _____

Years of Book-Keeping Experience in a Law Practice: _____

Name(s) of Law Practice and Period(s) of Engagement:

<u>Name of Law Practice</u>	<u>Period (in chronological order)</u>

Note:

- 1. Please attach the requisite original Statutory Declaration ('SD 1') of the book-keeper to this application.**
- 2. Application will only be processed upon receipt of the original Statutory Declaration.**

For Official Use Only

Name of Officer Processing Application: _____

Date of Receipt of Application: _____

Remarks: _____

STATUTORY DECLARATION

SD 1

Where Proposed Book-Keeper is:

- 1. An individual;**
- 2. An accounting sole proprietorship; or**
- 3. Any other sole proprietorship providing book-keeping services.**

I, (name) (holder of NRIC No) residing at.....(residential address) do solemnly and sincerely declare that:

Employment

1. I am a proprietor of a book-keeping business known as whose place of business isA copy of the Accounting and Corporate Regulatory Authority ('ACRA') search of the business/company is attached as 'Exhibit A'.

Declaration of Independence

2. I..... am not an employee, a spouse, a child, an adopted child, a step-child, a sibling or a parent of the proprietor/any partner/any director of the law practice to which book-keeping services will be provided by me. I undertake to inform the Council in writing immediately if there is any change to the above.

Qualifications or Relevant Experience

3. I providing the book-keeping services to the law practice possess the following qualification(s) (tick whichever box applies):

- | | |
|--|--------|
| (a) London Chamber of Commerce and Industry | [] |
| (b) Association of Accounting Technicians | [] |
| (c) Certified Accounting Technician | [] |
| (d) A diploma in accounts from a polytechnic | [] |
| (e) Passed ACCA level 2 | [] |
| (f) A Degree in Accountancy | [] |

Each selected qualification (above) has its certified true copy of the certificate attached as 'Exhibit B'.

OR

I..... providing the book-keeping services to the law practice possess the following qualification(s) (check whichever box applies):

- | | |
|---|--------|
| (a) London Chamber of Commerce and Industry | [] |
| (b) Association of Accounting Technicians | [] |
| (c) Certified Accounting Technician | [] |

and have one year's experience in writing up the books and accounts required under rule 11 of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) for the following law practices:

Name of Law Practice	Period (in chronological order)

Each selected qualification (above) has its certified true copy of the certificate attached as 'Exhibit B'.

OR

I providing the book-keeping services to the law practice and have five years' of experience in writing up the books and accounts required under rule 11 of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) for the following law practices:

Name of Law Practice	Period (in chronological order)

Mandatory Book-Keeping Course

4. I providing the book-keeping services to the law practice have completed the book-keeping course prescribed by the Council of the Law Society.

OR

I providing the book-keeping services to the law practice have **NOT** completed the book-keeping course and I undertake to complete the prescribed course within 12 months of my being so appointed.

Undertaking

5. I hereby undertake to inform the Council of the Law Society, in writing immediately if I encounter any of the following issues in writing up the books and accounts of the law practice except trivial breaches due to clerical errors or mistakes in book-keeping that were rectified upon discovery and did not result in any loss to the client:
- (a) I am unable to reconcile the balance in the client's cash book (or client's column in the cash book) with the bank statements for all or any of the law practice's client accounts, conveyancing accounts or conveyancing (CPF) accounts in any month;
 - (b) I am unable to properly write up the books and accounts as required by rule 11 of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 RevEd);

- (c) the law practice has received, held or authorised the withdrawal of client's conveyancing money in contravention of the applicable provisions of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) or the Conveyancing and Law of Property (Conveyancing) Rules 2011 (S 391/2011), or both; and
 - (d) the law practice has failed to respond to such query from me as is necessary to enable me to carry out my duties referred to in paragraphs 5(a), 5(b) or 5(c) above.
6. I further undertake to inform the Council of the Law Society in the event the law practice draws from a client account a sum exceeding S\$30,000.00 without a second signatory.
7. AND I make this solemn declaration by virtue of the provisions of the Oaths and Declarations Act (Cap 211, 2001 Rev Ed), and subject to the penalties provided by that Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

DECLARED at Singapore

This _____ day of _____ 20____

Before me,

A Commissioner for Oaths



To : The Council
The Law Society of Singapore
#01-03
Maxwell Chambers Suites
28 Maxwell Road
Singapore 069120

BK FORM 2

Year of Application: 20 _____

**APPLICATION FOR APPROVAL OF A BOOK-KEEPER
TO BE ENGAGED BY A LAW PRACTICE**
*(Where Proposed Book-Keeper is an Accounting/
Book-Keeping Firm or Company or LLP)*

