

**Notes on form RSP1:  
Application for initial authorisation as a  
recognised sole practitioner**

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For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

## About form RSP1

This is the prescribed form for a solicitor or registered European lawyer (REL) to apply for approval to practise as a recognised sole practitioner in England and Wales (as required by Rule 10 of the SRA Practice Framework Rules 2011) under the SRA Practising Regulations 2011.

If your firm is to become a partnership, an LLP or a company, you will need to apply for recognised body status on form RB1, RB2 or RB3. For advice, see “How to contact us ...” below.

**Overseas** - If you intend to practise **only** from an office or offices outside England and Wales, you do not need (and are not eligible) to become a registered sole practitioner. If you are an REL, this relates to you only in Scotland and Northern Ireland (see Rule 2.2 of the SRA Practice Framework Rules 2011).

**RFLs** - If you are a registered foreign lawyer, your registration does not entitle you to practise as an SRA-regulated sole practitioner, whether in England and Wales or elsewhere.

All references (unless otherwise stated) mean the following:

- “the Code” means the SRA Code of Conduct 2011.
- “the Practising Regulations” means the SRA Practising Regulations 2011.
- “the Practice Framework Rules” means the SRA Practice Framework Rules 2011.

The SRA Handbook is published at [www.sra.org.uk/handbook](http://www.sra.org.uk/handbook).

## How to use the form

Please answer all questions and complete all the relevant boxes. You may find it helpful to refer to the glossary at the end of these notes.

If you make an error during completion of the form please put a line through any deletions. Do not use liquid paper.

If you are providing any additional information in separate sheets or documents, please provide a list of the enclosures and mark each document clearly with the section of the form to which it relates.

The declaration must be signed and dated before submitting the form.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

Please note that we will not be able to process your application until we have a completed application. This means one that:

- includes the completed form and appropriate fee;
- provides sufficient information to show compliance with the requirements of regulation 4.2(a) of the Practising Regulations i.e. that
  - the firm will practise from an office in England and Wales
  - the firm has appropriate indemnity insurance cover
  - you are qualified to supervise
  - a firm name has been adopted for recognition; and
- provides any additional information that the SRA requests in connection with the matters in Regulation 4.2 of the Practising Regulations (this may be requested after you submit your application form to us).

## How to contact us and where to return the form (and any additional information)

You can contact us at

- 0870 606 2555
- +44 (0) 1527 504450, if you are calling from overseas, or
- [operations@sra.org.uk](mailto:operations@sra.org.uk).

Lines are open 09.00 – 17.00, Monday to Friday. Calls may be monitored/recorded for training purposes.

Please return the form and all supporting documents to

Operations  
Solicitors Regulation Authority  
Ipsley Court  
Berrington Close  
Redditch  
Worcestershire  
B98 0TD

or

DX 19114 Redditch

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

## Frequently asked questions

### Who to include on the form?

As well as your own details, please also include all prospective employees (including locums) who are solicitors, RELs and/or RFLs so that we can ensure that our records are accurate and up to date.

### What about salaried partners, associate partners and others held out as partners?

Anyone described as a salaried partner or associate partner, or otherwise held out as a partner, in a firm will be a partner of that firm (see Chapter 14 of the Code). If you wish to have such partners, you cannot practise as a recognised sole practitioner and should apply for recognition of your firm as a partnership on form RB1.

### Do locums and consultants need to apply for approval?

You will not need to apply if you work only as an “employee” – defined in Chapter 14 of the Code. Subject to the conditions in Chapter 14 of the Code, employee can include a solicitor or REL working under a contract for services.

### How do we know who the “qualifying insurers” are?

Please refer to the qualifying insurers list on our website at [www.sra.org.uk/indemnity](http://www.sra.org.uk/indemnity).

## Section 1 – Applicant details

Please provide your full name as shown in SRA records.

**SRA number** – every solicitor and REL has a unique individual SRA ID number which should be included on the RSP1.

Your SRA ID number can be found on your admission certificate or your practising certificate – or you can find it by visiting [www.lawsociety.org.uk/findasolicitor](http://www.lawsociety.org.uk/findasolicitor). If you cannot find your number, the SRA contact centre will be able to help you.

**PC or REL registration** – authorisation to practise as a recognised sole practitioner can only be granted to a solicitor who holds a current practising certificate (“PC”) or a European lawyer who is registered on the register of European lawyers. If you do not hold a PC and are not a REL, you will need to submit the appropriate application before submitting your RSP1 (form RF3 for a PC or form RF6 to apply to become a REL). To obtain copies of these forms, see “How to contact us” above.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

**Address for application correspondence** – please say where you would like us to write to you during the application process. After approval is granted we will send correspondence to you at your main practising address (see [Sections 4](#) and [5](#) below). Once approval is granted an online firm profile will be created and accessible through your online account at mySRA.

**Name of previous/current firm and date left previous firm (if applicable)** – please provide details of your former or current firm and the **specific** date you left or plan to leave (if applicable) so that we can update our records accurately.

**Qualified to supervise** – to comply with Rule 12 of the Practice Framework Rules, you must be qualified to supervise to become a recognised sole practitioner (12.1(a)).

“Rule 12.2 To be ‘qualified to supervise’ under this rule a person must:

- (a) have completed the training specified from time to time by the SRA for this purpose; and
- (b) have been entitled to practise as a lawyer for at least 36 months within the last ten years; and must be able to demonstrate this if asked by the SRA.”

**REs and solicitors without 36 months of PCs** – if you have been registered as an REL for less than 36 months please provide evidence that you have been entitled to practise as a lawyer for at least 36 months within the last ten years. This may be, for example, by providing certified copies of your practising certificates (if appropriate) from your home jurisdiction or a letter from your home regulator confirming the position. This would also apply to a solicitor who has not held sufficient practising certificates but, for example, has practised as an overseas lawyer in the last ten years.

