

Law Society of British Columbia - Trust Assurance Program Summary

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Background

Mandate

1. The Law Society's Trust Assurance Program is designed to support high standards of professionalism and responsibility among lawyers, and to allow the public, clients and lawyers to have confidence that lawyers are handling client trust funds and trust accounts in a careful and appropriate manner. The four main goals of the Trust Assurance Program are:

Compliance: encourage, educate and assist lawyers in complying with trust accounting standards and the *Code of Professional Conduct for British Columbia*

Deterrence: help deter mishandling of trust funds and trust accounts

Detection: help detect serious trust breaches as early as possible

Credibility: protect the public interest, and increase the confidence of clients, lawyers and the public

2. In order to accomplish these goals, the Trust Assurance Program supports four pillars of operation: compliance audits, trust reports, lawyer self-reports and education. These activities are discussed in greater detail below.

Budget

3. Since 2006, the Trust Assurance Program has been funded through the collection of the Trust Administration Fee.¹ Lawyers must remit a \$15 Trust Administration Fee to the Law Society for each distinct client matter in connection with which trust funds are received, unless the trust funds are solely for the purpose of paying legal fees or held as a retainer. Excess Trust Administration Fee revenues may be held in the Law Society's General Fund pursuant to the reserve policy, restricted for the purposes of future trust assurance activities. As of December 31, 2019, the General Fund net assets included \$2.0 million of trust assurance reserves.
4. On an annual basis, the Trust Assurance Program's operating expenses have increased from \$2,078,965 (actual) in 2015 to \$3,593,993 (budget) in 2020. This includes an increase of over 30% in the Trust Assurance Program's staffing budget since 2015.

¹ Law Society TAF Webpage: <https://www.lawsociety.bc.ca/support-and-resources-for-lawyers/trust-accounting-trust-assurance-program/trust-administration-fee/>

Figure 1: Annual Trust Assurance Program Operating Expenses

	2015	2016	2017	2018	2019	2020 (Budget)
Trust Assurance	\$2,078,965	\$2,130,578	\$2,406,433	\$2,324,250	\$2,975,003	\$3,593,993

Staffing

5. The Trust Assurance Program is overseen by the Law Society’s Chief Financial Officer and Director of Trust Regulation, Jeanette McPhee (CPA, CA, BBA, CAMS, CRMA), along with Eva Milz, Deputy Director of Trust Assurance (CPA, CMA, CFE, CAMS). Additional staff include two Team Leaders, 14 auditors (including three senior auditors), three coordinators, and two assistants. As noted above, since 2015, the Trust Assurance Program’s staffing budget has increased by over 30% with the hiring of five additional full-time equivalent staff, including three auditors.
6. Management and staff in the Trust Assurance Program are required to possess a high degree of relevant education, certification and training. The Director, Deputy Director, both Team Leaders and all auditors are Chartered Professional Accountants (CPA). Several staff are Certified Anti-Money Laundering Specialists (CAMS), through the Association of Certified Anti-Money Laundering Specialists, including the Director, Deputy Director, both Team Leaders and three auditors. In addition, nine other auditors are currently pursuing their CAMS designations.² Several Trust Assurance staff are Certified Fraud Examiners (CFE), through the Association of Certified Fraud Examiners, including the Deputy Director, one Team Leader and one auditor.
7. Ongoing training of Trust Assurance Program staff includes regular participation in a variety of programs and conferences. In recent years, the Director, Deputy Director, Team Leaders and auditors have attended programs related to anti-money laundering topics offered by the Association of Certified Anti-Money Laundering Specialists, the Association of Certified Fraud Examiners, the Canadian Anti-Money Laundering Institute, Chartered Professional Accountants of BC, Chartered Professional Accountants Canada, FINTRAC, Transparency International Canada, the RCMP, the Continuing Legal Education Society of BC, Courthouse Libraries BC, the Institute of Internal Auditors, and the Law Society of BC, among others.³

² Note that this number does not include members of the Law Society’s Forensic Accounting Department, who are included in the summary on Investigations and Discipline.

³ See 2015-2019 Trust Assurance AML Training Attendance, LSB006864.

Staff also attend regularly scheduled internal meetings to discuss trends and issues arising in the course of compliance audits and other work.

