



JANUARY 2022

# LPM

LEGAL PRACTICE MANAGEMENT

# Plotting 2022

*What's coming down the pipeline for SME law firms? Read up on the latest insights from the market*

## HOT TOPICS THIS MONTH

>02

An intro from LPM's editor

>03

*Column:* Sarah Charlton of Earon Evans & Morris finds a potential advantage of flexible working

>03

*Column:* Mike Stevenson at Iceberg on preparing your firm for partners' and members' tax

>04

*Column:* Gary Shaw at Accesspoint gives shopping advice for your ideal legal tech platform

>04

*Column:* MHA's Karen Hain has planning tips for tax season

>05

*Case study:* How Magrath Sheldrick diversified its tech stack with NetDocuments

>06

*Column:* Nick Hayne at Quiss points out changes to Microsoft policy

>06

*Column:* Rachel Buckley at The Family Law Company on how law firms have bucked trends since 2016

>07

*Column:* Jenny Hotchin at iManage presents the tech trends kicking off in 2022

>07

*Column:* Brian Rogers at Access Legal links the world of cryptocurrencies to law firms

>08

Check out LPM's channel partners and find more content

# Welcome

## *Plenty to plan for in 2022 – from the imminent onset of tax season to wider strategies in tech and finance*

Best laid plans haven't fared too well in the last two years – indeed, one could go as far as Melbourne to find an unexpectedly unyielding border standing between you and sporting glory.

And while many businesses have been cultivating a ninja-like agility to dodge anything that comes their way – certain things do remain set in stone, and could do with some planning. Tax is one example, as is the ceaseless advancement of technology, and the ever expanding risk landscape.

Preparation is key, and the pages below feature some tips on planning for the end of the financial year (p4), complete with a special note on partners' and members' tax (p3). Read about the latest in tech (p7) – including changes afoot at major global tech providers (p6) – and find out how the world of cryptocurrency impacts your law firm (p7).

Also in the mix is the success story of Magrath Sheldrick's transformation partnership with NetDocuments. Plus, Sarah Charlton of Eaton Evans & Morris describes a unique way to put flexible working to a client's advantage, and Rachel Buckley of The Family Law Company explores the resilience of SME law firms.

And for us at LPM, January is about digging deeper to understand what law firms are planning for the future – near and far. Help us out by filling in our latest *Frontiers survey*, and we'll make a donation in your name to Bowel Cancer UK.

**Aftab Bose, editor**

@LPMmag | [aftabb@lpmmag.co.uk](mailto:aftabb@lpmmag.co.uk)

### CHANGE IS COMING TO MICROSOFT, BUT THERE'S STILL TIME TO ACT

NICK HAYNE, HEAD OF PROFESSIONAL SERVICES | QUISS | 19.12.22

Nick Hayne at Quiss explains how your business could mitigate the cost impact of changes to Microsoft policy.

[Read more](#)



SUBSCRIBE TO LPM MAGAZINE

LPM's e-mag reaches a wide variety of people in legal business services. Click here to learn more.

SIGN UP

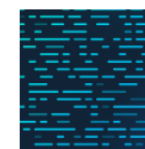
#### LPM INSIGHTS ROLL



#### CHANGE IS COMING TO MICROSOFT, BUT THERE'S STILL TIME TO ACT

NICK HAYNE, HEAD OF PROFESSIONAL SERVICES | QUISS | 19.01.2022

Nick Hayne at Quiss on the implications of changes to Microsoft policy



#### HOW CAN LEGAL FIRMS PLAN FOR PARTNERS' AND MEMBERS' TAX SEASON?

MIKE STEVENSON, MANAGING DIRECTOR | ICEBERG | 18.01.2022

Mitigating the financial impact of partners' and members' tax



#### PICKING THE RIGHT LEGAL TECHNOLOGY PLATFORM

GARY SHAW, COMMERCIAL DIRECTOR | ACCESSPOINT | 18.01.2022

Building blocks of a suitable legal technology platform



#### CRYPTOCURRENCIES AND BLOCKCHAIN FOR LAW FIRMS

BRIAN ROGERS, REGULATORY DIRECTOR | ACCESS LEGAL | 18.01.2022



#### TURNING FLEXIBLE WORKING PATTERNS TO YOUR FIRM'S



#### YEAR END TAX PLANNING TIPS FOR YOU AND YOUR PRACTICE

VARUN LALNI, HEAD OF PROFESSIONAL SERVICES | QUISS | 18.01.2022



#### WHAT DOES IT MEAN TO BE A LEGAL PRACTICE MANAGER?

Kirsty Pappin on the role of the legal practice manager.



