

# iLaw Accounts

## **Payments Wizard**

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The Payments Wizard allows you to pay in or use money paid on account to pay invoices for profit costs work done for the client for. It will also let you pay out money to suppliers for invoices you have received from them and transfer money from one account to another. The Payments Wizard menu opens with the following options. When you select the initial payment type to be made there are often further payment sub-options to select for the actual transaction to be made.

### **What do you want to do ?**

1. Pay in client money
2. Pay out client monies to the client
3. Transfer client money ...
4. Pay in office money ...
5. Pay out office monies ...

Option 1- Pay in client money

This is for posting money received in on account of future costs from a client into the general client account, or into a designated client deposit account if already opened.

**Client money ~ paid in on account**

Client Bank Account	<input type="text" value="Client Bank Account"/>	NC	<input type="text" value="1250"/>
For which client	<input type="text" value="Crisp. Stan : Crisp test"/>		
Amount	<input type="text"/>		
Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text"/>	Cheque Number	<input type="text"/>
Payment Details	<input type="text"/>		
Department	<input type="text"/>		
			<input type="button" value="Add"/>

Select the client account the money is to be paid into, select the client and post the amount received. Complete the payment date, payment method, payment details and department as appropriate.

Option 2 – Pay out client monies to the client

**Sub-option 1 – To a client**

This option is for posting payments out to the client e.g. the balance in the client account due back to him after all invoices raised have been settled.

## Client money ~ payment out to client

Client Bank Account	<input type="text" value="Client Bank Account"/>	Nominal code	<input type="text" value="1250"/>
Client	<input type="text" value="Crisp, Stan : Crisp test"/>		
Amount	<input type="text"/>	( Current Balance : 140.00 )	
Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text"/>	Cheque Number	<input type="text"/>
Payment Details	<input type="text"/>		
Department	<input type="text"/>		
<input type="button" value="Add"/>			

Once you have selected the client his current balance will show next to the 'Amount' box, and you will not be able to post out more than the current balance showing.



### CAUTION

Monies have been held long enough to justify interest payments under SAR-24  
Use this button to view interest owed to client

If there is interest due to be credited specifically to this client, click on 'Show Interest' and this will take you to the relevant screen to show the calculation of interest under rule 24 of the Solicitors Accounts Rules. This should be dealt with before posting the payment out to the client.

Post the amount to be paid out and complete the payment date, payment method, payment details and department as appropriate.



If you have selected the general client account it will only show the balance in that account for the selected client, it will not show any money held in a designated deposit account, this would have to be selected separately.

### Sub-option 2 – On behalf of a client

This is for posting payment out on behalf of the client. Once you have selected the client his current balance will show next to the 'amount' box, and you will not be able to post out more than the current balance.



If you have selected the general client account it will only show the balance in that account for the selected client, it will not show any money held in a designated deposit account, this would have to be selected separately.

### Sub-option 3 – Pay disbursements using client money

This is for posting the paying of disbursements direct from the client money e.g. paying a Barrister's fees or for a medical report.

#### Pay disbursements using Client monies

Client:

Description	Date	Amount Due	VAT Due	Balance	Pay	Pay Amount
Counsel B - Barrister's fee	01/12/2011	600.00	120.00	720.00	<input type="checkbox"/>	
Dr Foster - medical report	01/12/2011	500.00	100.00	600.00	<input checked="" type="checkbox"/>	600.00

Select the client and in the grid box below will appear all the disbursements posted to this client. Select the disbursement(s) you wish to pay.

Pay:

Client Account:

Office Account:

Payment date:  Payment amount:

Payment Method:  Cheque Number:

Payment Details:

Department:

Select whether you are paying it direct from the client account or transferring from the client account to the office account and then paying from the office account. Complete the payment date, payment method, payment details and department as appropriate.



If you choose to transfer from client account to office, then pay from office, you don't need to post the payment out again from the office account separately; this method automatically posts the payment out from the office bank account against the supplier's invoice.

#### Sub-option 4 – Pay suppliers invoice using client money

This is directly in breach of the Solicitors Accounts Rules, however iLaw will allow you to post this payment if an office administration error has occurred in using the wrong bank account to pay a supplier's invoice, to enable you to show the transaction.

### Option 3 – Transfer client money

#### Sub-option 1 – Client to office

This is for the straight posting of the transfer of client money into the office account e.g. you do not have a client account cheque book and need to return this money to the client as balance of monies due to him to be paid out from the office account. Only the balance attributable to this client can be posted.

