



Accountant's reports

Updated 2 July 2024

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Submitting a qualified accountant's report

Who needs to submit a report?

You only need to supply a report where an accountant has qualified it. For example, if client money is at risk. It only applies to firms who at any time during an accounting period:

- held or received client money
- operated a joint account
- operated a client's own account as signatory.

If your accountant's report show a failure to comply with our rules, you must send this to us within six months of the end of the accounting period.

For further details see rule 12.1(b) of the [SRA Accounts Rules](#) [<https://update.sra.org.uk/solicitors/standards-regulations/accounts-rules/#rule-12>].

How to submit a report

Reports must be submitted via mySRA, the deadline for submitting them via email was the end of September 2020.

Accountants can continue to use the Accountants Report Form (AR1) form to provide information on unqualified reports to clients, these do not need to be provided to the SRA, unless requested by the SRA.

Accountants can also use the AR1 form to give qualified reports. These should be uploaded to mySRA by the reporting accountant, or by the SRA authorised firm. You should add the AR1 form as an attachment when you make the declaration.

[Contact us](#) [<https://update.sra.org.uk/home/contact-us/>] if you have questions before you submit a qualified accountant's report.



[Submit an accountant's report](#)

[Log in to mySRA to submit a report, go to new applications](#)

[<https://update.sra.org.uk/link/93f017776e78490eac32edeb8f5a63e0.aspx>]

[Accountants Report Form \(AR1\) \(PDF 3 pages, 201KB\)](#)

[<https://update.sra.org.uk/globalassets/documents/solicitors/firm-based-authorisation/accountants-report-form.pdf?version=4a8d6b>]

What you can expect from us

We aim to process your report within 30 days.

We will send you an automated reply. Please keep it as proof of delivery. We may contact you if we have questions or need more information.

- Firms can ask to change their accounting period for a number of reasons, for example to align with their firm's end of year audit.
- Your first accounting period starts on the date you begin to hold client money. See [Glossary](https://update.sra.org.uk/solicitors/standards-regulations/glossary/#client-money) [<https://update.sra.org.uk/solicitors/standards-regulations/glossary/#client-money>] definition of accounting period in the SRA Accounts Rules.
- You will need to [Contact us](https://update.sra.org.uk/home/contact-us/) [<https://update.sra.org.uk/home/contact-us/>], to tell us the date you start to hold client money, so that we can set up your first accounting period.
- There is no minimum accounting period, but it cannot be longer than 18 months.

How to notify us

You can make this change in your firm's record. Simply log in and go to My Organisation. Find out more about [managing your organisation account](https://update.sra.org.uk/mysra/manage-account/organisation-account/) [<https://update.sra.org.uk/mysra/manage-account/organisation-account/>].

Help with your notification

[Contact us](https://update.sra.org.uk/home/contact-us/) [<https://update.sra.org.uk/home/contact-us/>] if you have questions about changing your period end date.

What you can expect from us

We aim to process all notifications within 30 days.

What is this application for?

Before granting a waiver, we will need to know that in the applicant's specific circumstances, a waiver is compatible with the regulatory



objectives in section 1 of the Legal Services Act 2007. These are listed in our [waiver policy](https://update.sra.org.uk/solicitors/resources-archived/waivers/) [https://update.sra.org.uk/solicitors/resources-archived/waivers/].

You will need to describe how your waiver meets one or more of these objectives and provide supporting evidence.

Read our [complete your application guidance](https://update.sra.org.uk/solicitors/resources-archived/waivers/apply-waiver/) [https://update.sra.org.uk/solicitors/resources-archived/waivers/apply-waiver/] for details of what you are required to submit.

How to apply

Complete the waiver form and return it to us by [email](https://update.sra.org.uk/home/contact-us/) [https://update.sra.org.uk/home/contact-us/]. There is no fee.

You must be clear in your application how this waiver meets one or more of the regulatory objectives as outlined in the [waiver policy](https://update.sra.org.uk/sra/decision-making/guidance/granting-waiver/) [https://update.sra.org.uk/sra/decision-making/guidance/granting-waiver/]. As well as explaining your reasoning, you will also need to provide supporting evidence. Without this evidence, we will be unable to make a decision. We would expect you to provide:

- bank statements for the full accounting period for which the waiver is being sought
- 12 months of monthly reconciliation accounts
- Compliance officer for financial administration breaches reports - if there are no breaches, confirm this in writing
- balance sheet
- any other relevant evidence.

The form is an editable PDF and must be completed electronically.

[Application for a waiver \(PDF 3 page, 1.3MB\)](#)

[\[https://update.sra.org.uk/globalassets/documents/solicitors/innovate/waivers-application.pdf?version=498b7a\]](https://update.sra.org.uk/globalassets/documents/solicitors/innovate/waivers-application.pdf?version=498b7a)

Help with your application

[Contact us](https://update.sra.org.uk/contactus/) [https://update.sra.org.uk/contactus/] if you have any queries before you submit your application.

What you can expect from us

We will let you know if your application is incomplete or ineligible. We will not grant a waiver to the Accounts Rules if:

- the requirement is one imposed by statute
- it would undermine our public interest purpose

- there is another way for the applicant to achieve their objective and which is reasonable to pursue.

We aim to decide within 90 days.