Program Activities

Compliance Audits

8. The Trust Assurance Department conducts the Law Society's Compliance Audit Program, which is a proactive process designed to support compliance with the trust accounting Rules.⁴ A "compliance audit" is defined in Rule 3-53 to mean an examination of a lawyer's books, records and accounts and the answering of questions by the lawyer being audited. The goal of compliance audits is to: (i) help law firms recognize and correct minor problems with their trust accounting and record-keeping before they lead to serious issues of non-compliance and possible professional conduct issues, (ii) answer questions the lawyer and law firm staff may have and to develop or improve proper accounting systems, record-keeping practises and trust fund handling procedures, and (iii) conduct a review of the lawyer's existing accounting records and perform a sample check of transactions and client files to review whether trust funds have been handled properly.⁵
9. In general, compliance audits examine a lawyer's compliance with the trust accounting Rules in Part 3 Division 7 (Trust Accounts and Other Client Property), both Rules in Part 3 Division 9 (Real Estate Practise), and the client identification and verification Rules in Part 3 Division 11 (Client Identification and Verification). They also cover parts of Part 2 Division 3 (Fees and Assessments), Part 3 Division 6 (Financial Responsibility), Part 3 Division 8 (Unclaimed Trust Money), Part 10 (Security of Records), and various parts of the *Code of Professional Conduct for British Columbia*, the *Legal Profession Act*, and the *Wills, Estates and Succession Act*.
10. Every law firm in British Columbia that operates a trust account will be audited at least once every six years, and some will be audited more often depending on their firm size, primary practise areas, compliance history and risk-rating. Law firms that primarily practise (>50%) in the areas of wills and estates and real estate will be audited once every four years, new firms will be audited within three years of inception, and law firms considered to be at higher risk of non-compliance based on a detailed risk analysis (including consideration of prior trust reports, compliance audits or complaints, or referrals from other Law Society groups) may be audited more often. In each six-year audit cycle, the Law Society will also audit a sample of firms that report having no trust account. The above-noted schedule is subject to change. The Executive

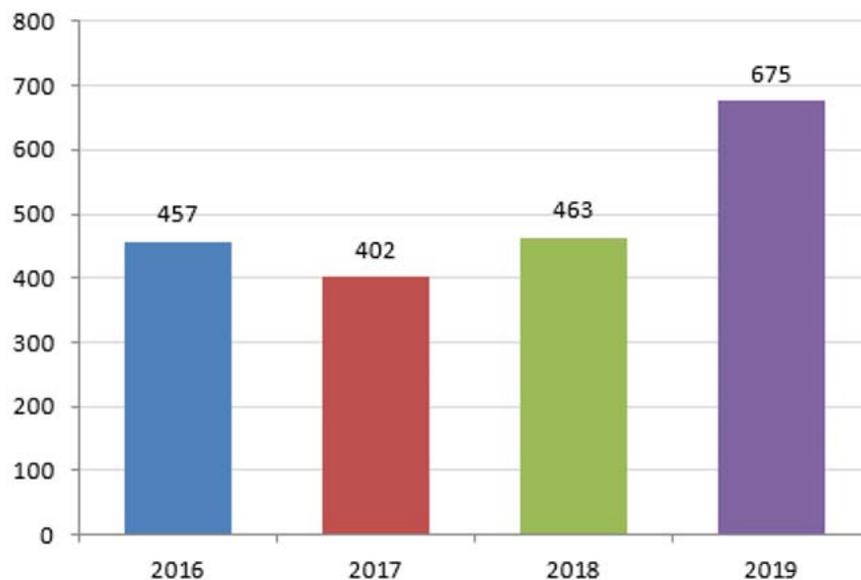
⁴ Law Society Compliance Audit FAQs: <https://www.lawsociety.bc.ca/Website/media/Shared/docs/trust/audit-faq.pdf>

⁵ Law Society Compliance Audits Webpage: <https://www.lawsociety.bc.ca/support-and-resources-for-lawyers/trust-accounting-trust-assurance-program/compliance-audits/>

Director may at any time order a compliance audit of a lawyer’s books, records and accounts (Rule 3-85).

11. The law firms that will be audited in a given year may be selected at random, but may also be prompted by an indicator such as: failure to file a trust report, information on a trust report that indicates non-compliance with the trust accounting Rules and procedures, referral from other departments of the Law Society (such as the Investigations Group), inadequacies that were identified in a previous compliance audit, or a compliance level that raises concerns about the lawyer’s trust accounting practises. The total number of compliance audits conducted each year has increased from 457 audits in 2016 to 675 audits in 2019. This is an increase in audits of approximately 45%. Due to the effects of COVID-19, however, it is anticipated that the number of compliance audits completed in 2020 will be approximately 550 (greater than the number of audits in 2018, but fewer than in 2019).