A. Law Practice's Particulars

Name of Proprietor/Managing Partner/Director: _____

Admission No: _____

Name of Law Practice: _____

Address of Law Practice: _____

Tel: _____ DID: _____ E-mail: _____

Contact Person: _____ Designation: _____

B. Accounting/Book-Keeping Firm/Company/LLP's Particulars

Name of Proprietor/Managing Partner/Director: _____

NRIC No: _____

Name of Business/Company/LLP: _____

Address of Business/Company/LLP: _____

Registration No (UEN): _____ Tel: _____

Fax: _____ E-mail: _____

Note:

- 1. Please attach the requisite original Statutory Declaration ('SD 2') of the book-keeper to this application.**
- 2. Application will only be processed upon receipt of the original Statutory Declaration.**

For Official Use Only

Name of Officer Processing Application: _____

Date of Receipt of Application: _____

Remarks: _____

STATUTORY DECLARATION

SD 2

Where Proposed Book-Keeper is:

- 1. An accounting firm;***
- 2. An accounting corporation;***
- 3. An accounting LLP; or***
- 4. A firm or body corporate providing book-keeping services.***

I, (name) (holder of NRIC No) residing at.....(residential address) do solemnly and sincerely declare that:

Employment

1. I am the proprietor or managing partner or managing director of the accounting/book-keeping firm/company/LLP duly registered with the Accounting and Corporate Regulatory Authority ('ACRA'). A copy of the ACRA search of the firm/company/LLP is attached as 'Exhibit A'.

Declaration of Independence

2. I hereby declare that neither I nor any partner, director or employee of the accounting/book-keeping firm/company/LLP is a spouse, a child, an adopted child, a step-child, a sibling or a parent of the proprietor/any partner/any director of the law practice to which book-keeping services will be provided. I undertake to inform the Council in writing immediately if there is any change to the above.

Qualifications or Relevant Experience

3. I/the following person providing the book-keeping services to the law practice possess the following qualification(s) (tick whichever box applies):

- | | |
|--|---------|
| (a) London Chamber of Commerce and Industry | [] |
| (b) Association of Accounting Technicians | [] |
| (c) Certified Accounting Technician | [] |
| (d) A diploma in accounts from a polytechnic | [] |
| (e) Passed ACCA level 2 | [] |
| (f) A Degree in Accountancy | [] |

Each selected qualification (above) has its certified true copy of the certificate attached as 'Exhibit B'.

OR

I/the following person providing the book-keeping services to the law practice possess the following qualification(s) (check whichever box applies):

- | | |
|---|---------|
| (a) London Chamber of Commerce and Industry | [] |
| (b) Association of Accounting Technicians | [] |

(c) Certified Accounting Technician

[]

and have one year's experience in writing up the books and accounts as required under rule 11 of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) for the following law practices:

Name of Law Practice	Period (in chronological order)

Each selected qualification (above) has its certified true copy of the certificate attached as 'Exhibit B'.

OR

I/the following person providing the book-keeping services to the law practice have five years' of experience in writing up the books and accounts as required under rule 11 of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) for the following law practices:

<u>Name of Law Practice</u>	<u>Period (in chronological order)</u>

Mandatory Book-Keeping Course

- I/the following person providing the book-keeping services to the law practice has/have completed the book-keeping course prescribed by the Council of the Law Society.

OR

I/the following person providing the book-keeping services to the law practice has/have not completed the book-keeping course and I/we undertake to complete/to ensure that such person completes the prescribed course within 12 months of my/our being so appointed.

Undertaking

- I hereby undertake to inform the Council of the Law Society, in writing immediately if I or any book-keeper encounters any of the following issues in writing up the books and accounts of the law practice except trivial breaches due to clerical errors or mistakes in book-keeping that were rectified upon discovery and did not result in any loss to the client:

- (a) unable to reconcile the balance in the client's cash book (or client's column in the cash book) with the bank statements for all or any of the law practice's client accounts, conveyancing accounts or conveyancing (CPF) accounts in any month;
 - (b) unable to properly write up the books and accounts as required by rule 11 of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed);
 - (c) the law practice has received, held or authorised the withdrawal of client's conveyancing money in contravention of the applicable provisions of the Legal Profession (Solicitors' Accounts) Rules (Cap 161, R 8, 1999 Rev Ed) or the Conveyancing and Law of Property (Conveyancing) Rules 2011 (S 391/2011), or both; and
 - (d) the law practice has failed to respond to such query from me as is necessary to enable me to carry out my duties referred to in paragraphs 5(a), 5(b) or 5(c) above.
6. I further undertake to inform the Council of the Law Society in the event the law practice draws from a client account a sum exceeding S\$30,000.00 without a second signatory.
7. AND I make this solemn declaration by virtue of the provisions of the Oaths and Declarations Act (Cap 211, 2001 Rev Ed), and subject to the penalties provided by that Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

DECLARED at Singapore

This _____ day of _____ 20____

Before me,

A Commissioner for Oaths