#### LPM FRONTIERS: LEGAL IT LANDSCAPES 2021

The annual snapshot of law firms' changing technology priorities



#### CHANGE IS COMING TO MICROSOFT, BUT THERE'S STILL TIME TO ACT

Nick Hayne at Quiss on the implications of changes to Microsoft policy



#### CRYPTOCURRENCIES AND BLOCKCHAIN FOR LAW FIRMS

The implications of cryptocurrency regulations for law firms



#### HOW CAN LEGAL FIRMS PLAN FOR PARTNERS' AND MEMBERS' TAX SEASON?

Mitigating the financial impact of partners' and members' tax



#### PICKING THE RIGHT LEGAL TECHNOLOGY PLATFORM

Building blocks of a suitable legal technology platform



**Aftab Bose**  
Editor

[aftabb@lpmmag.co.uk](mailto:aftabb@lpmmag.co.uk)



**Emily Nash**  
Head of client services

[emilyn@lpmmag.co.uk](mailto:emilyn@lpmmag.co.uk)

**020 3925 2769**

[LPM@lpmmag.co.uk](mailto:LPM@lpmmag.co.uk)

Burlington Media Group  
20 Mortlake High Street  
London, SW14 8JN

# Life and lemons

*Jigsawing a range of flexible working patterns can facilitate round-the-clock client care, says Sarah Charlton of Eaton Evans & Morris*



A philosophy I quite like, especially in business, is the idea of being handed a lemon (figuratively speaking!) and turning this into lemonade. I hope to share a lemonade moment with you in relation what is sometimes feared – flexible working requests!

It is easy to fall into a mindset of resistance when you receive a request from an employee for a change of working patterns, hours or location. For some, there is comfort seeing all of their staff in the office from Monday to Friday, 9 am to 5.30 pm, with no variations to this pattern. You might also be concerned that others will follow if you authorise one request. We all know someone who has put in a reasonable request for a change of working pattern, which has subsequently been declined with a response that is, at best, dubious. Putting legislation aside, if a request is approved, it may well result in some change – small or large – which could disrupt the status quo that you have been enjoying within the business.

So where does the lemonade come in? I would argue that such requests should be viewed as opportunities! Not just an opportunity to retain talent within your business (as there are more and more firms out there who are willing to be flexible) but also to provide a better service to your clients.

## Win-win scenario

To me, it is surprising how many law firms continue to put their wants

and needs before their clients. I would suggest only a minority of law firms have become more intuitive in this area. This sits in a backdrop of technology advancements and an increased appetite from clients to be able to contact their service provider (professional or otherwise) outside of core working hours. More flexibility can allow firms to meet these demands – various working patterns can be jigsawed in a way that inboxes are manned around the clock.

Non-lawyers who want to work longer days to earn an extra day off per week could be trained to deal with new online enquiries that come in after hours. These enquiries could take the form of a central mailbox, quotation software or live chat feature – and the prompt response provides a good first impression. During the LPM Conference 2019 in Leeds, the talented Bernard Savage talked about first impressions, and lessons that can be learned from outside the legal sector to improve a client's experience.

I would not advocate in any shape or form that a fee earner should be on hand morning, noon and night for their client – this cannot be sustained and is often a breeding ground for poor mental and physical health. However, a team can provide exceptional client care much of the time and for extended periods. *Continue reading about the benefits of flexible working on the LPM website.* **LPM**

# Members only tax



*Iceberg's Mike Stevenson on how to manage cash flow when partners' and members' tax deductions coincide with a post-holiday lull in client billing*

Partners and members in firms are taxed based on their individual share of the partnerships' profits for the tax year. This is pretty similar to how the self-employed pay tax – that is, each partner is billed as if they are a self-employed business. As profit in partnerships can be divided in any way that partners see fit, each partner will have a specific percentage of profit income assigned to them.

The way partners' tax works means that tax and national insurance isn't taxed from earnings at source and will instead be billed in the future. This nuance calls for careful planning, as partners' and members' tax can amount to a hefty bill to be paid in January – at a time of low client billing activity following the festive period, and a resultantly restricted cash flow.