Figure 2: Compliance Audits Completed per Year



12. The compliance audit process and scope may differ depending on the circumstances of the law firm being audited, such as the law firm size, transaction volume, practise areas, and prior compliance history. Typically, the law firm will receive written notice four to six weeks prior to commencement of the compliance audit. The notice will include a list of the books and records that must be made available upon the start of the audit (the “Compliance Audit Books and Records Checklist”, attached as Appendix A) and the time period for which such books and records must be provided.⁶ Books and records that must be produced for a compliance audit may include the following, within the audit review period:

⁶ Law Society Compliance Audit Books and Records Checklist:
https://www.lawsociety.bc.ca/Website/media/Shared/docs/trust/checklist_records.pdf

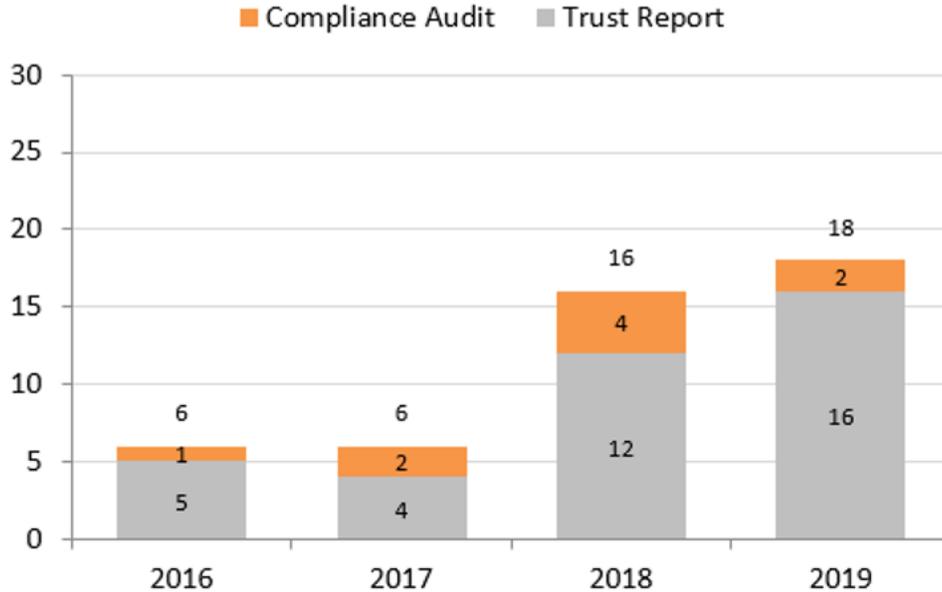
- Listing of general and trust accounts, account signatories, and sample signatures
- Listing of separate trust accounts, identifying the client for whom each is held (Rule 3-73)
- Bank statements, along with cancelled, voided and certified cheques for all trust and general accounts, including any separate trust accounts (Rule 3-67)
- Validated deposit receipts for trust and general accounts (i.e. deposit books) (Rule 3-67)
- Electronic transfer forms and bank confirmations for each electronic funds transfer from trust (Rule 3-64.1)
- Detailed bank reconciliations, including a client trust liability listing showing trust balances for each client matter (Rule 3-73)
- Trust book of entry, showing receipt and disbursement of all trust funds (Rule 3-68) and similar book of entry for general funds (Rule 3-69)
- Client trust ledgers showing separately for each client all trust funds received and disbursed and a running balance (Rule 3-68)
- Cash receipt book of duplicate receipts (Rule 3-70)
- Billing records of all bills delivered to clients (Rule 3-71)
- Accounts receivable showing for each client all invoices issued, payments received and outstanding balance (Rule 3-69)
- Books and records for all fiduciary property and a current list of valuables (Rule 3-55)
- Client files and corresponding client ledgers since file inception for any client files selected by the auditor (Rule 3-68)

13. The auditor will determine the time period for which the books and records must be produced. Most compliance audits will cover an 18-month period. However, depending on the size of the firm and the volume of transactions, the audit period may range from 12 months to 24 months. Following the initial review, an auditor may request additional information on specific files or transactions that extend beyond the initial time period covered. For example, the auditor may request and review a client file or client trust ledger since the inception of the matter.

14. Lawyers are required to comply with auditor requests for information. The requirement to provide documents, records and client files during a Law Society compliance audit is not restricted by claims of client confidences or privilege. Section 88 of the *Legal Profession Act* applies to information or records obtained in the course of audit. Absent special circumstances, if a lawyer does not permit or produce copying of records and other evidence, or provide explanations as required for a compliance audit, then the lawyer will be suspended until the records are produced and explanations are provided to the satisfaction of the Executive Director (Rule 3-86).