**Waivers** – please note that we will not proceed with your application for recognition if you cannot comply with Rule 12 of the Practice Framework Rules. If you wish to apply for a waiver of this rule you should contact our Professional Ethics team and obtain a waiver before submitting this application.

**Management training** – we do not ask you to provide evidence with this application that you have completed the training required under Rule 12.2(a) of the Practice Framework Rules (presently 12 hours of management skills training), but this may be requested separately.

## **Section 2 - Firm name**

Name under which your firm is to be registered

We must have one name that is the registered name of the firm for the SRA’s register of holders of practising certificates or the register of European lawyers.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

Practising Regulation 4.2 states that the SRA may grant initial authorisation subject to compliance with certain conditions, including that the applicant

“4.2.(a)(iii) has adopted a name under which his or her firm is to be recognised, and which complies with Chapter 8 of the Code [...]”

Please provide the full name of the firm. This may not be the only name under which the firm will trade, but is the name that you regard as the principal name of the firm.

This name will appear on the SRA’s public register and you must show it, together with your firm’s SRA ID number, on your website and emails as well as on your letterhead (Chapter 8 of the Code).

## Name under which the firm will trade

We ask this so that we can identify any part of the firm about which we are asked. Firms may want to practise under more than one style and clients and the SRA must be able to identify a firm, however it is described.

Please provide details (on a separate sheet if necessary) of all trading names of your firm if different from the registered name of the firm. Please note that if you adopt any new practising style(s) once your authorisation has been granted, you must update your firm’s online profile at mySRA, as all practising styles must be shown in our registers (Practising Regulations 11.2(g) and 12.2(h)).

Please note that if you practise under a style other than the registered name of your firm, you must include the firm’s registered name (and SRA ID number) on your letterhead, website and emails.

**Please state in your covering letter if the firm will hold client money under any trading name other than your registered name.**

## Section 3 - Preferred practice commencement date

Please let us know the date you would like your firm to start providing legal services.

When providing your proposed practice commencement date, please consider that we are unable to grant approval to practise as a recognised sole practitioner until a completed application has been received (Practising Regulation 1.1).

We will notify you of our decision within 90 days of receiving your application and all additional information and documentation required, although we will aim to determine your application or notify you that additional information is required within 30 days. If you do not allow sufficient time for us to process your application, or your application is not fully in order, your actual approval date may be different from the proposed commencement date that you specify.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

If you do not have a specific date in mind and would like approval to practise as a recognised sole practitioner at the earliest opportunity, you should leave this question blank.

**Temporary Emergency Recognition** – the SRA can grant temporary emergency recognition (TER) where an application arises because of an unanticipated change in the composition of a partnership, for example the unexpected death of a partner (see Practising Regulations 4.3 and 4.4). If you need TER and have not yet applied – for advice and for the appropriate application form, see “How to contact us ...” above.

You must not start practising as a sole practitioner until approval has been granted by us.

## Section 4 - Head or main office details

Please give the main office address, which we will record as the main contact address for the firm. Although we ask for an email address for the firm in this section, later in the application you will be asked to give details of contacts for specific purposes - these are to facilitate communications between us and will generally be our first points of contact.

**Main practising address (where you will be based)** – if you will not be based at the head office, you can give details of your main practising address in [Section 5](#). If you will be based at more than one office, please give details of the other office(s) in [Section 5](#).

## Section 5 - Other offices

Please photocopy this section of the RSP1 if you are providing details of more than four offices.

We need to have details of all offices of your firm, including overseas offices, so that we know where the practice is located. Please provide the addresses and contact details of all branch offices and any other places of business from which your firm will practise. This might be, for example, a consulting room of which you will have exclusive use although no members of the firm will be based there.

Although we ask for an email address for each office, the main contacts requested in [Section 8](#) will generally be our first points of contact.

If you do not intend to have any branch offices please leave this section blank.

If you need to photocopy this section, please submit any additional pages with your list of enclosures (see the notes to [Section 16](#)).

**Office where you will be based** – if you will be based mainly at an office other than the firm’s head office, please indicate your main practising address in this section. If you will be based at more than one office, please give details here.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

## Section 6 - Accountant's reports section

We ask for the information in this section so that we know whether you expect to hold client money. Some firms, for example those dealing only with publicly funded work, can sometimes function without holding client money. The section also helps us to know whether, and when, we should expect to receive accountant's reports from you.

The SRA Accounts Rules - see [www.sra.org.uk/handbook](http://www.sra.org.uk/handbook) require that if a sole practitioner or his or her employee (including a consultant) holds or receives client money, or operates a client's own account (e.g. as an attorney) during your accounting period, the firm must submit an accountant's report.

Client money is money held or received for a client or as a trustee, and all other money which is not office money (only money which belongs to the firm will be office money).

Your accounting period must normally cover twelve months and will need to begin on the date when client money is first held or received (or a client's own account is first operated). Accountant's reports will need to be submitted annually and within six months of the end of your accounting period (unless instructed otherwise by the SRA). See Rules 32 and 33 of the SRA Accounts Rules.

Any employee (or consultant) who holds client money, or operates a client's own account, will need to be included in the report.

## Section 7 - Authorisation to take trainee solicitors

Firms wishing to take on trainee solicitors must be authorised to do so.

**Training principal** – please say whether you wish to take on trainee solicitors and, if so, confirm who would be the training principal (see Regulation 1 of the SRA Training Regulations 2011 Part 2 – Training Provider Regulations for the requirements in respect of a training principal).

**Application to take trainees** – once your firm has been registered, we will send an application form to apply for authorisation to take trainee solicitors to the training contact that you name in [Section 8](#) of the RSP1 form.