So how can firms plan for tax season effectively to ensure a smooth process and minimum impact?

## Understand what deadlines you're working to

The deadline for partners to file their tax return is the same as the self assessment deadline – midnight on 31 January for digital submissions, and 31 October (three months earlier) for paper returns.

Missing the submission date is punishable with an immediate £100 fine, with additional charges applied for further delays. These can accumulate to become a significant fine, so it's important to be aware of the deadline you're working to and plan accordingly. There has been a little leeway given by HMRC this year, but do be careful not to think this is a carte blanche to be late filing the returns.

## Be aware of any complications or exemptions

Certain circumstances have slightly different rules when it comes to paying partners' tax. For example, in the opening year of a partnership, the tax needs to be paid between the start date of the partnership and the end of the tax year.

Limited liability partnerships (LLPs) also have their own set of rules when it comes to paying tax, with salaried partners being taxed as employees if certain criteria can be met.

It's important to be aware of potential exemptions, changes or complications when it comes to planning for partners' tax so you don't get caught out when filing your submission.

## Planning, planning, planning

There is no doubt that the pandemic has created cash flow challenges for many firms. While a number of firms will have taken out loans and made the most of government backed schemes in order to ensure high liquidity during challenging times, many will now be commencing repayments. *Continue reading on LPM* **LPM**

## ICEBERG

**Iceberg specialises in providing loans and other cashflow funding for UK law firms**

Contact Iceberg on:  
01202 925 702

[www.iceberg-partners.co.uk](http://www.iceberg-partners.co.uk)  
[@icebergpartners](https://twitter.com/icebergpartners)

**iceberg**

# The right platform



*Accesspoint's Gary Shaw on the value of legal tech platforms, and how to choose the right one for you*

As we've seen over the last few years, the legal sector has experienced some of the most dramatic changes it has ever seen. Not only have the technological advancements seen in today's world prompted a shift in workflows and expectations amongst clients, but without a doubt, working through the pandemic over the past two years has accelerated the need for a more joined-up approach to working smarter – with remote working at its core.

With limited margin for error, there's one key solution that should be sat at

the forefront of every legal professional's mind – legal platforms.

We've said it before and we'll say it again, the answer to efficiency and innovative working lies in secure and dedicated cloud based legal platforms. For those of you who are still in the dark as to what a legal platform is – in a nutshell, it's a collection of intelligent, bespoke, and innovative products under one 'umbrella'. A big plus is that, when built correctly, a legal platform can create a beneficial ecosystem for various tools and apps to interconnect, helping a firm

to modernise its process and revolutionise the way it operates.

The utopian environment that results is capable of enhancing the main areas of law firms that are constantly under review, such as team productivity, billing and reports, security, and community collaboration/accessibility.

Whether you are just finding out about this concept, or you've been ahead of the curve for some time, one thing is for sure – the most important step is choosing the legal platform best suited to your needs. Consider keeping an eye out on the building blocks for what makes a great legal platform, as one wrong step could leave your firm with long implementation times and high costs.

Firstly, building a legal platform can be a very complex task – one that can take up months of precious time, not to mention the level of coding and technology skills that will be required to get the full

effect. Therefore, it is advisable that your first point of contact be with a legal IT specialist, who understands the task ahead and has full knowledge of how to create the platform around your firm.

All this while still leaving room for scalability and flexible add-ons for the future, as well as creating an aesthetically pleasing and fully functional portal for you and your clients.

Next, think of the bigger picture. Does the platform cater to a truly interconnected environment? [Read more on choosing a technology platform here.](#) **LPM**

## ACCESSPOINT GROUP

**Our group of companies offers specialised services, products, support, and consultancy in legal IT**

Contact Gary on:

020 3189 2645

[@theaccesspoint](https://theaccesspoint.co.uk)

**Accesspoint**  
Group Holdings

# Tax in the air



*With the end of the financial year in sight, Karen Hain of MHA presents some tax planning tips for law firms*

As we approach the end of the tax year, now is the time to review your tax affairs to ensure that you have taken advantage of all reliefs available, and have considered some planning opportunities to help reduce your tax liabilities.

