

Accounts rules

Solicitors' Accounts Rules 1998

Last updated 6 October 2011

The Solicitors' Accounts Rules 1998 have been replaced on the 6 October 2011 by the SRA Accounts Rules 2011 as part of the introduction of outcomes-focused regulation.

Go to

The Solicitors' Accounts Rules 1998 were amended on 31 March 2009 as part of a general updating of the rules to introduce firm-based regulation and legal disciplinary practices as provided for in the Legal Services Act 2007. To view changes to the rules, follow the links in the table of contents below.

Appendix 5 (Form AR1) was amended on 21 May 2009 in order to clarify who should be named on the accountant's report in accordance with rule 35 [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r35>] of the accounts rules.

For versions of the Accounts Rules in force prior to 14 July 2008, visit Previous Accounts Rules [<https://www.sra.org.uk/solicitors/code-of-conduct/previous-accounts-rules>] .

For help using change tracker, see What is change tracker? [<https://www.sra.org.uk/solicitors/change-tracker/change-tracker>]

Contents

- Part A – General [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#p-a>]
 - Rule 1 – Principles [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r1>]
 - Rule 2 – Interpretation [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r2>]
 - Rule 3 – Geographical scope [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r3>]
 - Rule 4 – Persons governed by the rules [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r4>]
 - Rule 5 – Persons exempt from the rules [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r5>]
 - Rule 6 – Principals' responsibility for compliance [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules->



a/#r6]

- Rule 7 – Duty to remedy breaches [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r7>]
- Rule 8 – [repealed] [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r8>]
- Rule 9 – Liquidators, trustees in bankruptcy, Court of Protection deputies and trustees of occupational pension schemes
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r9>]
- Rule 10 – Joint accounts [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r10>]
- Rule 11 – Operation of a client's own account
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r11>]
- Rule 12 – Solicitor's rights not affected [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r12>]
- Rule 13 – Categories of money [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-a/#r13>]
- Part B – Client money and operation of a client account
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#p-b>]
 - Rule 14 – Client accounts [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r14>]
 - Rule 15 – Use of a client account [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r15>]
 - Rule 16 – Client money withheld from client account on client's instructions
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r16>]
 - Rule 17 – Other client money withheld from a client account
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r17>]
 - Rule 18 – [repealed] [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r18>]
 - Rule 19 – Receipt and transfer of costs [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r19>]
 - Rule 20 – Receipt of mixed payments [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r20>]
 - Rule 21 – Treatment of payments to legal aid practitioners
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r21>]



- Rule 22 – Withdrawals from a client account
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r22>]
- Rule 23 – Method of and authority for withdrawals from client account
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-b/#r23>]
- Part C – Interest [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-c/#p-c>]
 - Rule 24 – When interest must be paid [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-c/#r24>]
 - Rule 25 – Amount of interest [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-c/#r25>]
 - Rule 26 – Interest on stakeholder money [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-c/#r26>]
 - Rule 27 – Contracting out [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-c/#r27>]
 - Rule 28 – [repealed] [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-c/#r28>]
- Part D – Accounting systems and records
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-d/>]
 - Rule 29 – Guidelines for accounting procedures and systems
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-d/#r29>]
 - Rule 30 – Restrictions on transfers between clients
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-d/#r30>]
 - Rule 31 – Executor, trustee or nominee companies
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-d/#r31>]
 - Rule 32 – Accounting records for client accounts, etc.
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-d/#r32>]
 - Rule 33 – Accounting records for clients' own accounts
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-d/#r33>]
- Part E – Monitoring and investigation by the SRA
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-e/#p-e>]



- Rule 34 – Production of records [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-e/#r34>]
- Part F – Accountants' reports [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#p-f>]
 - Rule 35 – Delivery of accountants' reports
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r35>]
 - Rule 36 – Accounting periods [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r36>]
 - Rule 37 – Qualifications for making a report
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r37>]
 - Rule 38 – Reporting accountant's rights and duties - letter of engagement
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r38>]
 - Rule 39 – Change of accountant [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r39>]
 - Rule 40 – Place of examination [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r40>]
 - Rule 41 – Provision of details of bank accounts, etc.
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r41>]
 - Rule 42 – Test procedures [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r42>]
 - Rule 43 – Departures from guidelines for accounting procedures and systems [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r43>]
 - Rule 44 – Matters outside the accountant's remit
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r44>]
 - Rule 45 – Privileged documents [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r45>]
 - Rule 46 – Completion of checklist [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r46>]
 - Rule 47 – Form of accountant's report [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r47>]
 - Rule 48 – Practices with two or more places of business
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r48>]

- Rule 49 – Waivers [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-f/#r49>]
- Part G – Commencement [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-g/#p-g>]
 - Rule 50 – Commencement [<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-g/#r50>]
- Appendix 1 – Flowchart: Effect of the Solicitors' Accounts Rules
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-appendix-1/>]
- Appendix 2 – Special Situations – What Applies
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-appendix-2/>]
- Appendix 3 – Accounting Procedures and Systems
[<https://www.sra.org.uk/solicitors/guidance-old/change-tracker/accounts-rules/accounts-rules-appendix-3/>]
- Appendix 4 – Reporting Accountant's Checklist (PDF 5 pages, 128K)
[<https://www.sra.org.uk/globalassets/documents/rules/sar/solicitors-accounts-rules-appendix-4.pdf?version=4ae290>]
- Appendix 5 – Accountant's Report Form (AR1) (PDF 9 pages, 459K)
[<https://www.sra.org.uk/globalassets/documents/rules/sar/solicitors-accounts-rules-appendix-5.pdf?version=4ae28b>]