

Accounts Rules Spot-check

This document is a preview of the questions for the Accounts Rules Spot-check. You can use this document to prepare your answers and make notes in advance of completing the online questionnaire at the link we will provide.

Please **do not** submit your final response using this document.

Questions

Depending on your answers you will be asked to complete different sections of the questionnaire.

Q01

Has your firm obtained an accountant's report for its last accounting period which ended before 01 July 2024?

- Yes
- No

If you answered no, you need to go to question Q05.

If you answered yes, you will be required to complete questions 02, 03 and 04.

Additional information:

[What we mean by accountants' reports.](#)

Q02

Please upload a copy of your firm's accountant's report for its last accounting period which ended before 01 July 2024.

Additional information

The report must be uploaded as a PDF. Once you've uploaded it, go to Q03. For information, there is a set way to complete an accountant's report, [this is the prescribed form.](#)

We will not accept responses submitted using this form.
You must complete the online form

Q03

Was the report qualified?

- Yes
 No

Additional information:

Reporting accountants should exercise their professional judgment when assessing a firm's compliance with the Accounts Rules and deciding whether their report needs to be qualified. [See our guidance.](#)

Q04

Was the report obtained within 6 months of the end of the accounting period?

- Yes
 No

Go to Q06. You do not need to answer Q05 because you have an accountant's report.

Q05 – This is for those who answered no to Q01

Is this because your firm is exempt under rule 12 of the SRA Accounts Rules?

- Yes
 No

Additional information:

If during an accounting period, firms have met the following criteria, they may be exempted from the requirement to obtain an accountant's report:

- small amounts of client money are held (an average of less than or equal to £10,000 as well as a maximum of less than or equal to £250,000) at each reconciliation date; or,
- the holding or receipt of money only from the Legal Aid Agency.

For further detail, see rule [12.2 of the Accounts Rules](#) and our guidance, Do I need to operate a client account?

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Q06

How often does your firm carry out a review of residual balances?

This question has a drop-down menu and you will need to select one answer only.

- 0 - 3 months
- over 3 months - 6 months
- over 6 months - 9 months
- over 9 months - 12 months
- over 12 months
- Never

If you review residual balances on a regular ongoing basis please select 0-3 months.

Q07

Does your firm currently hold residual balances?

- Yes
 No

If you answer No, you will go to the end of the survey.

If you answer Yes, you will need to complete questions 08, 09, 10, 11, 12 and 13.

Additional information: For the purpose of this questionnaire, we want to know about balances on client matters, where the last recorded activity on the matter was more than six months ago and the legal transaction has concluded.

Q08 – Only complete if you answered yes to Q07

What % of all current matters have residual balances?

Box to enter number between 1-100

Additional information:

Firms should be able to extract accurate data about residual balances (for example from your accounting records). We understand that firms have different ways of storing information and you should use your best efforts to answer the following questions accurately.

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Q09

What is the total value of residual balances?

Enter the total value of all residual balances to the nearest £1

Box to enter number between £1- £99m.

Q10

How many current matters have residual balances?

Box to enter number between 1-100,000.

Q11

What is the value of the largest residual balance your firm currently holds?

Enter the value of the largest residual balance that you hold for a single matter to the nearest £1.

Box to enter number

Q12

How long have you held the oldest residual balance you currently hold?

This is the time from when legal work on the matter concluded. Drop down menu, you must select one answer only.

- 0 - 6 months
- over 6 months - 12 months
- over 12 months - 18 months
- over 18 months - 2 years
- over 2 years

Q13 – Final question

Which work category currently has the largest total value of residual balances for your firm?

Drop down menu, you must select one answer only.

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- Arbitration and alternative dispute resolution
- Children
- Claims management
- Commercial/corporate work for listed companies
- Commercial/corporate work for non-listed companies
- Consumer
- Criminal
- Discrimination/civil liberties/human rights
- Employment
- Family/matrimonial
- Financial advice and services (Regulated by the SRA)
- Immigration
- Intellectual property
- Landlord and tenant (Commercial and Domestic)
- Litigation - other
- Mental health
- Non-litigation (other)
- Other
- Payment protection insurance
- Personal injury
- Planning
- Probate and estate administration
- Property - residential
- Property commercial
- Social welfare
- Wills, trusts and tax planning
- Youth Court

Review your answers

You will now be given the opportunity to review your answers before submission.

You'll be asked to complete a declaration that the information you have given on the questionnaire is correct to the best of your knowledge and understanding.

Thank you

You will see a thank you message and confirmation of submission.

You will also have the option to download a copy of your submission.

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