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SPOTLIGHT ON

Spot Audit

"I was never sure if my record-keeping was in compliance with Law Society standards. It was good to know I was pretty close, but I was happy to see how I could fine tune!"

L.Y. - Toronto

"[This process] provides a nice balance between meeting the needs of protecting the public [and] assisting the profession regarding accounting questions, concerns and requirements."

J.B. - Belleville

"I was reassured to learn that I was in fact doing things properly and the auditor was able to answer a couple of questions I had."

A.D. - Hamilton

A spot audit can be a very powerful resource for lawyers to ensure that they are operating effectively in the management of their practice. The above quotes are just a few examples of comments the Law Society receives in the voluntary, written surveys completed by lawyers following a spot audit.

The majority of spot audits are randomly selected and each law firm will be audited once every five years. Another source of selection is the newly formed sole practice - all will be audited after one year in practice. This process has proven very useful to the members:

"I found the audit extremely helpful. I had just completed my first year practising on my own (after being in association for the past 11 years) and it was extremely helpful. Especially as concerns trust records requirements." C.C. - Ottawa

"Although any suggestion of an audit is overwhelming, even with nothing to hide, this process is very helpful in keeping us on the right track regarding general accounting principles regarding LSUC...This would be a helpful tool for new lawyers who struggle to set up their practice." J.M. - Hamilton

Spot audits are designed to measure the integrity of law firm financial filing, assess ongoing compliance with financial record-keeping requirements (By-laws 18 and 19) and identify misconduct related to financial matters. A primary goal of the spot audit is to provide on-site guidance aimed at helping the member or firm correct deficiencies before they lead to more serious non-compliance issues.

"The spot audit is a very positive experience for the majority of members. The audit process results in a benefit to members either through reinforcement that their record-keeping practices are appropriate or through assistance in bringing their records into compliance with the Law Society requirements," says Vivian Kanargelidis, Team Leader Spot Audit.