15. Figure 3 illustrates the number of suspensions by the Trust Assurance Program each year from 2016 to 2019.

Figure 3: Trust Assurance Administrative Suspensions per Year

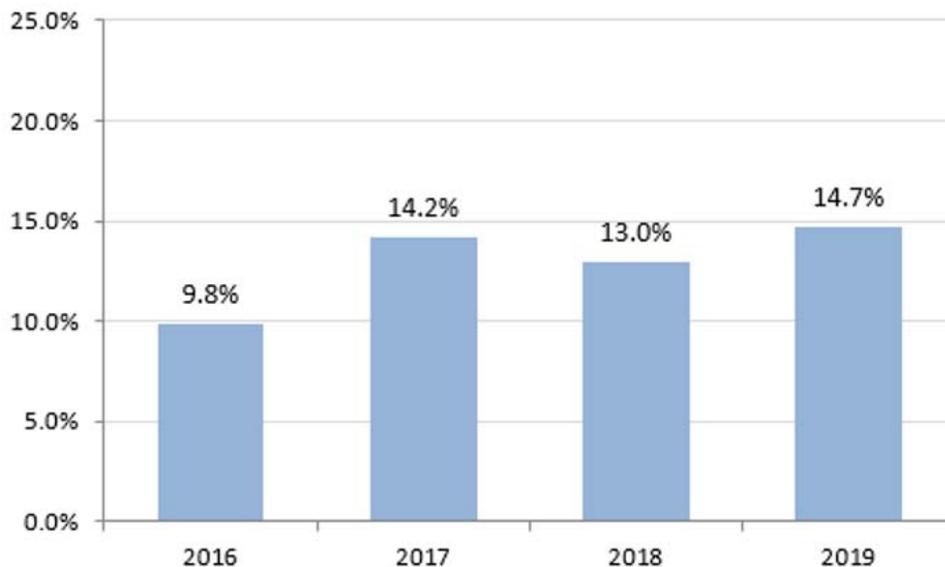


16. In preparation for the audit, the compliance auditor will complete a background review of the law firm, including a review of information on previous complaints, discipline history, prior trust reports, and prior compliance audits. The auditor may also contact other Law Society groups for information, such as the Investigations Group, as needed before, during, and after the audit.
17. Client trust ledgers, books of entry, trust reconciliations and certain other banking information and electronic reports are typically provided to the Law Society in advance of the audit. Once received, the compliance auditor will review these documents to identify client files to request for review. A sample of client files will be reviewed for every compliance audit. If the firm being audited is a large firm, has a high volume of transactions, or has a poor compliance history, then a larger number of client files and transactions may be reviewed. The compliance auditor may use the Law Society’s data analytics software, LSIS 2, to assist them in reviewing client ledgers for the purpose of identifying particular client files and transactions for review.
18. LSIS 2 is a data analytics software program developed by the Law Society and launched in March 2019. The software assists the auditor in scanning client ledgers to help identify unusual activity or red flag indicators for further investigation. The software may also be used to run queries chosen by the auditor, and to help identify files and transactions for greater scrutiny during the audit. For example, LSIS 2 may be used to identify transactions involving large wire transfers, trust shortages, cash transactions, aged trust balances, or atypical trust transactions. The software can also be used to compare client names against suspected terrorist or sanction targets lists, or names that are held in the Law Society’s persons-of-interest database.

19. Compliance audits are either conducted at the law firm's premises in person or through a remote audit process. Most audits are completed by a single auditor. However, two auditors may work together to complete an audit of a particularly large or high volume firm.
20. At the start of an audit, the auditor will typically interview the lawyer (or the designated contact lawyer, if auditing a multi-lawyer firm) and one of the firm's accounting staff, either in person or remotely. During the interview, the auditor will discuss the law firm's procedures and internal controls in relation to trust accounting and compliance with the client identification and verification Rules. The auditor will then complete a review of relevant books and records, including bank statements, receipts, disbursements and other source documents. The auditor will also complete a review of the selected client files. Typically, an audit involves many back-and-forth discussions and questions between the auditor and the responsible lawyers and staff at the law firm, to obtain additional information or explanations regarding potential Rule breaches or deficiencies that may be identified during the audit. Depending on the complexity and size of the law practice, the audit may take approximately two to five business days.
21. At the conclusion of the audit, the auditor will review the findings and any recommendations arising from the audit with the lawyer. Typically, on the last day of the audit, the auditor will also provide a Summary Report to the lawyer that indicates satisfactory and unsatisfactory ratings on applicable Rule and *Code* breaches that have been identified. The Summary Report is signed by the auditor and by the lawyer to acknowledge receipt. Thereafter, the audit findings will be incorporated into a Results Letter, addressed to the lawyer. The Results Letter will summarize the findings in the compliance audit and may also ask the lawyer to address any exceptions in writing. This may require the lawyer to provide additional records or explanations. If the lawyer does not respond or provide the requested materials or explanations, then the lawyer may be suspended pursuant to Rule 3-86. A Results Letter will also inform the lawyer of best practises, to assist them in improving their procedures and practises.
22. After reviewing the lawyer's response to the Results Letter, the Law Society may do one or more of the following: (i) close the file if no deficiencies were found or the deficiencies have been corrected, (ii) arrange a follow-up visit to address more serious deficiencies by reviewing whether corrections have been made and improved procedures have been put in place, (iii) place the lawyer on a file monitor for a specified period of time, or (iv) refer the file to the Investigations Group. Based on the results of the compliance audit, the law firm will also be "risk-rated" to determine the timing of their next compliance audit (i.e. whether their next compliance audit should be scheduled sooner than normal), and whether the law firm will be able to file a Self-Report for their annual trust report, as opposed to an Accountant's Report (discussed in greater detail below).