The MHA national tax team has worked together to create our annual Year End Tax Planning Guide, which provides key tax and financial planning tips that must be actioned prior to 5 April 2022. Some of the themes include:

## Corporation tax: New measures

In the March 2021 Budget, the Chancellor announced measures to encourage investment and help struggling businesses. In our guide we look at some of the measures announced, including The Super Deduction, accelerated relief for Special Rate Asset expenditure, extended loss carry back relief and the Annual Investment Allowance. To benefit from these changes, legal firms need to think carefully about when and what they spend on capital assets

## Inheritance tax: Food for thought

There are a number of reliefs and exemptions for inheritance tax, and some are worthy of annual consideration, while there is a lot to be considered when it comes to longer term inheritance tax planning as well.

## The Health & Social Care Levy: How will it affect your practice?

On 7 September 2021, the government announced the introduction of a new tax called The Health and Social Care Levy to support the UK health and social care bodies, following the impact of the Coronavirus pandemic. This will likely have implications for both employee and employer national insurance contributions.

## Capital gains tax: Use your annual exemption – or lose it!

The annual exemption for 2021/22 is £12,300, and will remain at that level up to

and including the 2025/26 tax year. This is a 'use it or lose it' exemption – it cannot be carried forward to future years. It therefore makes sense to crystallise gains each year to the extent of the annual allowance.

## Pensions: Structure your assets to make the best use of reliefs and allowances

If the total of all your pension funds is likely to be at or near £1m by the time you retire, you should seek urgent advice. A look at current pension rules could reveal some options to consider. **LPM**

## MHA

**Accountancy, audit, tax and business advisory services**

Contact Karen on:

01772 821 021

[www.mha-uk.co.uk](https://www.mha-uk.co.uk)  
[@mha\\_uk](https://twitter.com/mha_uk)



# A documented partnership

*Magrath Sheldrick sought a more modular approach to its tech stack as part of its risk management strategy, and the search for a document management system (DMS) led the firm to NetDocuments*

Headquartered in central London, Magrath Sheldrick LLP is one of the UK's most successful business immigration practices and a major force in immigration and employment law. Their diverse client base includes some of the world's leading businesses, private individuals, employers and senior executives from around the globe.

## Replacing an antiquated all-in-one

For Magrath Sheldrick LLP, making a digital transformation was a massive shift. The firm had been using an all-in-one practice management suite (PMS) for years, but over time they realised that "it was okay at everything, but it wasn't particularly outstanding at anything," explained Magrath's IT Director, Nick Doughty.

The decision was further accelerated when they learned that the PMS was going to end-of-life at

the end of 2020 — not to mention the increased need for flexibility brought on by the Covid-19 pandemic.

"It really forced us down a cul-de-sac where we had no choice but to replace it," Doughty said.

**Don't put all your eggs in one basket**

While it may have been simpler to switch to another PMS and replace everything in one go, the firm had learned a valuable lesson: "We didn't want to put all our eggs in one basket," Doughty said.

"What we wanted to do for the future was minimise the risk of this situation occurring again," he continued. "We didn't want a software solution that would impact everything we need to run the firm if its company got taken over or it went end-of-life."

The team decided to go for a more modular approach to their tech stack as part of their risk management strategy. As a bonus, this approach also allowed them to "cherry-pick the best-in-breed systems and find the best solution for each part of the firm," Doughty said.

Their search for a document management system (DMS) led the firm to NetDocuments.

## Preparing for the new normal

The long-term impact of the pandemic inspired new priorities for the firm:

"Obviously with the 'new normal,' our model of working will change," Doughty said. "We're still in the planning stages, but the one absolute is that we're not going to go back to five days a week in the office."

With that knowledge, they knew they needed a cloud-based DMS.

"Being in the cloud is important for us because it just gives us the flexibility to accommodate our staff anywhere," he explained. And during the lockdowns, they've needed it as team members have worked remotely from Norway, Spain, Turkey, and more.

"The cloud just offers you that flexibility where, as long as you've got an internet connection, you're pretty much good to go wherever you need to go," he continued.

"With the new normal, that convenience and flexibility needs to be built into people's day-to-day functioning."

## Making the transition smooth and secure

In the course of choosing a DMS, Doughty also recognised the importance of ensuring a smooth transition between the two systems. The fact that NetDocuments would seamlessly link to their existing PMS was vital.

