Approval of 2026/27 Practising Fee application made by the Law Society (TLS) and the Solicitors Regulation Authority (SRA) to the Legal Services Board (LSB) under section 51 of the Legal Services Act 2007 (the "Act").

1. The LSB has approved a joint application[1] made by TLS and the SRA to the LSB under section 51 of the Act. Section 51 of the Act relates to the control of practising fees charged by approved regulators.

2. Practising fees are payable by a person under an approved regulator's regulatory arrangements, in circumstances where the payment of the fee is a condition which must be satisfied for that person to be authorised by the approved regulator to carry on one or more reserved legal activities. An approved regulator may only apply amounts raised by practising fees for one or more of the permitted purposes, which are set out in section 51(4) of the Act and the LSB Practising Fee Rules 2021 (Rules)[12].

3. Practising fees are payable under the regulatory arrangements of an approved regulator only if the LSB has approved the level of the fee as required by section 51 of the Act. TLS is an approved regulator, and the SRA is the regulatory body to whom TLS has delegated its regulatory functions.

4. In making an application, an approved regulator must comply with the provisions of the Rules[2]. The Rules provide a framework for the practising fee application and approval process. An approved regulator must also have regard to the LSB Guidance on the Practising Fee Rules 2021 (Guidance)[3].

5. This notice sets out the decision taken and an assessment of the application jointly submitted by TLS and the SRA.

Summary and overview of practising fees application and decision

6. The application sets out that the practising fees proposed for individuals will be £382 for 2026/27. This is a £56 (17%) increase on the £326 fee charged for 2025/26. The application also includes a proposed increase in the practising fees to be charged to firms for 2026/27. These fees are based on firms' turnover and are set out in the table below[4]:

Turnover band	Turnover Range (A)	Pay %* of Turnover within band (B)	Minimum Turnover in band (C)	Minimum Fee in Band (D)
A	£0 - £19,999	0.92%	£0	£100
B	£20,000 - £149,999	0.54%	£20,000	£184

[1] SRA and TLS section S1 practising fee application 2026
[2] https://legalservicesboard.org.uk/wp-content/uploads/2022/11/PCF-Final-Rules-2021-Accessible.pdf
[3] https://legalservicesboard.org.uk/wp-content/uploads/2021/02/Final-PCF-Guidance-2021.pdf

[4] Appendix 1 of the application

C	£150,000 - £499,999	0.53%	£150,000	£886
D	£500,000 - £999,999	0.51%	£500,000	£2,741
E	£1,000,000 - £2,999,999	0.48%	£1,000,000	£5,291
F	£3,000,000 - £9,999,999	0.33%	£3,000,000	£14,891
G	£10,000,000 - £29,999,999	0.28%	£10,000,000	£37,991
H	£30,000,000 - £69,999,999	0.25%	£30,000,000	£93,991
I	£70,000,000 – £149,999,999	0.23%	£70,000,000	£193,991
J	£150,000,000 +	0.08%	£150,000,000	£377,991

** % is equivalent to 'divided by 100' (e.g. 0.48% = 0.0048)*

7. TLS and the SRA's projected total practising fees income for 2026/2027 is £178.1m (an increase from £148.4m in 2025/2026), based on a "reasonable estimate" of the equivalent of 186,500 individuals and an estimated 8,916 firms paying the practising fee[5]. This represents an increase from 182,000 individuals in 2025/2026. The application projects that 40% of practising fee income (£71.3m) will be collected from individuals and the remaining 60% (£106.9m)[6] will be collected from firms.

8. Of the total amount of practising fees to be collected: £111.5m (63%) will be allocated to the SRA and £38.3m (21%) will be retained by TLS, while the remaining £28.4m (16%) will be used to fund the work of the Legal Ombudsman (£19.1m), the Legal Services Board (£5.5m), the Solicitors Disciplinary Tribunal (£2.9m) and the Office for Professional Body Anti-Money Laundering Supervision (£0.8m).

9. The application explains at paragraphs 10 to 14 and 17 to 82 that the SRA requires increased funding of £25m for 2026/27 to support a programme of transformation in response to changes in the legal market, including increasingly complex firm business models, technological change, large firm closures and increased volumes of reports of misconduct. The proposed funding would enable investment in people, systems, data, technology and regulatory capabilities. In paragraph 86 the SRA notes that in developing its programme of work for 2026/27, it has taken into account the current LSB Directions, under which it is required to strengthen its approach to identifying and responding to risks, protecting client money, and preventing consumer harm. We take this to mean the current enforcement action the SRA is subject to under s32 as well as s31(b)) of the Act.