23. Figure 4 indicates the percentage of compliance audits that have resulted in a referral to the Investigations Group, based on findings made during the audit. In 2019, 14.7% of compliance audits resulted in a referral.

Figure 4: Percentage of Referrals from Compliance Audits



Trust Reports

24. The Trust Assurance Department oversees the Law Society’s Annual Trust Reporting Program, which is designed to be an educational tool to keep lawyers and law firms informed of their trust accounting responsibilities, and to provide the Law Society with early indicators of possible non-compliance with trust accounting Rules.

25. Every practising lawyer in British Columbia must file an annual trust report, either individually or as part of a law firm, subject to limited exceptions (Rule 3-79). Where lawyers practise as a firm, Rule 3-54 allows the law firm to fulfill the obligations of the lawyer regarding annual trust filings, meaning that one trust report may be completed for the law firm to satisfy the requirements of all the lawyers (associates and partners) of the practice. The Trust Assurance Department receives and reviews approximately 3,600 trust reports each year from lawyers and law firms across BC.

26. A trust report consists of various sections and schedules. Section A includes a description of the lawyer’s practice. Practising lawyers that do not maintain a trust account are only required to complete Section A (Description of Practice), and Schedule 2 (Annual Practice Declaration). About 1,000 law firms do not have trust accounts and will complete a “Section A” trust report only. Law firms that have a trust account must also complete Sections B and C. Section B of

the trust report includes a description of the firm's financial profile, such as a description of its trust and general accounts, the volume of its trust deposits, areas of law practised, information on internal controls, and the receipt of cash in an amount greater than \$7,500, among other items. Section C of the trust report includes information on the law firm's accounting procedures and activities. This section will include specific items, such as the frequency and content of trust reconciliations, accounting records, and self-reporting on trust shortages, as examples.

27. There are two types of trust reports: a "Self-Report" which is completed entirely by the law firm, and an "Accountant's Report," which is completed in part by the law firm, and in part by an external, independent qualified Chartered Professional Accountant. In an Accountant's Report, the external, independent accountant completes Section C of the trust report. Each year, all law firms receive an Annual Filing Notice informing them of whether they are required to file a Self-Report or an Accountant's Report. An Accountant's Report is required for the first two years after inception of a new law firm, when a lawyer commences operation of a trust account, and on termination of a law practice. In addition, an Accountant's Report may be required if a prior trust report or compliance audit indicates low compliance with trust accounting Rules, if the lawyer has financial difficulty, or if the lawyer has a history of low compliance or complaints that raises concerns about the lawyer's trust accounting practises. The Executive Director has discretion to require that a lawyer submit an Accountant's Report (Rule 3-82).
28. Failure to file a completed trust report on time carries consequences. Failure to file a trust report within 60 days after it is due will, absent special circumstances, result in suspension of practise for the lawyer or firm until the completed trust report is delivered to the Law Society (Rule 3-81). In 2019, there were 16 lawyers suspended for failure to file a trust report to the satisfaction of the Executive Director (See Figure 3 above). In addition, filing a trust report after the deadline will incur a late fee of \$200 for the first 30 days, and an additional assessment of \$400 per month or part of the month thereafter (Rule 3-80).
29. An unsatisfactory trust report may result in referral to the Investigations Group. The trust report may also result in an elevated risk-rating for the law firm, resulting in an earlier compliance audit or a future requirement to file an Accountant's Report.

