LEDGER CARDS

This iLaw Accounts guide looks at Ledger Cards for Private paying clients and clients whose case will be funded via payments from the Legal Services Commission.

Private clients

The very top of the ledger card is where you select which type of ledger card you wish to view, and the date parameters.

If you wish to switch between ledgers, select the appropriate type of ledger you wish to view and select the name of the ledger from the drop down. When setting up **iLaw Accounts** you would have entered your accounting year end date, and iLaw will automatically show the ledger card transactions effective in the current financial year. However this can be changed easily if you wish to increase or decrease the date span by clicking in the drop down menu to the right of the dates and changing the date as appropriate. This can be done for both the "from" and "to" dates, and can be set for any date span you wish e.g. one month only, a quarter only or the previous financial year.

Date	Description	Details / Reason	Debit	Credit	Office Balance	Debit	Credit	Client Balance
	Period Start Balance				0.00			0.00
06/12/11	Client Payment on account	Payment on account from client					20,000.00	(20,000.00)
06/12/11	Invoice 34 - Allocated disbursement		0.00		0.00			
06/12/11	Invoice 34 - Allocated disbursement	VAT	0.00		0.00			
06/12/11	Anya Test - profit costs bill to client		2,019.00		2,019.00			
06/12/11	Anya Test - profit costs bill to client		403.80		2,422.80			
06/12/11	Payment of invoice from Client funds	Anya Test : profit costs bill to cl				2,422.80		(17,577.20)
06/12/11	Payment of invoice from Client funds	Anya Test : profit costs bill to cl		2,422.80	0.00			
	Period End Balance				0.00			(17,577.20)

In the above instance you can see from the ledger card that £20,000 has been paid into the general client account as money received on account from this particular client. This is depicted by the pink figures under the client balance on the right of the ledger card.

Disbursement Details

| Date	Inv No.	Disbursement Type	Reason	NET	VAT	Status
06/12/11	34	PR1 Disbursement (subject to VAT)	Dr Foster - medical report	500.00	100.00	Allocated as a true disbur
06/12/11	34	PR1 Mileage		9.00	1.80	Unallocated
06/12/11	34	PR1 Disbursement (subject to VAT)	Parking	10.00	2.00	Unallocated

The bottom of the ledger card details the disbursements attached to this client – one for Dr Foster for a medical report, and 2 for travel. You can see that all are subject to VAT as the net and Vat figures are shown in their relevant columns next to the corresponding disbursement. The disbursement for Dr Foster is depicted in black because it has been allocated and will appear on Dr Foster's non-client ledger card. The 2 travel disbursements are currently depicted in red because they have not yet been allocated, i.e. a fee earner has recorded the expense but not yet requested the money be repaid to him/her as part of an expense claim and allocated accordingly.

A private invoice, number 34, has been raised to the client, in the sum of £2,019.00 + £403.80 Vat, making a total of £2,422.80, including the disbursements. A separate line is shown for the net amount and Vat amount of any debits on the ledger card. These figures are depicted in blue on the office balance of the ledger card.

We have then transferred money from the client account to the office bank account to pay against this outstanding invoice, thereby leaving the office balance at £0.00 and the client balance at £17,577.20. The relevant debits and credits from each account are clearly shown on the ledger card.

You can see from the disbursements listed at the bottom of the ledger card that these disbursements have been included in the invoice because it has the relevant invoice number in the "Inv No." column. The allocated disbursement re Dr Foster has been greyed out in the top part of the ledger card, again confirmation of its inclusion in an invoice. Once the travel disbursements have been allocated they will also show as greyed out in the top part of the ledger card as secondary confirmation of their inclusion in the invoice raised.

To the left side of the ledger card are four menus.
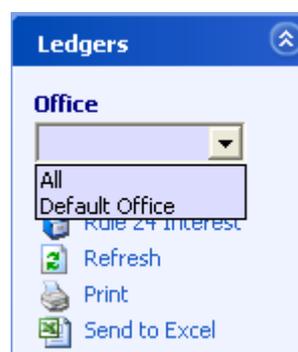
The first, 'Ledgers', shows which office the ledger selected is relevant to. Should a firm have more than one branch, you can select to show the ledger cards for all offices or only show those relevant to a specific branch.

Should the client money have been held on account long enough to earn interest under Rule 24, if you click on this option it will take you to the relevant screen to show the calculation of the interest added.

Should you have had the ledger card open and then posted more transactions, you must click on "refresh" to update the ledger card to show these new transactions.

