



BOOK REVIEW

A MANAGEMENT GUIDE FOR ALL SEASONS

The names Robert Mowbray and Janet Taylor will be familiar to many, and their practical guide for legal finance professionals – and perhaps more importantly, COFAs – was always going to be met with enthusiasm. Because of them, and the Nottingham Law School (contributor to the anti-money laundering and risk management section), the book commands some kudos.

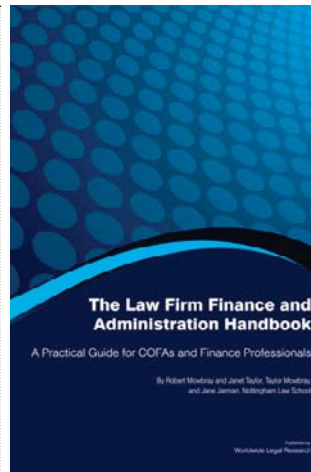
In this magazine's COFA special (LPM, March 2014), I was quoted as saying the responsibilities of a firm's COFA is that of a "watchdog, not a bloodhound" – that's how my audit lecturer once put it regarding the audit function – it's simply impossible to audit every transaction in a business. Since the evolution of compliance duties in legal, the responsibilities have become akin to that of an internal auditor causing sleepless nights for some SME firms, not to mention those taking on the role of COFA.

Presented in five clear areas (plus a handy set of appendices), sections four and five cover anti-money laundering and client care, respectively. It's these sections that may have COFAs reaching for their job descriptions (as a COFA, I know I did). This isn't to say such aspects aren't useful to finance professionals – you should be aware of them – but communicate with your COLP, too (something most COFAs do, no doubt) and mention this guide. In the client care chapter, for example, Mowbray clearly points out "areas where the COFA might be able to provide some support to the COLP".

The first three sections cover an introduction to compliance roles, COFA responsibilities, and the SRA accounts rules (now carefully renamed since the introduction of ABSs). For the more experienced COFA or finance professional some of the diagrams and examples presented here may seem basic. Yet they're clear and definitive, making the onus of preparing such reports less daunting, especially for SME firms that may have limited finance support resources.

SARs get a decent going over, adapted for wider application since the introduction of non-lawyer managers and ABSs. There's a fair amount of rules regurgitation here (to be found also on the SRA website). But there is a useful section on typical 'problem areas'. One of these is the breaches register – problems familiar to many – though it's the newer elements of the age old SARs that are causing the biggest headaches. COFAs looking to refresh their memories might find this section useful also for training fee earners and finance staff.

The anti-money laundering chapter emphasises the



The Law Firm Finance and Administration Handbook

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"importance of legal and business risk management". Boundaries between COLP, COFA, and money laundering reporting officers (MLROs) are hopefully distinct in most law firms, with each person clear on their responsibility. It's a little odd then, to find this chapter here, though it remains a useful guide for SME firms to have packaged in one title.

Often in the SME segment there are any number of 'hats' to wear – often by the same person. COFAs should have a fundamental knowledge of anti-money laundering legislation and regulations, and be involved (though not entirely responsible for) identifying associated risks. The 'short AML toolkit' of resources does well to supplement other training and guidance, with a usefully added resources list. It would be worthwhile for readers to cascade this section to MLROs as helpful digest.

Financial benchmarking has always been a favourite subject of mine, and one well covered here in the final chapter; a survey commissioned by NatWest. And there's much to consider for SME firms, emphasising the importance of firm participation in benchmarking – something I have echoed for decades. Part of being your firm's COFA is ensuring the financial viability of the business and demonstrating sound financial management. Gauging your firm against others is a good market analysis tool.

Though some may expect a library of compliance checklists from this handbook, compliance (and quality) is a journey, not a destination, so you won't find them here – just plenty of material to help you on your way. **LPM**

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