Lawyer Self-Reports

30. Lawyers are required by the Law Society Rules to self-report certain Rule breaches or circumstances to the Executive Director. Examples of circumstances requiring a lawyer to self-report to the Law Society include (not exhaustive):

- Failing to satisfy a monetary judgment entered against them within seven days of the date of entry (Rule 3-50)
- Becoming an insolvent lawyer, as defined by the Rules (Rule 3-51)
- Discovering a trust shortage greater than \$2,500, or being unable to deliver up, when due, any trust funds held by the lawyer (Rule 3-74)
- Receiving cash, except as permitted by the Rules (Rule 3-59)
- Loss of custody or control of records, or unsecured records (Rule 10-4)

31. Lawyer self-reports are reviewed by staff and may result in a referral to the Investigations Group. The self-reporting lawyer or law-firm may also be identified for an earlier compliance audit or a future requirement to file an Accountant's Report.

Education and Outreach

32. The Trust Assurance Department provides information and educational resources to lawyers regarding their trust accounting obligations. This is conducted through publication of written resource materials, delivery of educational programs, and responding to *ad hoc* questions and requests for assistance from lawyers and their support staff.

33. Publications include the *Trust Accounting Handbook*, which is a regularly updated handbook designed to assist lawyers and their staff in understanding the procedures and Rules for operating a trust account,⁷ as well as various forms, checklists and templates to assist lawyers with areas such as, *inter alia*, developing internal controls, providing cash receipts, and properly recording electronic transfer of funds.⁸

34. Free online programs offered by the Trust Assurance Department include: (i) the *Trust Accounting Basics Webinar*, a two-hour program covering the basics of trust accounting, such as opening and operating a trust account, dealing with trust shortages and inactive balances, and understanding and preparing trust reconciliations; (ii) the *Trust Accounting Regulatory Requirements Webinar*, a one-hour program that covers lawyer self-reporting requirements, the compliance audit process, and common exceptions identified during a compliance audit; and (iii) the *Anti-Money Laundering Measures Webinar*, a two-hour program offered through the Trust Assurance and Practice Advice departments that provides information on anti-money laundering, cash, client identification and verification, red flags of money laundering and risk management.⁹

⁷ Law Society Trust Accounting Handbook: <https://www.lawsociety.bc.ca/Website/media/Shared/docs/trust/Trust-Accounting-Handbook.pdf>

⁸ Various forms available online: <https://www.lawsociety.bc.ca/support-and-resources-for-lawyers/trust-accounting-trust-assurance-program/trust-accounting/>

⁹ Law Society Trust Accounting Webpage: <https://www.lawsociety.bc.ca/support-and-resources-for-lawyers/trust-accounting-trust-assurance-program/trust-accounting/>

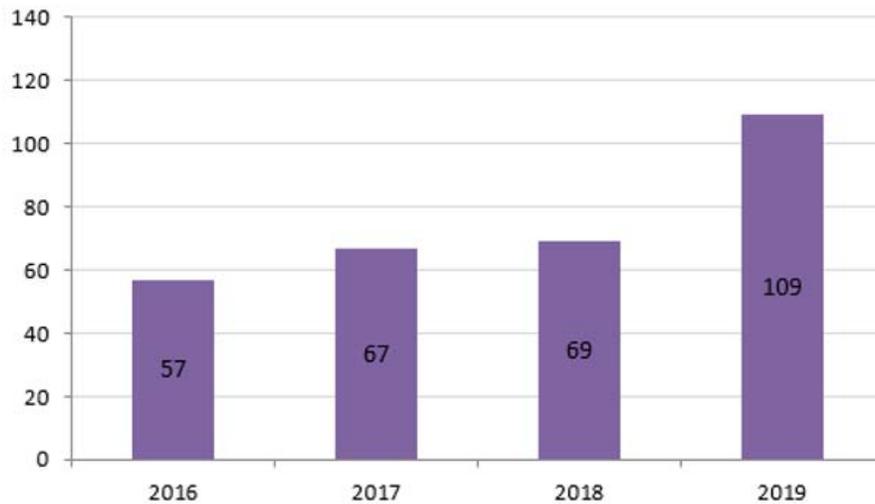
35. In addition to the proactive educational measures described above, the Trust Assurance Department provides *ad hoc* support to lawyers through its Trust Assurance Help Line (telephone and email). Questions received from lawyers and their support staff regarding trust and general account obligations are promptly answered by compliance auditors. In addition, any lawyer establishing a new law firm may request a free “New Firm Visit” which involves a compliance auditor spending several hours with lawyers and staff from the new firm to provide them with guidance on trust accounting records, procedures and tips for ensuring compliance with the Rules.
36. Staff from the Trust Assurance Department also collaborate with the Federation of Law Societies of Canada. This work includes participation on the FLSC’s Trust Assurance Group, to improve information sharing and support the adoption of best practises for trust assurance among the various law societies, and on the FLSC’s AMLTF Working Group, to enhance the model rules regarding no-cash, client identification and verification and the use of trust accounts, and to develop lawyer education and best practice guidelines for law society monitoring and enforcement activities.