If you do not wish to take on trainees immediately but may do so in future, please contact us when you wish to do so, and we will send you the up to date form.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

## **Section 8 - Main contacts**

The SRA contacts firms at various times throughout the year. To help us ensure effective communication channels we ask for the details of the most appropriate contacts in a number of areas. If the appropriate person will be someone other than you, please provide details. If you intend to delegate the day to day dealing with these matters, but cannot provide the details at the moment, please write “to follow” and update your firm’s online profile at mySRA as soon as possible after your firm has been registered.

### **Authorised signatory**

The firm’s authorised signatory must be an eligible individual, who is authorised by the firm to make declarations on its behalf. In a sole practice this must be the recognised sole practitioner.

The firm’s authorised signatory will have access to the firm’s online profile at mySRA and will be able to make updates on behalf of the firm. They will also have access to the firm applications and will be able to make amendments to online applications, including the completion of the declaration. The authorised signatory will be the only person in the firm that can complete online declarations and they will also act as a point of contact for online communications regarding the firm.

Once authorisation to practise as a recognised sole practitioner been granted an online profile will be created for your firm at mySRA. As the authorised signatory, you will be able to nominate an organisation contact. Anyone within your firm can be the organisation contact, although you must determine the suitability of the individual that you nominate. The organisation contact will have access to the firm’s online profile at mySRA and will be able to make updates on behalf of the firm. They will also have access to the firm applications and will be able to make amendments to online applications, excluding the completion of the declaration (unless they are also the authorised signatory). The organisation contact will also be our point of contact for online communications regarding the firm. You can nominate more than one organisation contact.

### **Designated complaints handler**

This is the individual who is responsible for complaints handling in your firm. If a number of individuals in the firm deal with complaints, the individual named should be the most convenient contact.

### **Money laundering nominated officer**

This is the money laundering nominated officer (also known as a Money Laundering Reporting Officer) required by the Money Laundering Regulations 2007. Most firms are required to have a nominated officer but not all (see the Law Society’s practice note “Anti-money laundering practice note – 22 February 2008”).<sup>1</sup>

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<sup>1</sup> See [www.lawsociety.org.uk/productsandservices/practicenotes/aml.450.article](http://www.lawsociety.org.uk/productsandservices/practicenotes/aml.450.article)

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

If you are not required to have a money laundering nominated officer, please write N/A.

Please note that the nominated individual should be of sufficient seniority and in a position of sufficient responsibility to enable him or her to have access to all of the firm's client files and business information. Firms regulated by the Financial Services Authority (FSA) will need to obtain its approval to the appointment of the nominated officer, as this is a controlled function under FSA rules.

### **Accountant's report contact**

This is the most appropriate individual for us to contact about the firm's accountant's reports. Please note that this individual should have sufficient responsibility for this purpose.

### **Financial Services Authority (FSA) compliance officer**

The compliance officer is the individual within the firm who is responsible for ensuring compliance with the SRA Financial Services (Scope) Rules 2001 and the SRA Financial Services (Conduct of Business) Rules 2001 in respect of insurance mediation activities — see [www.sra.org.uk/handbook](http://www.sra.org.uk/handbook). The compliance officer need not be the sole practitioner or a solicitor, but ought to be someone with sufficient seniority within the management structure.

You may deal with a variety of insurance contracts such as life policies, after-the-event legal expenses policies, unoccupied property insurance, restrictive covenant and defective title indemnity policies. As the FSA regulates most contract of insurance, you will need to consider whether you can carry out insurance mediation activities.

Insurance mediation is the term used to describe the financial services activities which arise in respect of insurance contracts. You will be carrying out an insurance mediation activity if you

- deal as an agent in contracts of insurance;
- arrange, or make arrangements with a view to a person entering into, a contract of insurance;
- assist in the administration and performance of a contract of insurance;
- advise on the merits of buying or selling a contract of insurance; or
- agree to carry out any of the above.

Firms working within the designated professional body (DPB) regime (i.e. the vast majority of firms) will be able to carry out insurance mediation activities provided they can satisfy the basic conditions in the SRA Financial Services (Scope) Rules 2001. All firms carrying out insurance mediation activities (whether they are regulated by the FSA or not), must be included in the FSA Register and appoint a compliance officer. Firms which are not authorised by the FSA will appear in the part of the

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register known as the Exempt Professional Firms (EPF) register. We will ensure that firms regulated by us, under the DPB regime, will comply with this requirement if they advise us that they are carrying on insurance mediation and provide us with details of the firm's compliance officer.

**By providing the name of the firm's compliance officer, you are confirming that the firm carries out insurance mediation activities.**

### **Training contact**

This is the most appropriate person to whom all correspondence about trainee solicitors should be sent.

## **Section 9 - Indemnity insurance**

The SRA Indemnity Insurance Rules apply to all recognised sole practitioners.

**Insurance cover** – you are required to submit details of your qualifying insurer's name, the policy number and period of cover. The list of qualifying insurers can be found on the website [www.sra.org.uk/indemnity](http://www.sra.org.uk/indemnity). Please ensure the details provided are not those of an insurance broker.

**Period of cover** – if the policy has not yet commenced, for period of cover please confirm that cover will run from "commencement of practice to [enter expiry date of cover]".

**More than one insurer** – if your indemnity insurance cover will be provided by more than one qualifying insurer, please provide details of the additional policy(ies) in the additional information box on the form. In respect of each policy, please give the name of the insurer, the policy number and the period of cover.

**Exemptions** – if you are an REL *and* you have insurance under your home professional rules *and* have been granted exemption/partial exemption under paragraphs 1 and 2 of Appendix 3 of the SRA Indemnity Insurance Rules in respect of your proposed practice, please provide the details requested of the exemption and of the insurance cover.

**On 1 October 2010 the Assigned Risks Pool ceased to provide cover to new firms** (in this context a new firm is any firm that is not a successor practice as defined in Appendix 4 of the SRA Indemnity Insurance Rules). If you are unsure if your firm is a successor practice for indemnity purposes, you can contact our Client Protection Policy Unit on 01527 504487 for further guidance.