#### Client money ~ transfer from client to office

Client Bank Account	<input type="text" value="Client Bank Account"/>	NC	<input type="text" value="1250"/>
Office Bank Account	<input type="text" value="Bank Account"/>	NC	<input type="text" value="1200"/>
Client	<input type="text" value="Crisp, Stan : Crisp test"/>		
Amount	<input type="text"/>	( Current Balance : 140.59 )	
Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text"/>	Cheque Number	<input type="text"/>
Details	<input type="text"/>		
Department	<input type="text"/>		
<input type="button" value="Add"/>			

Select the client account the money is to be transferred from and the office bank account the money is to be transferred to. Select the client and, as before, his current balance will show next to the 'Amount' box and you will not be able to post out more than the current balance showing. Post the amount to be transferred and complete the 'Payment date', 'Payment method', payment 'Details' and 'Department' as appropriate.

### Sub-option 2 – Client to client

This is for posting the transfer of money between clients e.g. you have credited all monies received in against client Crisp where in fact some of it relates to payments on account for the client Jones.

#### Client money ~ transfer from client to client

Client (Transferor)	<input type="text" value="Crisp, Stan : Crisp test"/>
Client (Transferee)	<input type="text" value="Jones, David : Test"/>
Amount	<input type="text"/> ( Current Balance : 140.59 )
Payment Date	<input type="text" value="01/12/2011"/>
Cheque Number	<input type="text"/>
<input type="button" value="Add"/>	

Select the client the money is to be transferred from and then select the client the money is to be transferred to. Again you will only be able to post the amount attributable to the selected client. Post the amount to be transferred and change the payment date as appropriate.

### Sub-option 3 – Designated deposit account to client bank account

This is for the straight posting of the transfer of client money from their designated deposit account into the general client bank account.

#### Client money ~ transfer from Designated Deposit a/c to Client Bank

Designated Acct	<input type="text" value="Designated Bank Account for Crisp, Stan : Crisp test"/>
Destination Account	<input type="text" value="Client Bank Account"/>
Amount	<input type="text" value="0.00"/> ( Current Balance : 10,000.00 )
Payment Date	<input type="text" value="01/12/2011"/>
Cheque Number	<input type="text"/>
<input type="button" value="Add"/>	

Again you will only be able to post the amount attributable to the selected client. Post the amount to be transferred and change the payment date as appropriate.

#### Sub-option 4 – Client to office to pay outstanding profit costs bill

This is for posting the transfer of money from the general client account or a specific designated deposit account to the office account to pay an invoice raised by you for your profit costs and disbursements.

#### Client money ~ transfer against profit costs bill

Client Bank Account  NC

Office Bank Account  NC

Client

Inv No	Description	Date	Total Due	Balance	Pay	Pay Amount
000029	Inv 33 Stan Crisp - for private work	01/12/2011	720.00	720.00	<input checked="" type="checkbox"/>	140.59

( Current Balance : 140.59 )

Payment date  Payment amount

Payment Method  Cheque Number

Payment Details

Department

Select the relevant client bank account the money is to be transferred from and the relevant office bank account the money is to be transferred into. Select the client and in the grid below will be listed all invoices raised against this client. Select the invoice to be paid with this client money.

Again you will only be able to post the amount attributable to the selected client. If there is not enough money in the client account to cover the whole of the invoice you can part pay the outstanding invoice by ticking the 'Pay' column and overwriting the amount to be taken against this outstanding invoice equal to the amount currently held in the client account against this client.

#### Sub-option 5 – Use office monies received on account to pay outstanding profit costs bill

This is for posting the transfer of money previously received on account and held in the office account to pay an outstanding profit costs bill raised e.g. payments on account received from LSC for third party disbursements are classed as client money until you raise the appropriate, bill albeit the money is held in the office account. Once the appropriate bill is raised you can

allocate the previously received payment on account from the LSC against the bill leaving the balance due to be received by BACS from the LSC.