Referring Matters for Investigation

37. The Trust Assurance Department will refer matters to the Investigations Group by preparing a Referral Memo. Such matters may have come to the attention of the Trust Assurance Department through compliance audits, trust reports or lawyer self-reports. The Referral Memo will summarize the concerns identified and will attach a copy of the relevant materials obtained by the Trust Assurance Department. The Referral Memo and its attachments are treated as a “complaint” for the purpose of opening a conduct investigation file.
38. Figure 5 below indicates the total number of referrals made by the Trust Assurance Department to the Investigations Group each year. The number of referrals has increased from 57 in 2016 to 109 in 2019.¹⁰ This includes referrals arising from both compliance audits, trust reports and lawyer self-reports. In some cases, a single Referral Memo may result in more than one investigation file being opened, if the referral pertains to more than one lawyer.

¹⁰ Note, this chart refers to the year the relevant audit, trust report or written report took place, not necessarily the year the matter was referred to the Investigations Group (e.g. a compliance audit that took place in December 2018 may not have been referred until early 2019, and is recorded as a 2018 referral in this chart).

Figure 5: Referrals to Investigations Group per Year

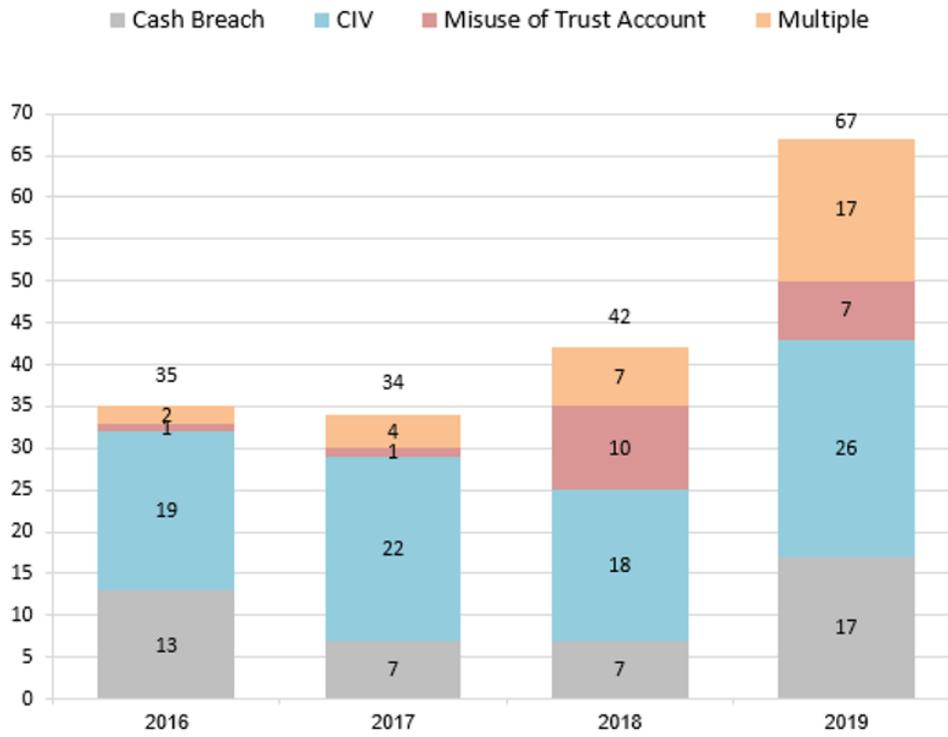


Referrals Related to No Cash Rule, Misuse of Trust Account / Failure to Make Inquiries and CIV Rules

39. The Law Society places considerable emphasis on compliance with anti-money laundering related obligations. The Trust Assurance Department refers suspected breaches of the “no cash” Rule, potential misuse of a lawyer’s trust account (including if no legal services appear to have been performed in relation to the transaction), the failure to make reasonable inquiries in suspicious circumstances and conduct which appears to have facilitated any dishonesty, fraud or crime, to the Investigations Group. Client identification and verification Rule breaches will also be referred for investigation where the breach meets the threshold for referral. These issues are described in greater detail below.
40. Rule 3-59 prohibits lawyers from receiving more than \$7,500 in cash, except in limited circumstances. Any refund of cash must also be made in accordance with that Rule. Compliance auditors are required to check for cash as part of each compliance audit. For a client file where there is more than \$7,500 cash received, the auditor will review the client ledger, review cash receipts, review the deposit books, and conduct other queries to review compliance with the no-cash Rule. In addition, if a law firm reports on their annual trust report that they received more than \$7,500 in cash or if they have refunded any amount in cash, a compliance auditor will write to that law firm to request further information and documentation to assess whether the cash was handled in compliance with the Rules.

