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| **Leicester De Montfort Law School****Legal Practice Course****Solicitors Accounts****Small Group Session 1** **In Session Exercises** |

**Exercise 1**

Complete the entries for the following transactions on some grid paper. Use a different piece of grid paper for Mr Brown’s ledger and the Cash (Extract) ledger.

You are acting for Mr Brown on a litigation matter.

7 September You pay a court fee of £50. You are not holding any of Mr Brown’s money.

11 September Mr Brown sends you a cheque for £50 in reimbursement.

14 September You receive a further sum from your client of £100. This represents money on account of costs.

20 September You pay an agent’s fee of £20.

21 September You pay an expert’s fee of £80.

**Exercise 2**

The following transactions have been recorded on the two ledgers reproduced below. Identify the errors on those two ledgers and make manuscript amendments to them in order to correct the errors.

You act for Ms Taylor regarding her purchase of Hope Cottage.

|  |  |  |
| --- | --- | --- |
| 3  | September | Ms Taylor sends you a cheque in the sum of £140 in relation to future disbursements. |
|  |  |  |
| 4 | September | You pay a local search fee of £140 in relation to Hope Cottage. |
|  |  |  |
| 7 | September | You pay a coal mining search fee in the sum of £40 in relation to Hope Cottage. |
|  |  |  |
| 8  | September | Ms Taylor sends you a cheque in relation to the coal mining search fee in the sum of £40. |

# Exercise 2

# Client: Mr Taylor Matter: Sale of Hope Cottage

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date | Details of transaction | Ref | Business Account | Client Account |
| Debit | Credit | Balance | Debit | Credit | Balance |
| 03/09 | Cash: Money on account |  |   |  |  |  |   |  |  |  | 140 | 00 | 140 | 00 |
| 04/09 | Taylor: Pay local search fee |  |   |  |  |  |  |  |  |  |  140 | 00 | 280 | 00 |
| 07/09 | Cash |  |   |  | 40 | 00 |   |  |   |  |  |  |   |  |
| 08/09 | Cash: Money from client re disbursements paid |   |  40 | 00 |  |  |  ---- | ----  |  |  |  |  |  |  |

**Cash (Extract)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date | Details of transaction | Ref | Business Account | Client Account |
| Debit | Credit | Balance | Debit | Credit | Balance |
| 03/09 | Taylor: Money on account |  |  |  |  |  |  |  | 140 | 00 |  |  |  |  |
| 04/10 | Cash: Pay local search fee  |  |  |  |  |  |  |  |  140 | 00 |  |  |  |  |
| 07/09 | Taylor |  |  40 | 00 |  |  |  40 | 00 |  40 | 00 |  |  |   |  |
| 08/09 | Taylor: Money from client re disbursements paid |   |   |  | 40 | 00 |  |   |  |  |  |  |  |  |