10. The table in paragraph 106 of the application summarises the draft budget for the SRA for 2026/27 and shows that the three largest outgoings are:

    a) Staff costs – £68.6m
    b) SQE costs - £58.2m
    c) Intervention costs – £13.3m

11. The table in paragraph 106 of the application also notes that the SRA expects its property costs to increase by around £3m in 2026/27 and its other costs, which include insurances, audit fees, temporary staff, Board costs, external meeting and marketing costs, research and staff travel to increase by around £550,000. In paragraph 136, the SRA explains that the increase in its property costs is due to its decision to increase its property footprint in Birmingham and London in order to create a working environment

[5] Not all fee payers will pay the full fee as some will be subject to discounts and other will pay a partial fee as they join the profession during the practising year.
[6] See page 4 of the Application: [TLS and SRA section 51 Practising Fees 2026/27 Application]

which will enable it to make the changes noted in paragraph 9 above. In relation to its other costs, in paragraph 139 of its application the SRA notes that it made savings in 2025/26 on aspects of these such as external meetings and activities, temporary staff and research.

12. In paragraphs 15 to 16 of the application, TLS explains that the proposed increase of 2% of practising fees will continue to support the delivery of its current three-year Corporate Strategy, which started in November 2025. TLS further notes that it will seek to bring its reserves levels back into line with its agreed policy of holding total uncommitted reserves equivalent to 3 to 6 months of its operating expenditure. The table under paragraph 144[7] of the application shows that the TLS will allocate the largest sums of practising fee income to the areas noted below:

    a) Directorate of the CEO - £5.2m
    b) Member and external affairs - £27.1m
    c) Corporate Strategy and Performance - £23.0m

13. The LSB's decision is to approve in full the levels of the practising fees for 2026/27 to be charged to individuals and firms as set out in the application by TLS and the SRA. However, given the scale of increase that is envisaged in the SRA's budget, it is essential that consumers, the profession and the wider public can be confident that this additional funding delivers tangible improvements and represents value for money. This is particularly important given that the SRA is currently subject to enforcement action[8].

14. Full details of the LSB's assessment of the application are set out below.

15. Based on the information provided in the application we are satisfied that TLS and the SRA plan to comply with the requirement to only apply amounts raised by practising fees for one or more of the permitted purposes under Section 51(2) of the Act and Rule 29. For the reasons set out below, and despite the significant scale of the increase sought, we are also satisfied that they are reasonable and proportionate for the purposes of Rule 29, and that the amounts to be applied to regulatory functions are sufficient to enable those functions to be discharged effectively. We are satisfied that the SRA has set its budget independently from the TLS, and that the TLS and SRA intend to discharge their regulatory functions in a way that is compatible with the regulatory objectives set out in section 1 of the Act. As noted in paragraph 13 above, the SRA must show how the practising fee is being spent and delivering value for money to enable it to demonstrate measurable improvement in how it is meeting the regulatory objectives, including protecting consumers. We will hold the SRA to account for how the additional practising fee income is deployed against the programme of activity and budget described in the application, including any material reprioritisation, and on the resulting outputs and outcomes.

16. **Annexes A, B and C** of this notice contain the 2026/27 fee determinations approved by the LSB.

LSB assessment

17. For this round of practising fee assessments, the LSB is applying a stronger focus on assessing how effectively regulatory activities which are to be funded by Practicing Fee income[9] will further the interests of consumers and the public. Therefore, in reviewing this year's application from TLS and the SRA we have sought to apply our Practising Fee

[7] Page 23 of the Application: TLS and SRA section 51 Practising Fees 2026/27 Application
[8] Axiom Ince Decision Notice and section 32 Directions; SSB Decision Notice, section 31 Direction to set performance targets and section 35 Statement of Censure

Rules and Guidance in a proportionate way, focusing on consumer outcomes and other essential considerations such as regulators' financial resilience. We have also applied this approach when reviewing how regulators have met any expectations we set in our previous Practising Fee decision notices.

Increased SRA budgetary requirements to deliver improved regulation to protect consumers

18. The SRA is currently subject to three concurrent statutory enforcement measures due to its regulatory failures: (1) the Axiom section 32 Directions[10], (2) the SSB s31(1)(b) performance targets[11] and (3) the section 35 censure[12] relating to SSB Group. The LSB has also decided to initiate further enforcement action under section 31(1)(a) of the Act for the LSB itself to set proposed performance targets to drive the SRA's delivery of the outcomes of the existing s32 Directions, with a decision at the conclusion of that process. Subject to that statutory process, and separate to this decision on the practising fee application, we anticipate requiring the SRA to demonstrate what difference the additional funding is making for consumers and that it is being used efficiently and cost-effectively, as part of any new performance targets.[13].