41. The Trust Assurance Department has sought to identify red flags of suspicious activity, dishonesty, crime or fraud in its review of lawyer trust account activity. In recent years, the development of the model rule addressing the use of trust accounts has made explicit the obligation to only use a trust account for handling trust funds directly related to the legal services being provided. In mid-2019, the new trust accounting model rule (Rule 3-58.1) was implemented. Unexplained and unusual trust account activity may result in a referral for investigation.
42. The Law Society has had client identification and verification Rules in place since 2008 (Part 3, Division 11). During every compliance audit, the auditor will question the lawyer and law firm staff on their client identification and verification procedures, and will review sample client files to assess compliance. This may include determining whether the lawyer met with the client or not, whether the matter involved a non-face-to-face transaction (and if so, where the client was located), and reviewing the steps taken and the documentation retained by the lawyer to verify their client's identity.
43. The Trust Assurance Department has strengthened its compliance audit program and has improved its ability to identify and refer potential red-flags of suspicious activity for investigation. Since 2016, the Trust Assurance Department has referred an increasing number of matters to the Investigations Group related to the no cash Rule, misuse of a trust account / failure to make inquiries, or the CIV Rules.
44. Figure 6 indicates the number of referrals from Trust Assurance to the Investigations Group each year that are related to the no cash Rule, misuse of a trust account / failure to make inquiries, or the CIV Rules. This includes referrals arising from both compliance audits, trust reports and lawyer self-reports. It should be noted that the higher number of referrals in 2019 corresponds to the higher number of audits performed in 2019.

Figure 6: Referrals to Investigations Group per Year related to No Cash Rule, Misuse of Trust Account / Failure to Make Inquiries or CIV Rules



Appendix A: Compliance Audit Books and Records Checklist

[See attached]

Compliance Audit

Books and Records Checklist



Trust Account Records			✓
T1	List of pooled trust bank accounts (i.e. bank name, account number)		
T2	List of separate interest bearing trust accounts (e.g. GIC's, term deposits, etc.)		
T3	List of signatories to the trust account(s) and sample signatures		
T4	Validated deposit receipts (i.e. bank deposit books)	Rule 3-67	
T5	Law Society electronic requisition form and bank confirmation(s)	Rule 3-64	
T6	Copy of annual CDIC letter(s)	Rule 3-77	
T7	Completed "Confirmation of Law Foundation of BC interest remittance" form(s)	Rule 3-60	
T8	Bank statements; along with cancelled, voided and certified cheques	Rule 3-67	
T9	Complete and detailed trust reconciliations, including the client trust liability listings	Rule 3-73	
T10	Trust book of entry, showing the receipt and disbursement of all trust funds	Rule 3-68	
T11	Client trust ledgers showing separately for each client all trust funds received and disbursed and the running balance	Rule 3-68	
T12	Trust transfer journal showing transfers of funds between client ledgers	Rule 3-68	
General Account Records			
G1	List of general bank accounts		
G2	Bank statements; along with cancelled, voided and certified cheques	Rule 3-67	
G3	Validated deposit slips (i.e. bank deposit books)	Rule 3-67	
G4	General book of entry, showing receipt and disbursement of all general funds	Rule 3-69	
G5	Accounts receivable subledger showing for each client all invoices issued, payments received and outstanding balance	Rule 3-69	
G6	Aged accounts receivable listing showing the outstanding balance for each client	Rule 3-69	
Remittances and Other Accounting Records			
R1	GST and PST returns, proof of payments and notice of assessments		
R2	Payroll source deductions, proof of payments, notice of assessments		
R3	Trust Administration Fee invoices and supporting documents	Rule 2-110	
R4	Cash receipt book of duplicate receipts	Rule 3-70	
R5	Office copies of all bills delivered to clients	Rule 3-71	
*	Client files with corresponding client ledgers and client identification / verification, as requested by auditor		
	Full general ledger with all trial balance account details, if requested by auditor		
Fiduciary Property and Appointments (if applicable)			
F1	List client file name(s) or number(s) in which the lawyer acts in a representative capacity, along with the name of the responsible lawyer for the file		
F2	A current list of valuables, with a reasonable estimate of the value of each	Rule 3-55	
F3	Books and records for all fiduciary property	Rule 3-55	
F4	Bank statements and cancelled cheques	Rule 3-55	

* The auditor will request to review a number of client files, along with the client identification and verification for the files.