"It was very important that we could marry up the two systems and make sure they spoke to each other, because there was still that transitional period where they had to live in unison with each other," Doughty explained. "That connection was key."

The platform's security infrastructure played an important role in the decision as

well. "Our data is our most valuable asset, and if we're going to entrust you with it we need to have very strong confidence that you're managing our data responsibly and securing it," Doughty said. "It's clear that NetDocuments has the provisions in place to make sure our data is safeguarded and always going to be there when we need it."

## Finding a trustworthy partner

Above all, the firm placed a high priority on the team behind the tool. "I will be completely honest — when we are looking at potential suppliers, we always view them as relationships," Doughty explained.

"The most important thing for me is trust," he said. "Almost from the first meeting, you can get a very strong feeling as to whether you actually trust the people you're going to deal with." *Read the full case study on LPM to learn how NetDocuments has supported Magrath Sheldrick's document management journey.* **LPM**

**netdocuments®**

*netdocuments.com*  
*Find out more about NetDocuments on p8*

# Tread Microsoft-ly

*Nick Hayne at Quiss explains how legal businesses can plan to mitigate the cost impact of changes to Microsoft policy and terms of service when billing for licenses*

If you are not aware, there are several changes coming to the way that Microsoft bills your licenses with the introduction of the 'New Commerce Experience' (NCE), which imposes new terms of service on subscriptions for Microsoft 365, Office 365 and Dynamics subscriptions.

NCE is billed as the new platform for Microsoft Cloud Subscriptions, and is designed to simplify the way customers buy their Microsoft products, while choosing options based on their business needs. The changes are being sold as a benefit to drive client retention for the resellers of Microsoft

products and services.

Microsoft is using NCE to switch users from monthly billing onto one-year or three-year subscriptions. The incentive is more stick than carrot though, as there will be a 20% price hike for those who choose to remain on their current monthly subscriptions.

The changes will be introduced through cloud service providers (CSP) like Quiss that organisations engage with to manage their IT services and licences. The changes, such as revenue predictability, operational efficiency and more choice are all benefits

for the CSP but add little by way of benefit to the end-user, other than increased cost and a need for long term commitments.

Given the fluctuations in staffing driven by the pandemic, the fact a business will not be able to stop and start Office 365 subscriptions as easily as they can now might be seen by some as something of detriment. But not Microsoft, which will get paid at least an annual licence fee, regardless of how long the businesses needs it.

Worryingly for those who favour a competitive CSP market, the future could be bleak. Any customer that ceases trading leaves the CSP responsible for the outstanding licence fee, which could be as high as £400 per licence, for a 36-month subscription. And a CSP in financial difficulties spells trouble for their customers.

However, if you renew your license before March 1 2022, with the help of your CSP, you can keep the existing pricing and flexibility of

your subscriptions.

On the bright side, Microsoft is introducing a new audio-conferencing feature, allowing users the ability to join and set up Teams meetings by phone number. If this is all news to you and you would like to explore the different options available - Quiss can run different scenarios to support decisions. **LPM**



**QUISS**  
**Business support solutions for small to mid-tier law firms**  
Contact Nick on:  
07764 579 674  
[www.quiss.co.uk](http://www.quiss.co.uk)  
[@QuissTechPLC](https://twitter.com/QuissTechPLC)

**Quiss**  
Excellence through experience

## Dodging disruption



*Rachel Buckley from The Family Law Company on how SME firms have survived recent disruptions*

In 2016, Law Society horizon scanning predicted that in 2020 there would be a decline in the growth of business-to-consumer (B2C) law firms in areas including family law and conveyancing. While no one could have predicted the actual events of 2020, did small and medium (SME) B2C law firms fair as badly as suggested?

Many SME law firms have been late adopters of technology, continuing to follow traditional law firm models and perhaps being too inward facing rather than looking at changes in the marketplace in which they operate. Just a glance at some client reviews reveals frequent complaints of difficulties in contacting a lawyer,

the impossibility of accessing information from home and the anguish of how long it can take to receive a response.

It has undoubtedly been challenging. Those law firms that have prospered have been bold - reviewing and adapting continuously, and creating incremental changes to keep ahead of the competition. Be it upgrading technology, enhancing the client experience or improving the way employees are treated, there are clear aspirations and values with those firms that have flourished.