### Pay a client invoice from monies received on Account

Client

Invoice to be settled

Inv No	Description	Date	Total Due	Balance	Pay	Pay Amount
000030	LF1 crown court claim - Stan Crisp	01/12/2011	1,027.20	1,027.20	<input checked="" type="checkbox"/>	600.00

Payments on Account received into Office

PaymentDate	Details	Amount	NominalCode
01/07/2011	for driving licence	30.00	2100
01/12/2011	POA from LSC re Dr Foster	600.00	2100

Payment date  Payment amount

Payment Method  Cheque Number

Payment Details

Department

Select the client and in the grid below the outstanding invoices against this client will be listed. In the next grid will be listed all the payments received on account for this client. Tick the 'Pay' box and overwrite the relevant amount to be allocated in the 'Pay amount'. Complete the payment date, payment method, payment details and department as appropriate. iLaw Accounts will recalculate the amount outstanding to show only the balance remaining .

### Sub-option 6 – Transfer between client bank accounts

This is for the straight posting of the transfer of client money between different client bank accounts.

## Client money ~ transfer between client banks

Source Client Bank	<input type="text"/>	NC	<input type="text"/>
Dest. Client Bank	<input type="text"/>	NC	<input type="text"/>
Amount	<input type="text" value="0"/>		
Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text"/>	Cheque Number	<input type="text"/>
Details	<input type="text"/>		
Department	<input type="text"/>		
			<input type="button" value="Add"/>

Select the appropriate client bank accounts to transfer the money between. Post the amount to be transferred and complete the payment date, payment method, payment details and department as appropriate.

### Option 4 – Pay in office money

#### **Sub-option 1 – Against a client bill for profit costs raised by you**

This is for posting the receipt of money into the office account against a profit costs bill raised by you, whether it be for a private client or a legal aid client, where the invoice is not part of a consolidated claim to the LSC and paid as part of the SMP.

## Office money ~ payment in against profit costs bill

Pay into which  NC

In respect of who

Inv No	Description	Date	Total Due	Balance	Pay	Pay Amount
000030	LF1 crown court claim - Stan Crisp	01/12/2011	1,027.20	1,027.20	<input checked="" type="checkbox"/>	1,027.20

Payment date  Payment amount

Payment Method  Cheque Number

Payment Details

Department

Select the bank account you wish the money to be credited to, select the client from the drop down menu and select the invoice(s) to be covered by the payment. Post the amount to be credited and complete the payment date, payment method, payment details and department as appropriate.



If payment is for more than one invoice you can batch record the payment in.



If the client does not pay the amount of the outstanding invoice in full, you can overwrite the amount in the 'pay amount' column to show the actual amount being paid at this time and iLaw Accounts will recalculate the amount outstanding to show only the balance remaining.

### Sub-option 2 – Against a non-client invoice raised by you

This is for posting the receipt of money into the office account against a profit costs bill raised by the firm which is not against a client ledger e.g. inter office invoices.

## Office money ~ payment in against a non-client invoice

Pay into which account

In respect of who

Inv No	Description	Date	Total Due	Balance	Pay	Pay Amount
000031	Harding & Co. - office recharge	01/12/2011	600.00	600.00	<input checked="" type="checkbox"/>	600.00

Payment date  Payment amount

Payment Method  Cheque Number

Payment Details

Department

Select the bank account you wish the money to be credited to, select the supplier from the drop down menu and select the invoice(s) to be covered by the payment. Post the amount to be credited and complete the payment date, payment method, payment details and department as appropriate.



If payment is for more than one invoice you can batch record the payment in.



If the client does not pay the amount of the outstanding invoice in full, you can overwrite the amount in the 'pay amount' column to show the actual amount being paid at this time and iLaw Accounts will recalculate the amount outstanding to show only the balance remaining.

### Sub-option 3 – There isn't an invoice, just a receipt of general office monies

This is for posting money received into the office bank account or petty cash where no invoice has been raised e.g. receipt of bank interest.

## Office money ~ payment in ~ no invoice ~ general

Office Bank Account	<input type="text" value="Bank Account"/>		
Source Ledger	<input type="text" value="HSBC bank interest received"/>		
Re Nominal code	<input type="text" value="7900 Bank Interest Paid"/>		
Amount	<input type="text" value="0"/>		
Vat	<input type="text" value="0"/>		
Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text" value=""/>	Cheque Number	<input type="text" value=""/>
Payment Details	<input type="text" value=""/>		
Department	<input type="text" value=""/>		
<input type="button" value="Add"/>			

Select the bank account you wish the money to be credited to and select from the drop down menu the type of receipt of money. The nominal code shown will be that selected at the time of setting up the non-client but can be changed at this point if necessary. Post the amount to be credited and complete the payment date, payment method, payment details and department as appropriate.