If you are insured through the ARP you must show "Assigned Risks Pool" as your insurer, and provide the ARP policy number and the date on which the cover commenced.

**On 1 October 2011 the Assigned Risks Pool eligibility period for a firm that is eligible was reduced from 12 to 6 months.**

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

Visit [www.sra.org.uk/ARPFform](http://www.sra.org.uk/ARPFform) to find out how to apply.

**Evidence of cover** – the SRA may request evidence of the indemnity whilst processing your application.

**The SRA will not grant approval for your firm if you do not have indemnity insurance (or an offer of such cover) for your firm under the Minimum Terms and Conditions appended to the SRA Indemnity Insurance Rules**

## Section 10 - Solicitor/REL/RFL employees

Please photocopy this section of the RSP1 if you are providing details of more than three solicitor, REL and/or RFL employees. Please note that you should include details of any locum staff that will be with the firm.

This helps us to keep our records up to date and accurate. If you expect to have solicitor, REL and/or RFL employees but cannot provide these details at the moment, please write “to follow” and update your firm’s online profile at mySRA as soon as possible after your firm has been registered.

**Status** – employees of a recognised sole practitioner can only be recorded as one of the following for the purposes of SRA records: associate, assistant, employee, consultant or professional support lawyer.

**Salaried partners, associate partners and others held out as partners** – please refer to “Who to include on the form?” in frequently asked questions above.

**Main practising address** (where the individual will be based) – please provide the firm’s address where the individual will work. If the individual will work from a number of offices please provide the address of the office where the individual would like their correspondence sent.

**Previous/current firm** – please provide details of each individual’s former or current SRA regulated firm and the **specific** dates they left or are expected to leave (if applicable) so that we can update our records accurately.

## Section 11 - Other information

In this section we are seeking information to help us understand more fully the ways in which firms actually practise, and therefore develop a profile of the profession and potential regulatory risk factors. Our aim is to develop a system of risk-assessment so we are better able to target our resources and pre-empt regulatory difficulties in the interests of the public and the profession.

We are trying to gather information about professional independence and areas of influence that might affect firms. We need this to help us establish that firms are complying with the law and are not subject to any improper control. We hope that the

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information will also help us to develop our understanding of professional independence, and how this can best be applied in the new regulatory framework to alternative business structures.

This will be a continuing project to improve our regulatory effectiveness, so we will ask for annual updates of the information provided.

If relevant, this information can be taken into account in assessing applications for initial authorisation. Under Practising Regulation 4.2(b) the SRA may refuse an application if it reasonably considers that it would be against the public interest to grant recognition. However, we will be unlikely to exercise discretion to refuse an application based only on the information provided in this section, but it may lead us to contact you and make further enquiries to help us with the decision.

### **Associations - Introductions and referrals**

Chapter 9 of the Code sets out the outcomes that you must achieve concerning referrals of business.

Please tell us if you have any arrangements with third parties for introducing clients to your firm now or in the future, even if there is no “financial arrangement”.

If you have answered “yes”, please give us the following details in respect of each introducer, on a separate sheet:

- the name of the organisation or individual with whom you have/will have an arrangement for introducing work;
- the date of commencement of the agreement, if known;
- the area(s) of work involved (e.g. conveyancing, personal injury);
- the percentage of your firm’s total estimated fee income that you expect to arise in your first year of trading from your arrangements with each introducer;
- the total sum or details of any other consideration (e.g. provision of services or secondment of staff to the introducer, or an agreement to purchase services or products from the introducer where the purchase is a condition of referrals being made to you) which you think you are likely to pay to each introducer under the arrangement(s) in your first year of trading.

For detailed guidance on referrals, visit [www.sra.org.uk/referrals](http://www.sra.org.uk/referrals).

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

## **Associations - Sharing fees**

Chapter 9 of the Code sets out the outcomes that you must achieve concerning fee-sharing arrangements.

Please tell us whether you have, or expect to have, any arrangements with any individuals or organisations outside of your firm to share its fees with another party, or to receive a share of the fees of another party, now or in the future.

If you have answered “yes” to either question, using a separate sheet, please give us the following details in respect of each third party:

- the name of the organisation or individual with whom you have an agreement;
- the date of commencement of the agreement, if known;
- brief details of the nature of the arrangement;
- the area(s) of work involved, if an arrangement relates to a particular area (e.g. conveyancing, personal injury);
- the percentage of your firm’s total estimated fee income that you expect to pay and receive under such arrangements in your first year of trading;
- the sum or details of any other consideration (e.g. provision of services or secondment of staff to the introducer, or an agreement to purchase services or products from the introducer where the purchase is a condition of referrals being made to you) which you think you are likely to pay to, or receive from, each individual or organisation with whom you have such an arrangement in your first year of trading.

## **Involvement/influence**

Please provide details of any contractual or other type of relationship that you have that might affect, or might be perceived to affect, the integrity or independence of your firm. This type of situation is likely to be unusual, but might arise, for example, where

- an individual’s role in the firm could include being a representative in any way of another body which he or she is involved in
- the role or involvement of an employee in the running of the firm amounts to some element of control over it
- finance agreements or loans to your firm have particular strings attached
- certain contractual conditions in agreements with referrers of business or funders effectively pass control of your firm to an outside body

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- granting options to purchase your interest in your firm is for nominal value
- you form a relationship or enter arrangements that put any outsider in *de facto* control of any aspect of your firm.

If you have answered “yes”, please provide details on a separate sheet of the relevant circumstances.

### **Other roles**

This question is not aimed at trying to identify, for example, where principals work on a part-time basis or are involved in “out of work” activities such as coaching the local football team. What we want to identify is whether there are certain types of situation where firms’ effectiveness, or even compliance, might be affected by principals’ other activities. This may be as a result of time spent away from the firm, or the nature of another role might in some way interfere with your responsibilities to the firm and clients.

