

**Alisha Butler**  
**Solicitor**  
**402924**

**[Agreement Date: 25 April 2023](#)**

**Decision - Agreement**

Outcome: Regulatory settlement agreement

Outcome date: 25 April 2023

Published date: 2 May 2023

**Firm details**

**Firm or organisation at date of publication and at time of matters giving rise to outcome**

Name: Phoenix Legal Limited.

Address(es): 50 Argyle Street, Birkenhead, Wirral, CH41 6AF.

Firm ID: 640208

**Outcome details**

This outcome was reached by agreement.

**Decision details**

**1. Agreed outcome**

1.1 Alisha Butler ("Ms Butler"), owner and sole director of Phoenix Legal Limited ("the Firm"), agrees to the following outcome to the investigation of her conduct by the Solicitors Regulation Authority (SRA):

- a. she is rebuked
- b. to the publication of this agreement
- c. she will pay the costs of the investigation of £600.

**2. Summary of Facts**

2.1 The Firm is solely owned and managed by Ms Butler. She is also the Firm's Compliance Officer for Legal Practice and Compliance Officer for Finance and Administration.



2.2 The SRA carried out an investigation into the Firm following receipt of a Qualified Accountant's Report for the accounting period 1 April 2020 to 31 March 2021.

2.3 The investigation identified areas of concern in relation to the SRA Accounts Rules 2011 and the SRA Accounts Rules 2019. The following issues were identified:

- a. That the Firm was unable to demonstrate that reconciliations had been carried out at least once every 5 weeks.
- b. That the Firm had failed to keep and maintain proper and accurate accounting records.
- c. That a client account shortage of £2,072.12 existed as at 31 March 2021 and was caused by liabilities in six client matters not being shown in the books of account. The cash shortage of £2,072.12 was addressed by Ms Butler making the appropriate payments from the office account during the SRA inspection.
- d. That client money had been dealt with through a non-client bank account between September 2017 and October 2020.

### **3. Admissions**

3.1 Ms Butler makes the following admissions which the SRA accepts:

- a. That by failing to keep accounting records properly written up, allowing a client account shortage to occur and dealing with client money through a non-client bank account she has:
  - breached Rules 1.2(b), 1.2(e), 1.2(f), 7.1, 29.1(a) and 29.9 of the SRA Accounts Rules 2011 and Rules 4.1, 6.1, 8.1 and 8.3 of the SRA Accounts Rules 2019; and
  - breached Principles 4, 5, 6, 8 and 10 of the SRA Principles 2011 and Principles 2 and 7 of the SRA Principles 2019.

### **4. Why a written rebuke is an appropriate outcome**

4.1 The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its standards or requirements.

4.2 When considering the appropriate sanctions and controls in this matter, the SRA has taken into account the admissions made by Ms Butler and the following mitigation which she has put forward:

- a. That the accounting issues which arose were exacerbated due to the difficulties in recruiting experienced staff during the height of the Covid 19 pandemic.
- b. That she rectified the client account shortage during the course of the SRA inspection at the Firm.



- c. That the use of a non-client bank account was not intentional as the bank erroneously advised her and issued a paying in book that incorrectly stated that the account was a client account.
- d. That she has co-operated with the SRA's investigation and took prompt steps to rectify outstanding accounting issues following our involvement in the matter.
- e. That she has shown insight into and expressed remorse for her failings in the matter.

4.3 The SRA considers that a written rebuke is the appropriate outcome because:

- a. There were a number of accounts issues identified at the Firm which resulted in a serious breach of the SRA Standards and Regulations.
- b. Ms Butler has shown insight and taken steps to strengthen accounting procedures at the Firm.
- c. There was no loss or lasting significant harm to any clients or third parties.
- d. All outstanding issues have been dealt with following our involvement in the matter and there is a low risk of repetition.
- e. Some public sanction is required to uphold public confidence in the delivery of legal services.

## **5. Publication**

5.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. Ms Butler agrees to the publication of this agreement.

## **6. Acting in a way which is inconsistent with this agreement**

6.1 Ms Butler agrees that she will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

6.2 If Ms Butler denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which is subject to this agreement may be considered further by the SRA. That may result in a disciplinary outcome or a referral to the Solicitors Disciplinary Tribunal on the original facts and allegations.

6.3 Denying the admissions made or acting in a way which is inconsistent with this agreement may also constitute a separate breach of principles 2 and 5 of the Principles and paragraph 7.3 of the Code of Conduct for Solicitors, RELs and RFLs.

## **7. Costs**

7.1 Ms Butler agrees to pay the costs of the SRA's investigation in the sum of £600. Such costs are due within 28 days of a statement of costs

due being issued by the SRA.

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