19. In paragraph 11 of its application, the SRA acknowledges that its regulatory approach, capabilities and resources have not kept pace as the market it regulates has evolved. We have considered that acknowledgement in the context of the issues identified through the SRA's approach to the regulation of Axiom Ince[14] and SSB Group – most recently reinforced by issues arising in its approach to the regulation of the PM Law Group.[15] .

20. In paragraphs 17 to 82 of its application, the SRA explains how it intends to modernise its regulatory approach to protect consumers from the risks posing the greatest harm to them by:

    a) moving to a more proactive approach to regulation.
    b) improving how it prioritises cases.
    c) improving its operational, technological and data handling capabilities and internal processes.
    d) investing in its people, systems, data and its partnerships with regulators and law enforcement.

21. The SRA expects these changes will enable it to focus on those risks posing the greatest harm to consumers by:

    a) improving its ability to spot emerging risks.
    b) allowing it to make quicker, more consistent, and proportionate decisions.
    c) addressing issues before they result in consumer harm and formal investigations.
    d) reducing the negative impact of complaints being missed.
    e) improving its ability to handle a sustained increase in complaints about solicitor misconduct.
    f) improving its support for vulnerable consumers.

22. In paragraphs 116 to 122 of its application, the SRA explains that to make these changes to its regulatory approach and capabilities, it needs to increase its funding to

[10] https://legalservicesboard.org.uk/wp-content/uploads/2025/05/29052025-Final-Decision-Notice-and-Section-32-Directions.pdf
[11] https://legalservicesboard.org.uk/wp-content/uploads/2026/03/SSB-Decision-Notice.pdf
[12] https://legalservicesboard.org.uk/wp-content/uploads/2026/03/Annex-B-Public-Censure.pdf
[13] LSB statement on SRA performance and consumer protection 3 September 2026
[14] Berkeley Partners Independent Assurance Review report
[15] Jenner and Block Independent Review report

invest in its people and systems while continuing to deliver its core regulatory activity. In paragraph 42, the SRA says that changes to its supervisory approach should, once implemented, lower its own costs and those of its regulated community. In paragraph 64, the SRA says that to facilitate the changes, it will pause certain lower-priority work, such as some consumer empowerment projects and potential CILEX redelegation activity.

23. We acknowledge that the SRA needs sufficient funds to implement the changes to its regulatory approach, including those responding to the LSB's existing enforcement actions. However, we are aware that these funds will come from solicitors' and firms' practising fees and that the added regulatory cost may be passed onto consumers in the prices they pay for legal services. Therefore, in assessing this application, we have considered whether the proposed level of funding is justified, proportionate and supported by appropriate evidence. We note that the SRA has evidenced how it intends to allocate practising fees to implement its new regulatory approach and comply with current enforcement actions for the benefits of consumers. We will need clear evidence that the improvements are embedded, will last and improve the SRA's performance in the public interest. This is particularly important in light of the recent evaluation of the SRA's performance in meeting the Axiom Directions, and a review of its regulation of PM Law Group which raised substantially similar issues to those in the Axiom Ince report that resulted in the Directions.

24. We therefore identify, as a significant area of focus for the purposes of Rule 29, the need for the SRA to demonstrate how the additional practising fee income is being deployed and what measurable difference the relevant investment is making to regulatory performance, consumer protection and value for money. As noted above, and separate to this decision on the practising fee application, we anticipate requiring the SRA to demonstrate what difference the additional funding is making for consumers and that it is being used efficiently and cost-effectively, as part of any new performance targets.

25. This evidence will inform our wider oversight of the SRA and our assessment of next year's practising fee application. It will also help ensure that the additional funds the SRA proposes to spend on its property and other costs noted in paragraph 11 above support improvements in regulatory performance and consumer protection and provides value for money.

Financial Resilience of the SRA and TLS

26. The Practising Fee Rules require an approved regulator to satisfy the Board that its target level of practising fee reserves and accumulated practising fee reserves are sufficient to ensure reasonable financial resilience even in adverse circumstances based on a proper risk estimate, and to justify if the target level is significantly more or less than 3 to 6 months of expenditure. [16]. The SRA's reserves are held separately from TLS's. Paragraphs 161 to 167 of the application address the SRA's reserves while paragraphs 168 to 169 cover TLS's.