If you have answered “yes”, please provide details on a separate sheet with a brief summary of the relevant role(s) held outside of the firm. Again, this type of situation may well be unusual, but might arise, for example, where

- a sole practitioner plays a major role in another firm or is, for some other reason, frequently absent from the firm
- a sole practitioner is a member of or owns a non-legal business, the business demands of which might affect the firm
- a significant number of non-executive directorships that are not related to the work of the firm are held by a sole practitioner, or where the nature of such positions, may compromise the principal’s role or work in the firm.

We do not intend to capture here information, for example, about trusteeships if these roles are undertaken as part of the normal activities of a principal as representative of the firm and do not clash with the interests or needs of the firm.

### **Reliance on single income source**

This information is intended to provide us a better understanding of a firm’s reliance on a single source of fee income. The information is not used in isolation but informs our view of particular types of risk (such as lack of independence) crystallising in a firm.

A group of clients means a number of related clients involved in the same or related case, for example class action clients. Referral sources are any intended arrangements with third parties for introducing clients to your firm. The estimated total used for gross fees should be that used to define your estimated gross fees for your first complete financial year.

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## Section 12 - Character and suitability

**Practising regulation 3.1 – you must declare whether you have been subject to or affected by any of the matters listed in Regulation 3 of the Practising Regulations.**

**Period of declaration** – for solicitors this declaration should cover the period since the issue of your last practising certificate (or since admission if you have not held a PC). For RELs it will be the period since you were registered, or your last renewal, in the register of European lawyers.

Practising Regulation 3.1 lists the following matters:

“3.1 (a) [...] has been:

- (i) reprimanded, made the subject of disciplinary sanction or made the subject of an order under section 43 of the SA, ordered to pay costs or made the subject of a recommendation to the Society or the SRA to consider imposing a condition, by the Tribunal, or struck off or suspended by the court;
- (ii) made the subject of an order under section 43 of the SA by the Society or the SRA or rebuked or fined under section 44D of that Act by the SRA;
- (iii) made the subject of, or been a manager, owner or compliance officer of a recognised body, licensed body or an authorised non-SRA firm which has been the subject of, an intervention by the Society or the SRA or by any other approved regulator;
- (iv) made the subject of a disciplinary sanction by, or refused registration with or authorisation by, another approved regulator, professional or regulatory tribunal, or regulatory authority, whether in England and Wales or elsewhere;
- (v) disqualified from acting as a HOLP or a HOFA or from being a manager of, or being employed by, a licensed body or an authorised non-SRA firm;
- (vi) refused authorisation as a recognised sole practitioner or had such authorisation revoked under regulation 10.2(b)(i), (iii), (iv) or (vi);
- (vii) refused approval to be a manager, owner or compliance officer of an authorised body or of an authorised non-SRA firm or had such approval withdrawn;

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- (viii) a manager, owner or compliance officer of an authorised body whose authorisation has been suspended or revoked by the SRA under Rule 22 of the SRA Authorisation Rules, except under 22.1(a)(vii), or by another approved regulator; or
  - (ix) made subject to a revocation of his or her practising certificate or registration under regulation 10.2(a)(i) or (v).
- (b) The SRA (or previously the Society) has requested an explanation from the applicant in respect of a matter relating to the applicant's conduct and has notified the applicant in writing that it does not regard the applicant's response, or lack of response, as satisfactory.
- (c) The applicant has failed to deliver within the period allowed an accountant's report required by rules made under section 34 of the SA.
- (d) The applicant's practising certificate or registration has been suspended and the suspension:
- (i) has come to an end;
  - (ii) was continuing when the applicant's last practising certificate or previous registration expired or was revoked; or
  - (iii) is continuing.
- (e) The applicant has been suspended from practice (or suspended from the register, if the applicant is a European lawyer), and the suspension has come to an end.
- (f) The applicant's last practising certificate or previous registration expired or was revoked whilst subject to a condition.
- (g) The applicant's practising certificate or registration is currently subject to a condition.
- (h) The applicant's right to practise as a lawyer of another jurisdiction or as a lawyer of England and Wales (other than as a solicitor) is subject to a condition or restriction.
- (i) The applicant has been restored to the roll or register, having previously been struck off.
- (j) The applicant is an undischarged bankrupt.

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- (k) The applicant:
- (i) has been adjudged bankrupt and discharged
  - (ii) has entered into an individual voluntary arrangement or a partnership voluntary arrangement under the Insolvency Act 1986;
  - (iii) has been a manager of a recognised body, a licensed body or an authorised non-SRA firm which has entered into a voluntary arrangement under the Insolvency Act 1986;
  - (iv) has been a director of a company or a member of an LLP which has been the subject of a winding up order, an administration order or administrative receivership; or has entered into a voluntary arrangement under the Insolvency Act 1986; or has been voluntarily wound up in circumstances of insolvency.
- (l) The applicant lacks capacity (within the meaning of the Mental Capacity Act 2005) and powers under sections 15 to 20 or section 48 of that Act are exercisable in relation to the applicant.
- (m) The applicant has been committed to prison in civil or criminal proceedings and:
- (i) has been released; or
  - (ii) has not been released.
- (n) The applicant has been made subject to a judgment which involves the payment of money, other than one:
- (i) which is limited to the payment of costs; or
  - (ii) in respect of which the applicant is entitled to indemnity or relief from another person as to the whole sum; or
  - (iii) which the applicant has paid, and supplied evidence of payment to the SRA (or previously to the Society).
- (o) The applicant is currently charged with an indictable offence.
- (p) The applicant has been convicted of an indictable offence or any offence under the SA, the Financial Services and Markets Act 2000, the Immigration and Asylum Act 1999 or the Compensation Act 2006.
- (q) The applicant has been disqualified from being a company director.

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- (r) The applicant has been removed from the office of charity trustee or trustee for a charity by an order within the terms of section 72(1)(d) of the Charities Act 1993.
- (s) The applicant has been the subject in another jurisdiction of any circumstance equivalent to those listed in (j) to (r).