The key to any successful business has to be the cultivation of the right environment. A culture and climate that empowers employees - for instance, having an open-door policy that works. Used incorrectly, this could encroach into a senior manager's time but with clear direction it will generate ideas and changes for the better.

This can't be forced. Gathering legal professionals into a room to brainstorm on demand has a very slim chance of success and is likely to become bogged down in detail.

But gaining an understanding of how to streamline a process during a weekly catch up has true potential to impact a business' marginal gains.

Agile SME firms have the ability to value scan an idea not just for risks but also opportunities. Having a strong leadership team and trusting them with decisions or escalating to the board quickly has to be key. If the pandemic taught us anything it is that life can change rapidly. Whether the challenge is a pandemic or guerrilla marketing by a new entrant to the marketplace, those resilient firms can take stock and respond appropriately.

Staying ahead or adapting quickly means mistakes will happen. Innovative firms encourage calculated risks and embrace innovation without fear of retribution if something doesn't quite work out. It's a case of using the tried and tested plan, do, act review maxim to keep moving forwards.

*Continue reading how SME firms have defied the odds, online.* **LPM**

 COLUMNS

# Digital resolutions

*What's the latest in legal tech this January? Jenny Hotchin walks through the outcomes-driven digital discourse taking shape in SME legal*



Have you hit a 2022 reset? Or is it business as usual in these unusual business times? As always, there is a lot to think about. The topics, trends and emerging requirements that bubble to the surface every January reveal themselves in articles, podcasts and webinars. It is an exciting time for legal technology, as its outcomes start to shape discourse of growth and strategy.

## Blue skies ahead for the cloud

In an article for Legal IT Insider, Macfarlanes' CIO Andrew Powell shared some survey-based insight about the cloud conversation for law firms. It is a matter of 'when,' and not 'if,' firms are migrating some or all of their systems to the cloud that will fundamentally change the legal tech landscape and law firm infrastructure in the year(s) ahead.

The survey shows that "whereas over 70% of firms' document management systems were on-premises pre-pandemic, by next year, that figure will be 35%."

Change should always be motivated by business outcomes. Reasons may

include growth, environmental, social and governance (ESG) factors and improved client experience and value. The change itself may cause some short-term disruption, but the payoffs are the rich rewards in end-user collaboration, extended knowledge utility and documentation security.

## The convenience truth

When looking at consumer behaviour, one perceives a human need to unlock convenience. The likes of UberEats, DoorDash, Ocado, and Shopify are technology-enabled commerce platforms centred on consumer utility, convenience, and comfort. We're seeing the same appetite for convenience translating into the legal technology sector.

Law firms want to make it as easy as possible for their people to get work done, not just in terms of greater efficiency but also with respect to how client interact with their law firm(s) off record. We know from the Thomson Reuters Legal Department Operations report 2021 that legal tech investments are up, and simplifying workflows fuels this acceleration.

## Time to get social?

2021 saw the social media savvy lawyer come to the fore, and this year is likely to be no different. Some legal professionals seek to make a connection that they physically cannot, as watercooler conversations dry up.

*Read more about the new digital movements coming to legal in 2022 on the LPM site. **LPM***

## IMANAGE

**Leading edge document management, data security, and AI solutions**

Contact iManage on:  
07498 202 346

[www.imanage.com](http://www.imanage.com)  
[@imanageinc](https://twitter.com/imanageinc)



# Decrypting risk

*Access Legal's Brian Rogers explores the nuances of crypto regulation and their implications for law firms*

Do you know your tokens, VAs, ICOs and VASPs? Our most recent thematic webinar provided attendees with an introduction to cryptocurrencies and blockchain – topics which are rising up the agenda for law firms (and their clients), but which are perhaps not as well understood as they should be. Here are some of the themes that we've addressed.

Although law firms are unlikely to get involved in the trading of cryptocurrencies, they are likely to receive instructions from clients who do or want to use such currencies in their legal service transactions, therefore they need to have an understanding of what cryptocurrencies are and the risks that come with them.

Some of the words and phrases used in relation to cryptocurrencies – very volatile, worthless, very high risk, lack of transparency, limited regulatory protections, and financial crime, for instance – show how risky these currencies are.