The SRA

27. The SRA's reserves policy[17] was approved by its Board in 2021 and reaffirmed in April 2025 and sets a target range of £17.7m to £25.0m for its uncommitted reserves. In 2023/24, this range represented three to five months' expenditure for the SRA but now equates to two to three months' expenditure against its proposed 2026/27 budget.

[16] LSB Guidance on Practising Fee Rules 2021, issued on 29 January 2021
[17] SRA | Investments and reserves | Solicitors Regulation Authority

28. We therefore asked the SRA to explain why its uncommitted reserves target range now differs from that in the LSB's Guidance. The SRA said if it adhered to the Guidance, this would result in it holding between £25 to £50m of reserves in 2026/27, a level it does not consider would be justified. We observe that the top end of the SRA's target range under its reserves policy, £25m, is equivalent to the low end of the range for its reserves under the Guidance, and that the two are therefore not necessarily incompatible.

29. In response the SRA explained that it currently calculates the target range for its uncommitted reserves by considering the following factors:

    a) Required reserves for potential reductions in income
    b) Required reserves for additional liabilities or commitments
    c) Risks of unexpected expenditure in relation to legal costs
    d) Planned increases in expenditure

30. In its response to our questions, the SRA said it considers that the risks associated with the above factors are relatively unchanged, so the target range for its reserves does not need to grow to match its budget. It considers the range set by its policy remains appropriate and consistent with the Rules and Guidance.

31. In its response to our questions, the SRA explained that during 2025/26 it used its uncommitted reserves to react to various circumstances, including unexpected legal costs associated with high-profile cases, and to make investments before requesting increased funding in 2026/27. This means its uncommitted reserves are expected to reduce from £21.5m in October 2025 to £12m by October of 2026, significantly outside its target range. To restore its uncommitted reserves to within its target range, the SRA proposes using approximately £5.3m of a forecast £10.3m surplus in 2026/27, to be achieved by its proposed increase in its practising certificate fees. The table below shows the SRA's expectations for its uncommitted reserves from October 2025 to October 2027.

SRA expected uncommitted reserves from 31 October 2025 to 31 October 2027

	£000s
Uncommitted (free) reserves 31 October 2025	**21,534**
Forecast deficit 2025/26	(9,908)
Change in fixed assets and depreciation	400
Forecast uncommitted reserves 31 October 2026	**12,026**
Budget surplus 2026/27	10,300
Capital costs associated with increase floorspace	(5,000)
Forecast uncommitted reserves 31 October 2027	**17,326**

32. These forecasts predict that the SRA's uncommitted reserves would, at £17.3m, still be slightly below the bottom of the range set out in its current reserves policy (£17.7m to £25.0m) by the end of October 2027.

33. As the SRA's uncommitted reserve levels are due to be below its target range at the end of both 2025/26 and 2026/27, we have examined its assessment of its financial resilience.

34. In paragraph 166 of its application the SRA states that it is ''comfortable that both the target level for practising fee reserves and the accumulated practising fee reserves are sufficient to ensure that we are reasonably financially resilient even in adverse circumstances''.

35. In paragraph 167, the SRA suggested that if it were to ''face a call on reserves in the coming year, through unexpected activity or emerging priorities for example,'' it could, ''with the agreement of the Board, utilise reserves to avoid scaling back on other planned activity''. However, the SRA states that ''any exceptional requirements are unlikely to be immediate, allowing time to reprioritise and replan our use of resources in most cases''.

36. In paragraph 164, the SRA states that its Board will further consider its reserves policy, including its reserves targets, in 2027 of consulting on its proposed funding requirements for 2027/28.

37. We consider that the SRA has provided a sufficient explanation as to why its current target range for its reserve levels differs from the expected level in the Guidance. We also consider that the SRA's plans to replenish its reserve levels during 2026/27 and mitigate demands on them provides us with sufficient assurance about its financial resilience.

38. The LSB expects the SRA to inform us regarding any changes to its reserves policy, including those resulting from its planned review in 2027, and about how any such changes would impact the SRA's financial resilience.

TLS

39. In paragraph 169 of the application TLS explained that as part of the budgeting process for 2026/27 it had reviewed its reserve policy. After adjustments for known future commitments and anticipated future risks, TLS now intends to hold total uncommitted reserves of between three and six months of its total operating expenditure. TLS does not set an equivalent target range for the reserves it allocates to permitted purposes, however, since this assessment is concerned with TLS's funding of its permitted purposes activities, we consider whether it maintained an equivalent level of permitted purposes reserves against permitted purposes expenditure.