**Spent convictions** – please note that convictions which are ‘spent’ under the Rehabilitation of Offenders Act 1974 must be disclosed by virtue of the Rehabilitation of Offenders Act 1974 (Exceptions) (Amendment) (England and Wales) Order 2008.

**Honesty, integrity or respect for law** – you need to provide details as to whether you have ever been involved in “other conduct” which calls these matters into question. We expect you to interpret this question broadly. You must provide information about matters which are not the subject of another question on the form, but are or may be relevant to the consideration of your character and suitability – for example:

- a caution,
- a warning,
- an Anti-Social Behaviour Order,
- a charge/conviction relating to an offence which is not indictable
- an investigation or any disciplinary action by a professional/regulatory body since you were last issued with a practising certificate/registration.
- 

You will need to provide **all documentation relating to such matter(s)**.

## Section 13 - Turnover

This information will help us to develop our profiles of firms. Importantly, recognised sole practitioners are required to pay periodical fees (normally annually) which are calculated using the firm’s turnover.

We acknowledge that information about firms’ fees is commercially sensitive. We will use it for regulatory purposes only, and we will not use it in a way that allows the information to be attributed to a particular firm.

### Providing your turnover figure

The way the turnover figure is determined varies depending on whether you are, on approval, a New Recognised Sole Practitioner or a Successor Recognised Sole Practitioner.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

Please see the [glossary](#) for the meaning of New Recognised Sole Practitioner and Successor Recognised Sole Practitioner, for the purpose of providing your turnover figure.

### **New Recognised Sole Practitioner**

For a New Recognised Sole Practitioner (i.e. not a Successor Recognised Sole Practitioner), an estimate for the first twelve months of practice (irrespective of whether this is after 31 October 2011) will be accepted. The basis upon which you have made the estimate should be provided on a separate sheet.

Please provide the turnover figure **both in numerical and word** format. If you only provide one format you will be asked to provide the missing format and this will delay your application being processed.

### **Successor Recognised Sole Practitioner**

For a Successor Recognised Sole Practitioner, a separate Notice of Succession (form NS1) should be submitted, providing an agreed successor turnover figure.

Regulation 5 of the Practising Regulations requires sole practitioners affected by a change, for example, an acquisition, merger or split, to provide the SRA with a successor turnover figure which is calculated by apportioning the historic turnover figures for each of the firms affected by the change.

Form NS1 is the prescribed form to notify the SRA of a successor turnover figure for each of the affected firms where:

- A firm has succeeded to the whole or part of the practice of one or more firms, and/or
- A firm has split or ceded part of the practice to another firm and wishes this change to be considered by the SRA when determining the firm's next periodical fee.

You can download form NS1 and further guidance from our website at [www.sra.org.uk/ns1](http://www.sra.org.uk/ns1).

**Notice of Succession submission** - where form NS1 is required, it must be submitted within 28 days of the change taking place. Please indicate if a Notice of Succession has been submitted and provide the submission date where appropriate.

## **Section 14 - Declaration of compliance**

Knowingly or recklessly giving the SRA information which is false or misleading in a material particular, or failure to inform the SRA of materially significant information of which you are aware, may lead to disciplinary action by the SRA or revocation of your approval to practise as a sole practitioner.

The SRA reserves the right to carry out or to request you to carry out fresh checks in relation to your compliance with the SRA's rules and relevant legal requirements.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

**Signing the form** – the form must be signed by the solicitor or REL who is applying for approval to practise as a sole practitioner. After signing, please also date the declaration.

**Determination of application** – the Practising Regulations allow us to grant or refuse an application (regulation 4.2(a) and (b)). We can also attach conditions to your practising certificate or registration as an REL which we consider appropriate in the public interest (regulation 7), for example preventing you undertaking certain activities. The regulations also permit us to revoke approval to practise as a sole practitioner in appropriate circumstances (Regulation 10.2(b)).

**“Regulation 4.2**

- (a) The SRA may grant an application under regulation 4 if the applicant:
  - (i) will be practising as a sole practitioner from an office in England and Wales;
  - (ii) is not, and is not about to be made, subject to a condition on his or her practising certificate or registration which would prohibit practice as a sole practitioner;
  - (iii) has adopted a name under which his or her firm is to be recognised, and which complies with Chapter 8 of the SRA Code of Conduct (Publicity);
  - (iv) will comply with (or has a waiver of) Rule 12 of the SRA Practice Framework Rules; and(v) will comply with the SRA Indemnity Insurance Rules in respect of his or her firm.
- (b) The SRA may refuse an application under regulation 4 if it is not satisfied that the applicant is suitable to run and manage a business providing regulated legal services or if for any other reason the SRA reasonably considers that it would be against the public interest to grant recognition.”

**“Regulation 10.2 ...**

- (b) The SRA may revoke authorisation as a recognised sole practitioner at any time if:
  - (i) the authorisation as a recognised sole practitioner was granted as a result of error or fraud;
  - (ii) the solicitor or registered European lawyer is not practising from an office in England and Wales;
  - (iii) the SRA is not satisfied that the recognised sole practitioner continues to meet the criteria for authorisation as a recognised sole practitioner;

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- (iv) the recognised sole practitioner or any employee of the firm fails to comply with the duties imposed under the SRA's regulatory arrangements or any statutory obligations, including failure to pay any fine or other financial penalty imposed by the SRA, the Tribunal or the High Court;
- (v) the recognised sole practitioner has a temporary emergency recognition but has not within the initial 28 day period or any extension of that period commenced a substantive application for recognition; or
- (vi) the SRA has decided under regulation 4 not to renew authorisation as a recognised sole practitioner."

**Appeals** – under Practising Regulation 8, you can appeal against a decision of the SRA to reject the application for approval or to impose a condition. Note that there are time limits.