### **Sub-option 4 – Pay in office monies on account of a client matter**

This is for posting the receipt of payments on account from the LSC for third party disbursements where you have requested a payment on account to cover such costs prior to raising the profit costs invoice.

## Office Money ~ paid in on account of a client matter

Office Bank Account	<input type="text" value="Bank Account"/>	NC	<input type="text" value="1200"/>
For which client	<input type="text" value="Crisp, Stan : Crisp test"/>		
Re Nominal code	<input type="text" value="2100 Creditors Control Account"/>		
Amount	<input type="text" value="0"/>		
Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text"/>	Cheque Number	<input type="text"/>
Payment Details	<input type="text"/>		
Department	<input type="text"/>		
			<input type="button" value="Add"/>

Select the office bank account the money is being paid into and the client. Post the amount to be credited and complete the payment date, payment method, payment details and department as appropriate.



If when posting the receipt of money in, it will automatically post it to the creditors control account to show that it is classed as client money until such time as it is allocated against an outstanding profit costs bill.

### Sub-option 5 – Record an ad-hoc SMP payment

This is for posting the receipt of an ad-hoc SMP payment from the LSC after reconciliation, if the usual receipt is posted via the monthly payment details in the main set-up screen. You could also use this screen to show the usual monthly receipt of the SMP if it is not set to be posted via the main set-up screen. This is particularly useful for new firms where they only get paid an amount of SMP equal to that requested via the consolidated contract form, rather than a set amount each month.

## Record an Ad-hoc SMP Payment / Repayment

Office Bank Account	<input type="text" value="Bank Account"/>	NC	<input type="text" value="1200"/>
SMP Type	<input type="text" value="Crime SMP Account"/>	NC	<input type="text" value="2190 LSC"/>
Amount	<input type="text" value="0"/>	( Use a positive amount for an additional payment, or enter a negative amount for a repayment )	
Payment Date	<input type="text" value="01/12/2011"/>		

Add

Select the account the SMP is to be paid into and the SMP type. Post the amount received and change the date to the actual date received if not the date of posting.



If it is decided that you owe money to the LSC after reconciliation, you can put a negative figure in here to show the claw back of SMP money.

### Option 5 – Pay out office monies

#### Sub-option 1 – From petty cash or other cash account

##### Sub-sub-option 1 – For general office expenses

This is for posting the payment out of office money which is not against an invoice received. e.g. paying money from petty cash for refreshments etc.

If the expense paid out included an element of VAT then post the net amount and the VAT will automatically calculate if the non-client has been set as being vatable.

### Office money ~ payment out from petty cash

Office Bank Account	<input type="text" value="Petty Cash"/>
Payment to	<input type="text" value="Tesco's"/>
Re nominal code	<input type="text" value="8205 Refreshments"/>
Amount	<input type="text" value="0.00"/>
Vat	<input type="text" value="0.00"/>

Change the date as appropriate to the date of the actual payment out and complete the payment method, payment details and department as appropriate.

Payment Date	<input type="text" value="01/12/2011"/>		
Payment Method	<input type="text" value=""/>	Cheque Number	<input type="text" value=""/>
Payment Details	<input type="text" value=""/>		
Department	<input type="text" value=""/>		
<input type="button" value="Add"/>			

### Sub-sub-option 2 – For general expenses on a client matter

This is for posting the payment out of money from either the office account or petty cash account for expenses incurred on behalf of a client which is not against an invoice received e.g travel expenses or copies of documents, where the relevant disbursement has not already been recorded in the time records screen.



When you click on this option it takes you to the invoices wizard screen to be able post the expense against a specific nominal code and a specific client.

### Post a claim for an expense received on a client matter

Which account is payment from	<input type="text" value=""/>
Re nominal code	<input type="text" value=""/>
Date expense incurred	<input type="text" value="01/12/2011"/>
Department	<input type="text" value=""/>
For which client	<input type="text" value=""/>
<input type="button" value="Details ..."/>	

Select the account the payment is to be paid from and the relevant nominal code for the type of expenditure. Change the date to the actual date the expense was incurred if not the date of posting and select the client from the drop down menu. Click on 'Details' to go to the next screen and post the amount of the expense incurred.

