

PCLaw® – Trust Accounting Made Easy



Many jurisdictions require a separate accounting ledger for each client file, no negative client ledger balances, monthly bank reconciliations and trust comparisons, and billing before trust funds can be disbursed. LexisNexis® PCLaw® billing and accounting software has all the features needed to make trust accounting a simple task for a law firm of any size:

- **New Matter and Matter Manager** – Use both New Matter and Matter Manager to set up and maintain client files. Enter information about the client and the file, plus many variables including, but not limited to, the different fee rates for this file, the billing template to use, the tax rate or exempt status, the parties to the action, and a notes section.
- **System Settings** – Use the system settings to restrict negative trust balances and to avoid running afoul of law society regulations.
- **Bank Reconciliation Tool** – The bank reconciliation tool allows you to sort the entries by date, size, to/from, and outstanding. The search for one entry can be aided by multiple sorting, allowing you to display the outstanding items arranged by date or size. Compare the trust bank journal balance with the client trust listing to confirm your records are accurate. If you have more than one trust account, run a separate client trust listing for each account.

- **Billing Information Window** – Paying your account from trust can be handled as part of the billing process. Simply enter the amount to be transferred on the billing information window. This window also allows you to adjust your fees, offer discounts, add disbursements, and calculate contingency fees.
- **Transfers** – Using the various “transfers” built into PCLaw eliminates the possibility of errors that can often occur when using a system that requires two separate entries. These features have the ability to transfer the amounts for multiple matters on one cheque. If a client’s cheque is larger than any accounts receivable balance, you are required to deposit this cheque into trust and then use **Trust to General Transfer** to pay your outstanding receivable.

The various “transfers” built into PCLaw:

- Use **Trust to General Transfer** to pay your outstanding receivables. Available on-the-fly when doing bills or quickbills, and as a separate data entry.
- Use **General to Trust Transfer** if a cheque was deposited into general by mistake, or to refund a discount or billing error.
- Use **Matter to Matter Transfer** to move funds between client files as needed.

About Clyde McDonald

Clyde McDonald has more than 20 years' general bookkeeping experience and has devoted the last six years to working exclusively with lawyers and PCLaw billing and accounting software. He specializes in error correction services and shares his extensive PCLaw experience in a weekly blog at www.mlbks.blogspot.com. For more information about Clyde, please go to www.mlbks.biz.