#### *Notes to Section 14 declarations*

- 1) The form must be signed by the sole principal applying for approval.
- 2) If you wish to describe anyone as a salaried partner or associate partner, or otherwise hold anyone out as a partner in your firm, they will be regarded as a partner of the firm (see Chapter 14 of the Code). If you wish to have such partners, you cannot practise as a recognised sole practitioner and should apply for recognition of your firm as a partnership on form RB1.

## **Section 15 – Fees**

The fee for approval of to practise as a recognised sole practitioner varies depending on whether you will, on approval, be a New Recognised Sole Practitioner or a Successor Recognised Sole Practitioner.

Please see the [glossary](#) for the meaning of New Recognised Sole Practitioner and Successor Recognised Sole Practitioner, for the purpose of calculating your firm's fee.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

### For a New Recognised Sole Practitioner

The fees for a firm which, on approval, will be a New Recognised Sole Practitioner are listed below. Please note the charge for handling the application is £200, this charge is included in the fees below. If you decide to withdraw your application or your application is refused we will issue you a refund, however the charge for handling your application will be retained.

Recognition approval date between:	Fee
1 November 2011 to 31 December 2011 inclusive	£1,000
1 January 2012 to 31 March 2012 inclusive	£800
1 April 2012 to 30 June 2012 inclusive	£600
1 July 2012 to 31 October 2012 inclusive	£400

### Compensation Fund contribution

A Compensation Fund contribution is payable by firms which intend to hold or receive client money. If you intend to hold or receive client money (as defined in the SRA Accounts Rules) at any time during the period 1 November 2011 to 31 October 2012, you are required to pay this contribution when you submit your application.

Recognition approval date between:	Contribution
1 November 2011 to 31 December 2011 inclusive	£772
1 January 2012 to 31 March 2012 inclusive	£579
1 April 2012 to 30 June 2012 inclusive	£386
1 July 2012 to 31 October 2012 inclusive	£193

Please note, the date of our decision will determine the final fees payable. We will aim to approve your authorisation to practise as a recognised sole practitioner on your preferred practice commencement date. If however, you do not allow sufficient time for us to process your application, or your application is not fully in order, your actual approval date may be different from the proposed practice commencement date that you specify. If this is the case, we will automatically send you a refund or request further fees from you, if applicable.

Recognised bodies are required to pay periodical fees (normally annually) which are calculated using the firm's turnover. Your firm's next periodical fee will be calculated using the turnover figure that you provide in [Section 13](#).

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

### **For a Successor Recognised Sole Practitioner**

The fee for a firm which, on approval, will be a Successor Recognised Sole Practitioner is £200. This is the charge for handling the application.

If however the predecessor sole practitioner(s) or recognised body(ies) have not paid a fee for the practising year 1 November 2011 to 31 October 2012, the fee shall be determined as if the body were applying for renewal, plus a fee of £200. This is the charge for handling the initial application.

If you decide to withdraw your application or your application is refused the charge for handling your application will be retained.

### **Compensation Fund contribution**

The SRA will waive this contribution where the application is made by a firm which is succeeding to the practice of another recognised body(ies) or recognised sole practitioner(s) and the predecessor body(ies) or practitioner(s) has already paid a contribution to the Compensation Fund.

Recognised bodies are required to pay periodical fees (normally annually) which are calculated using the firm's turnover. Your firm's next periodical fee will be calculated using the successor turnover figure agreed in the associated Notice of Succession (form NS1). You can download form NS1 and further guidance at [www.sra.org.uk/ns1](http://www.sra.org.uk/ns1).

**How to pay** – please refer to information on ways to pay at [www.sra.org.uk/payment](http://www.sra.org.uk/payment). Your application will not be accepted without the correct fee.

## **Section 16 - Returning the form**

Please provide a list of any additional documents that you are sending, including additional pages, other supporting documents and information. Please mark each document clearly with the section of the form to which it relates.

Please send the form, appropriate fee and all documents to the SRA's postal or DX address given in [Section 16](#) of the form.

## **Section 17 - Application checklist**

Please refer to the checklist to ensure that you have completed the form and provided the information we need, so that we can deal with your application as quickly as possible.

For alternative formats, email [contactcentre@sra.org.uk](mailto:contactcentre@sra.org.uk) or telephone 0870 606 2555.

## **Glossary of terms**

### **Approved regulators**

A regulatory body approved under the Act to authorise individuals or firms to undertake reserved legal activities; the approved regulators named in the Act are the Law Society (which will act through its independent regulatory body, the SRA), the Bar Council, the Master of Faculties, the Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys, the Association of Law Costs Draftsmen, Association of Chartered Certified Accountants and Institute of Chartered Accountants of Scotland.

### **Firm**

Includes a sole practice, partnership, LLP or company through which a solicitor or REL practises (other than in-house).

### **Head or main office**

The "head or main office" is the office address that we will hold in our records as the main address for your firm.

### **New Recognised Sole Practitioner**

A New Recognised Sole Practitioner means a recognised sole practitioner who first became authorised as a recognised sole practitioner after 31 October 2011 and who is not a Successor Recognised Sole Practitioner.

### **Manager**

A manager of a firm is a

- partner in a partnership
- member of an LLP
- director of a company.

### **Other lawyer**

Types of lawyer not authorised by the SRA—i.e. barristers, notaries, legal executives, licensed conveyancers, patent agents, trade mark agents or law costs draftsmen etc.

### **Other office**

Any office of a firm other than the head or main office.

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## **RB1**

This is the application for to apply for approval of a new partnership to practise under the SRA Recognised Bodies Regulations 2011 (including a new partnership which is a legal disciplinary practice).

### **Recognised body**

A partnership, LLP or company recognised by the SRA under section 9 of the Administration of Justice Act 1985 as suitable for the provision of legal services.

### **Recognised sole practitioner**

The designation for a solicitor or REL who is authorised by the SRA under section 1B of the Solicitors Act 1974 to practise as a sole practitioner (by endorsement of the solicitor's practising certificate or REL's registration; recognised sole practitioner is a parallel term to recognised body).