40. Page 23 of the application shows that TLS forecasts its total operating expenditure for 2026/27 will be £59.758m, of which its permitted purposes expenditure constitutes £58.886m.

41. We asked TLS to confirm its uncommitted reserves position at the end of its 2024/25, 2025/26 and 2026/27 financial years. We note that TLS's financial year runs from November to October. We also requested that it separately identify the amounts that are held as permitted and non-permitted reserves and confirm which reserves would be available to support regulatory functions.

TLS expected uncommitted reserves from 31 October 2025 to 31 October 2027

	£000s
Uncommitted (free) reserves 31 October 2025	**£50,627**
of which permitted purposes reserves	£24,373
Forecast uncommitted reserves 31 October 2026	**£44,442**
of which permitted purposes reserves	£18,634
Forecast uncommitted reserves 31 October 2027	**£37,542**
of which permitted purposes reserves	£12,369

42. Based on the figures in the above table, we calculate that TLS's forecast total uncommitted reserves at the end of 2025/26 and 2026/27 will both be above its upper target of six months' total operating expenditure.

43. TLS's forecast amount of £18.634m in permitted purposes reserves at the end of 2025/26 would cover 3.8 months of its permitted purposes expenditure for 2026/27. However, by the end of 2026/27 TLS forecasts that its permitted purposes reserves will reduce to £12.369m, which would only cover 2.5 months of its permitted purposes expenditure in that year.

44. In response to our questions, TLS explained that while permitted reserves cannot be used for non-permitted purposes, non-permitted reserves may be used to support permitted purposes. Therefore, while TLS' permitted purposes reserves will fall below three months of permitted purposes expenditure by the end of 2026/27, we consider that as TLS can access non-permitted reserves should the need arise, we are assured that TLS's expected overall reserve levels provide it with sufficient financial resilience for its permitted purposes activities.

Budget and financial information

45. Rule 17[4] sets out the financial information which the LSB expects each approved regulator to include in its application for approval. This Rule requires that the financial information received from both TLS and the SRA is sufficient, and that each has demonstrated its financial planning for the forthcoming year. Rule 17(c) requires income and expenditure forecasts, including practising fee income, for three years from and including the year for which the practising fee is to be levied where the approved regulator expects a material change in expenditure or income.

46. In its application, the SRA did not provide three-year forecasts. Given the scale of its proposed transformation programme and the possibility of material changes to future funding requirements, we asked it to provide further information about its forward financial position. In its response the SRA said it was not in a position to provide forecasts for the next three years as it was currently developing its Corporate Strategy for 2027-30 which would determine its financial plans for that period, including its high-level expectations for funding requirements. Also, at this early stage of its strategy development, the SRA did not know whether it would need to request a further increase in funding to enable the scale of the transformation of its organisation it is seeking to achieve. The SRA also noted that any changes to its reserves policy would affect its future funding requirements.

47. We note that the SRA has not provided the three-year forecasts ordinarily required under rule 17(c) where a regulator expects a material change in income and expenditure due to the points it makes above. Having considered the scale of the transformation programme including as a result of our enforcement action against the SRA impacting on the SRA's ability to determine future funding requirements with sufficient reliability at this time, we accept sufficiently reliable three-year forecasts cannot be reasonably provided at this stage. This is an exception based on the particular circumstances of the SRA at this time and their absence is not treated as determinative in this application. The SRA's next application must include the fullest available forward financial information and three-year forecasts where the SRA expects a material change in expenditure and income. In the meantime, we will continue to hold the SRA to account to demonstrate that its investment is leading to measurable improvements in outcomes for consumers. This will be an important consideration in assessing future practising fee applications.

Decision

48. The LSB has approved the practising fees application submitted by TLS and the SRA for 2026/27 under section 51 of the Act.

Summary of expectations for the coming year and the 2027/28 application

49. As noted in paragraph 15 above, we expect the SRA to demonstrate during 2026/27 how the additional practising fee income is being deployed and the measurable improvements being achieved in regulatory performance, consumer protection, demonstrating value for money. We have identified this as a significant area of focus which will be considered in next year's application under Rule 29. This includes how the SRA's additional spending on property and other costs noted in paragraph 25 support improvements in regulatory performance and consumer protection and do so in a way that provides value for money.