You can also select to print the ledger card in this format or to send it to excel from this box.

The second menu, 'Options', gives you the options to display or not to display certain items on the ledger card such as the disbursements or the transactions that may have been reversed. If you select to hide the deleted transactions the ledger card will only show the current active transactions but will confirm in this box how many items may be hidden.
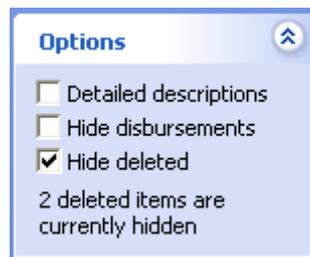
The last two menus on the navigation bar, 'Office Side' and 'Client Side', show the office and client side balance of the ledger.

The ledger balance figure is the actual current ledger balance and the period balance will show the actual ledger balance for the relevant "to" date selected i.e. if you have selected a

specific date range to show only a month, it will show only the balance relevant to that month and ignore any transactions prior to or after the chosen dates.

Should you wish to change a posting which is wrong, you cannot amend it; you must reverse it and re-post correctly. To reverse the posting, place the mouse on the line of the posting you wish to reverse, and right click the mouse. A box will appear which gives you various options, the last of which is to reverse the transaction. Click on "total reverse" and the relevant posting will reverse itself out from ALL its relevant double entry ledgers i.e. you do not have to reverse from the client ledger and the bank ledger if it relates to a payment in/out.

You can also check the T-charts of a specific posting in the same way by clicking on the relevant line in the box as above, as well as asking it to show all the ledger cards relevant to this specific posting.

Legal Aid Client Ledger Cards

Should you have opened a legal aid client, when sending the claim for costs from the case management system to the accounts module, you will see that relevant invoices are raised in respect of the claims for costs which will specifically say what type of claim they are. Again the net and Vat element of each claim are shown on separate lines. When you allocate the SMP it will specifically show as an SMP allocation.

Disbursement Details

Date	Inv No.	Disbursement Type	Reason	NET	VAT	Status
02/12/11	35	CC Disbursement (subject to Vat)	Dr Foster - medical rep	500.00	100.00	Allocated as a true disbu

NB : There are payments on account office side that haven't been set-off against an invoice. Don't assume this ledger balance shows you the whole transaction picture because of this.

Should you have received money on account from the LSC for third party disbursements and posted as such, the amount will show in grey in the top part of the ledger card. Also an extra line of text will show at the bottom of the disbursements details in red confirming that the ledger balance may not be a true balance. Until this payment on account is allocated against a raised invoice it will not reduce the ledger balance. Once this is done, the red text will disappear and the ledger balance will be correct (as shown below).

○ Non-Client Ledger   ● Client Ledger   ○ Client Deposit Accounts   ○ Nominal

Anya. Test : ILAW 2   From 01/08/2011   To 31/07/2012

Date	Description	Details / Reason	Debit	Credit	Office Balance	Debit	Credit	Client Balanc
	Period Start Balance				0.00			0.0
02/12/11	Invoice 35 - Allocated disbursement	Dr Foster - medical report	0.00		0.00			
02/12/11	Invoice 35 - Allocated disbursement	VAT Dr Foster - medical rep	0.00		0.00			
06/12/11	Office Payment on account of a client matter	POA from LSC re Dr Foster		0.00	0.00			
06/12/11	Invoice 35 - LGFS Totals. Anya. Test : ILAW 2	Profit Costs	1,109.44		1,109.44			
06/12/11	Invoice 35 - LGFS Totals. Anya. Test : ILAW 2	Profit Costs VAT	221.89		1,331.33			
06/12/11	Invoice 36 - CDS6 Totals : Investigation Claim INVB	Total Claimed	30.25		1,361.58			
06/12/11	Invoice 36 - CDS6 Totals : Investigation Claim INVB	Total Claimed VAT	6.05		1,367.63			
06/12/11	Invoice 38 - CDS6 Totals : Representation Claim PROE	Total Claimed	173.45		1,541.08			
06/12/11	Invoice 38 - CDS6 Totals : Representation Claim PROE	Total Claimed VAT	34.69		1,575.77			
08/12/11	SMP Allocation	Anya. Test : ILAW 2 - Invc		36.30	1,539.47			
08/12/11	Payment of invoice from funds rcvd on account	POA received from LSC re		600.00	939.47			
	Period End Balance				939.47			0.0