### **Registered European lawyer (REL)**

A European lawyer registered with the SRA under regulation 17 of the European Communities (Lawyer's Practice) Regulations 2000 (S.I. 2000 No. 1119) to permit practice in the UK.

### **Registered foreign lawyer (RFL)**

A lawyer of another jurisdiction registered with the SRA under section 89 of the Courts and Legal Services Act 1990 to permit them to practise as a manager of a recognised body.

### **Successor Recognised Sole Practitioner**

Successor Recognised Sole Practitioner means for the purposes of calculating the fees, a recognised sole practitioner who after 31 October 2011 succeeds to the whole or any part of any recognised body or recognised sole practitioner, for value or otherwise, in any of the following cases:

#### **case (I):**

a recognised sole practitioner who acquires the whole or a part of one or more recognised bodies or recognised sole practitioners;

#### **case (II):**

a recognised sole practitioner resulting from the merger between the whole or part of two or more recognised bodies or recognised sole practitioners;

#### **case (III):**

a recognised sole practitioner remaining after it has split or ceded part of its practice to another recognised body or recognised sole practitioner.

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## Successor Turnover

Successor turnover is relevant where firms have changed through, for example, an acquisition, merger or split. Certain firms affected are required to submit a notice of Succession to the SRA with an agreed apportionment of turnover among the affected firms.

As guidance successor turnover shall be calculated based on the Turnover Figures for each of the affected firms.

If a firm has succeeded to the whole or a part of one or more firms (e.g. through merger or acquisition), successor turnover will be calculated by combining the appropriate proportion of the turnover figure for each of the affected firms which has become part of the successor practice:

- In a simple merger between firms A and B, combine the Turnover for each firm.
- In a merger of one firm (firm A) with part of another firm (e.g. one third of firm B) then firm A should add the corresponding proportion of firm B's Turnover Figure to its Turnover Figure (e.g. firm A's Turnover Figure + third of firm B's Turnover Figure).

For a firm which has split or ceded part of their practice to another firm and wishes this change to be reflected in a successor turnover figure, the successor Turnover Figure will be a proportion of the Turnover Figure, as long as it is clear how the Turnover Figure for such a firm is to be distributed between the successor firms. 100% of the Turnover Figure must be accounted for between the successor firms.

For example:

- In a merger of firm A with one third of firm B then,
  - firm B's successor turnover figure will be two thirds of its Turnover Figure, Firm A's will be its Turnover Figure plus one third of B's Turnover Figure;
- Where firm A and one third of firm B become new firm C,
  - firm A's turnover will be £0 (closed) and B's turnover will be two thirds of its Turnover Figure. Firm C's successor turnover figures will be the combination of A's Turnover Figure and one third of firm B's.

In a case where all successor firms agree on the apportionment of 100% of the Turnover Figures, then the SRA will accept the successor turnover figures.

In the case where all successor firms are unable to agree the apportionment of 100% of the Turnover Figures, then the SRA will treat the Notice of Succession as an application for it to determine this apportionment based on the information available and its decision will be final.

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## Turnover Figure

The following paragraphs describe how the turnover figure that will be used for the purposes of determining the renewal fee will be calculated.

1. Turnover figure means a firm's total gross fees arising from work undertaken from offices in England and Wales.
  - *Gross fees includes:* all professional fees of the firm including remuneration, retained commission, and income of any sort whatsoever of the firm (including notarial fees). Work in Progress (WIP) should be included.
  - *Gross fees does not include:* interest, reimbursement of disbursements, VAT, remuneration from a non-private practice source, dividends, rents, and investment profit.
2. The turnover figures that will be used when billing firms in October 2012 will be based on **closed accounts**, audited where possible.
  - Closed accounts are defined, in order of preference, as:
    1. an audited set of financial statements
    2. an unaudited set of financial statements signed off by an accountant
    3. a submitted tax return for the year.
3. Bad debt should be handled under normal accounting procedures. Where it has been allowed for in the turnover figure for a firm's last closed accounting period prior to 1 November 2011, that is acceptable. If a bad debt has been discovered after closing the firm's accounts, then the turnover figure cannot be re-adjusted. Those adjustments could potentially be accounted for in the following year's closed accounts.
4. The turnover figure should, wherever possible, be for the last complete (12 months) accounting period prior to the 1 November 2011 (e.g. 31 March 2011). The latest acceptable annual accounting period end date is 31 October 2011.
5. The turnover figure should be an exact figure wherever possible. A figure rounded to the nearest £1,000 will be acceptable only if more detail is unavailable.
6. Those firms who do not have closed accounts which ended within the period from 1 November 2010 to 31 October 2011, should provide the SRA with an estimate of the turnover figure as well as the previous year's turnover figure based on accounts which have been closed.
7. The turnover figure must be for a 12-month period.
  - (a) For a brand new firm (i.e. not a successor firm nor one resulting from change in status), an estimate for the first 12 months of practice (irrespective of whether this is after 31 October 2011) will be accepted; the

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basis upon which the firm has made the estimate should be provided to the SRA.

- (b) If a firm has changed its annual accounting period, its latest closed accounting period prior to the 1 November 2011 will be shorter or longer than 12 months. The following approach should be used by the firm, providing an explanation of how they have derived their turnover figure:
- Preferably, provide the turnover for the 12-month period immediately preceding the new accounting period end date (as long as prior to 1 November 2011).
  - Alternatively, if this is not possible then take the last closed accounts period prior to the 1 November 2011 and scale it appropriately (e.g. if the last closed accounting period was for six months then it should be doubled; if the last closed accounting period was for 15 months, then it should be divided by 15 and then multiplied by 12).
8. If a firm has a change in status (e.g. partnership to LLP, sole practitioner to partnership), then at renewal it should respond as if there were no change in status.

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