### **COUNCIL OF LEGAL EDUCATION**



# EXAMINATION FOR ADMISSION TO THE ROLL OF ADVOCATES

## ATP 106: LEGAL PRACTICE MANAGEMENT

WEDNESDAY 25TH NOVEMBER, 2015

CONTRACTION: 3 HOURS

### **Instructions to Candidates**

- (a) Candidates MUST answer FOUR Questions
- (b) Answer ONE question from each of the THREE sections and a FOURTH question from any section
- (c) All questions carry 15 marks each.
- (d) Marks shall be lost for illegibility

PLEASE TURN OVER

#### PART A:

1. Juma and Company Advocates a law firm operating in an upcountry town had the following balance sheet as at June 2013

Assets	Shs'000	Shs'000
Assets		
N. C.		
Non-Current Assets		
Equipment	800	
Furniture	350	
Library Books	280	1430
Current Assets	200	1450
Work in progress	210	
Stationery	140	
Debtors fees and disbursements	330	
Cash at Bank: Office		
Client Client	300	
CHeff	250	1230
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Capital		1800
Loan		500
Creditors	110	
Clients – for money held on behalf	250	360
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The following transactions were carried out by Juma and company in the year ending June 2014:

i. Received \$50,000 on behalf of client

ii. Spend the amounts below on behalf of client who had sufficient cash held by the

		Shs'000
•	Purchase of equipment	260
•	Payment of rent	130
•	Payment of repairs cost	80

- iii. Purchased new equipment for office use for shs.400,000 and paid shs.100,000 cash, the balance remaining as loan
- iv. Spent shs.350,000 on the purchase of land on behalf of a client who had a credit balance of shs.120,000 with the firm.
- v. Charged clients shs.1,050,000 for services rendered in the year ended 30 June 2014.
- vi. Received shs.680,000 from client settlement of amounts due for services rendered. The firm received nothing from clients and had to transfer shs.240,000 from the clients account to the office accounts in settlements of amounts due to the firm