The Financial Conduct Authority (FCA) has been keen to point out that people investing in cryptocurrencies need to be aware of some key risks:

- Crypto assets are considered very high risk, speculative investments
- Those buying these types of crypto assets are unlikely to have access to the Financial Ombudsman Service (FOS) or the Financial Services Compensation Scheme (FSCS), if something goes wrong
- Those who invest in crypto should be prepared to lose all their money

- The crypto assets/services they are using may not be regulated
- There is no guarantee that crypto assets can be easily converted back into cash. Converting a crypto asset back to cash depends on the demand and supply in the market.

The FCA has received a high number of reports of scams involving crypto assets. The crypto asset marketplace is a target for fraud and scams, so people need to be extremely cautious before investing – if an opportunity sounds too good to be true, it probably is.

The FCA has banned the sale of crypto derivatives to retail customers, due to its concerns surrounding the volatility and valuation of the underlying crypto assets. One of the important things for law firms to consider when dealing with transactions involving cryptocurrencies is their obligation to comply with the money laundering regulations – the 5th Anti Money Laundering Directive ('5MLD') extended the scope of persons subject to anti-money laundering (AML) laws to include Virtual Currency Exchange Platforms (VCEP) and Custodian Wallet Providers (CWP).

*Find out more about cryptocurrency implications for law firms online. **LPM***

## ACCESS LEGAL

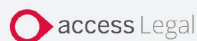
**Unrivalled software solutions that scale to your practice**

Contact Brian on:

0845 345 3300

[@AccessGrpLegal](http://www.theaccessgroup.com/en-gb/legal)





**Access Legal** provides an unrivalled suite of solutions – helping firms take control of their time, improve efficiency and productivity  
[www.theaccessgroup.com/legal](http://www.theaccessgroup.com/legal)



**Accesspoint Group** is a group of companies that offer specialised services, products, support, and consultancy in legal IT  
[www.theaccesspoint.co.uk](http://www.theaccesspoint.co.uk)



**Actionstep** provides flexible practice management software with you every step of your journey as a law firm  
[www.actionstep.com](http://www.actionstep.com)



**BundleDocs** cloud-first ebundling, delivery and collaboration software helps legal professionals automate time consuming activities.  
[www.bundledocs.com](http://www.bundledocs.com)



**CTS** is the only provider of cloud and managed IT services purely dedicated to the UK and Irish legal sector  
[www.cts.co.uk](http://www.cts.co.uk)



**Cloud Geeni** provides IT managed cloud infrastructure services offering unequalled flexibility, improving performance and enhancing security  
[cloudgeeni.co.uk](http://cloudgeeni.co.uk)



**Iceberg** specialises in providing loans and other cashflow funding for UK law firms  
[www.iceberg-partners.co.uk](http://www.iceberg-partners.co.uk)



Get more from your data with **iManage's** leading edge document management, data security, and AI solutions  
[www.imanage.com](http://www.imanage.com)



Accessible through a single, sophisticated platform, **InfoTrack** is your solution for end-to-end digital conveyancing.  
[www.infotrack.co.uk/](http://www.infotrack.co.uk/)



**LexisNexis Enterprise Solutions**, part of LexisNexis, is a supplier of legal productivity software solutions  
[www.lexisnexis-es.co.uk](http://www.lexisnexis-es.co.uk)



**LexisNexis UK** helps lawyers win cases, manage their work more efficiently, serve their clients better and grow their practices  
[www.lexisnexis.co.uk](http://www.lexisnexis.co.uk)



**MHA** is a network of dynamic independent accountancy firms spanning the UK, with a global footprint via our membership of Baker Tilly International  
[www.mha-uk.co.uk](http://www.mha-uk.co.uk)



**NetDocuments** provides true cloud document and email management alongside collaboration tools made for agile working.  
[www.netdocuments.com](http://www.netdocuments.com)



**Osprey Approach** is a powerful case management solution that drives long-term efficiencies to improve profitability  
[www.ospreyapproach.com](http://www.ospreyapproach.com)



**Quiss** is a specialist managed service and cloud solutions provider in the UK legal marketplace  
[www.quiss.co.uk](http://www.quiss.co.uk)

## BECOME AN LPM CHANNEL PARTNER



**Emily Nash**  
 Head of client services  
[emilyn@lpmmag.co.uk](mailto:emilyn@lpmmag.co.uk)

READ LPM  
CHANNEL  
PARTNER CASE  
STUDIES AND  
RESOURCES



GO TO  
LPM MAG.CO.UK