## Post an invoice for an expense

Net amount of Invoice	<input type="text" value="0.00"/>	
Vat	<input type="text" value="£0.00"/>	Tariff <input type="text" value="T01 : Standard VAT Rate"/>
	<input type="checkbox"/> Is VATclaimable as input now?	
Invoice Description	<input type="text"/>	
Reference	<input type="text"/>	

If the expense paid included an element of VAT then post the net amount and the VAT will automatically calculate. Note that where the expense such as travel is one that only attracts VAT at the point of being recharged to the client, post only the amount of the expense and change the VAT figure to £0.00. If you are standard accounting then tick the box next to 'Is VAT claimable as input now?', if you are cash accounting leave blank.

Complete the 'Invoice description' and 'Reference' boxes as appropriate. Complete the other details from the drop down menus, such as the fee earner who is claiming the expense, the type of work undertaken and the charge code. Complete the 'Reason' box as appropriate and click on 'Add'.

## iLaw Time Recording information

Fee Earner Initials	<input type="text"/>
Funding Type	<input type="text"/>
Unit Of Work	<input type="text"/>
Charge Code	<input type="text"/>
Reason	<input type="text"/>

 Go back to previous



This will post the expense directly to the client's ledger, post the payment out and post the expense into the time records screen for the client.

## Sub-option 2 – Against a supplier's invoice

This is for posting the payment out of office money against a supplier invoice, whether it be a direct office supplier or a third party disbursement.

## Office money ~ payment out on suppliers invoice

Pay from which account  NC

In respect of who  NC

Description	Date	Amount Due	VAT Due	Balance	Pay	Pay Amount
Dr Foster - medical report on :	01/12/2011	500.00	100.00	600.00	<input checked="" type="checkbox"/>	600.00

Payment date  Payment amount

Payment Method  Cheque Number

Payment Details

Department

Add

Select the bank account you wish the money to be paid from, select the supplier from the drop down menu and select the invoice(s) to be covered by the payment.



If payment is for more than one invoice you can batch record the payment in.



If the client does not pay the amount of the outstanding invoice in full, you can overwrite the amount in the 'pay amount' column to show the actual amount being paid at this time and iLaw Accounts will recalculate the amount outstanding to show only the balance remaining.

### Sub-option 3 – Transfer from office to client

This is for posting the transfer of money from the office bank account into either the general client bank account or a designated deposit account e.g. where client money has been paid into the office account until the client account could be opened, or where it may have been paid into the office account in error.

## Office money ~ payment out ~ transfer office to client

Office Bank Account

Re Nominal code

Client Bank Account

Client

Select the office bank account the money is to be transferred from and the client bank account the money is to be transferred to. Select the nominal code in the second box relevant to the bank account selected in the first box. Select the client the transfer is relating to. Post the amount and change the date if not the date of posting. Complete payment method and payment details as appropriate.

Enter the amount to be transferred and complete the payment date, payment method, payment details and department as appropriate.

#### **Sub-option 4 – Transfer balance between office accounts**

This is for posting the transfer of money between the office accounts e.g. transferring money from the current account into another account such as a savings account, or from the general office account into the petty cash float.

#### **Office money ~ transfer of office to office**

Source Ledger	<input type="text" value="Bank Account"/>	NC	<input type="text" value="1200 Bai"/>
Destination Ledger	<input type="text" value="Petty Cash"/>	NC	<input type="text" value="1230"/>
Amount	<input type="text"/>		
Payment Date	<input type="text" value="01/12/2011"/>		

Select the account the money is to be transferred from and the account the money is to be transferred to. Post the amount and change the date if not the actual date of posting. Complete payment method, payment details and department as appropriate.

#### **Sub-option 5 – Transfer balances between office accounts to pay a client invoice**

This is for posting the receipt of office money into another current account other than the general office bank account to pay off against an outstanding profit costs bill.

## Transfer Office money ~ payment in against profit costs bill

Pay from which  NC

In respect of who

Inv No	Description	Date	Total Due	Balance	Pay	Pay Amount
000030	LF1 crown court claim - Stan Crisp	01/12/2011	1,027.20	1,027.20	<input checked="" type="checkbox"/>	1,027.20

Payment date  Payment amount

Payment Method  Cheque Number

Payment Details

Department

Select the bank account you wish the money to be credited to, select the client from the drop down menu and select the invoice(s) to be covered by the payment. Complete the payment date, payment method, payment details and department as appropriate.



If payment is for more than one invoice you can batch record the payment in.



If the client does not pay the amount of the outstanding invoice in full, you can overwrite the amount in the 'pay amount' column to show the actual amount being paid at this time and iLaw Accounts will recalculate the amount outstanding to show only the balance remaining.