50. As noted in paragraph 38 above, we expect the SRA to inform us regarding any changes to its reserves policy, including those resulting from its planned review in 2027, and about how any such changes would impact the SRA's financial resilience.

51. As noted in paragraph 47 above, the SRA cannot currently provide an accurate forecast of its income and expenditure due to its particular circumstances at this time. given the points it makes above. However, the SRA's next application must include the fullest available forward financial information and three-year forecasts where the SRA expects a material change in expenditure and income.

52. In the meantime, we will continue to hold the SRA to account for how the additional practising fee income is deployed against the programme of activity and budget described in the application and how its investment is leading to measurable improvements in outcomes for consumers. This will be an important consideration in assessing future practising fee applications.

Richard Orpin, Chief Executive
Acting under delegated authority granted by the Legal Services Board
2 September 2026

Annex A: Practising Certificate Fee Determination 2026

This determination is made by the Solicitors Regulation Authority under section 11 of the Solicitors Act 1974, paragraph 2(1)(b) of Schedule 14 to the Courts and Legal Services Act 1990, rule 1.1 of the SRA Application, Notice Review and Appeal Rules and regulation 7.7 of the SRA Authorisation of Individuals Regulations, with the approval of the Legal Services Board under section 51 of the Legal Services Act 2007.

Practising certificate fee

1. The fee to be paid for each practising certificate issued will be £382 unless paragraphs 2, 3 or 4 below apply.

Newly admitted solicitors and returning to practice

2. Subject to paragraph 3, any solicitor who applies for their first practising certificate during the practising certificate year commencing 1 November 2026 or any solicitor admitted prior to 1 November 2026 who has previously held a practising certificate and who returns to practice shall pay a fee in accordance with the following scale:

   (a) Practising certificate issued 1 November 2026 to 31 December 2026 inclusive - £382
   (b) Practising certificate issued 1 January 2027 to 31 March 2027 inclusive - £299
   (c) Practising certificate issued 1 April 2027 to 30 June 2027 inclusive - £215
   (d) Practising certificate issued 1 July 2027 to 31 October 2027 inclusive - £132

   Paragraphs 2(b) to 2(d) do not apply if during the solicitor's last period without a certificate they undertook any duties which required a practising certificate.

Maternity or equivalent leave provisions

3. A solicitor who applies for a practising certificate during the practising certificate year 1 November 2026 to 31 October 2027 and who is on or has been on statutory maternity leave or a period of leave equivalent to statutory maternity leave within the previous practising year shall pay a fee in accordance with the following scale:

   (a) Practising certificate issued 1 November 2026 to 31 December 2026 inclusive - £215
   (b) Practising certificate issued 1 January 2027 to 31 March 2027 inclusive - £173
   (c) Practising certificate issued 1 April 2027 to 30 June 2027 inclusive - £131
   (d) Practising certificate issued 1 July 2027 to 31 October 2027 inclusive - £90

   This scale does not apply if the solicitor received a reduction for their practising certificate in the previous year for the same period of statutory maternity leave or period of leave equivalent to statutory maternity leave.

Application to registered European lawyers

5. The fee to be paid for initial registration or renewal of registration as a registered European lawyer shall be governed in all respects by the provisions of paragraphs 1 to 4 in the same way as the fee for a solicitor's practising certificate, and for this purpose:

   (a) references to a solicitor shall be interpreted as references to a registered European lawyer or to a European lawyer applying for registration, and references to practice as a solicitor shall be interpreted as references to the provision of legal services in the United Kingdom under, or in reliance upon, a European lawyer's professional title as such;

   (b) references to practising certificates and the issuing of practising certificates, shall be interpreted as references to initial registration or renewal of registration in the register of European lawyers, and references to a first practising certificate shall be interpreted as references to a lawyer's first registration in the register of European lawyers;

   (c) paragraph 3 shall apply to a European lawyer who has, at any time during the practising certificate year commencing 1 November 2026, registered or re-registered as a registered foreign lawyer and who applies for his or her first registration as a registered European lawyer.

Application to registered foreign lawyers

6. The fee to be paid for initial registration or renewal of registration as a registered foreign lawyer shall, subject to paragraph 7 below, be governed in all respects by the provisions of paragraphs 1 to 4 in the same way as the fee for a solicitor's practising certificate, and for this purpose:

   (a) references to a solicitor shall be interpreted as references to a registered foreign lawyer or to a lawyer applying for registration as a registered foreign lawyer, and references to practice as a solicitor shall be interpreted as references to the provision of legal services in England and Wales under, or in reliance upon, a foreign lawyer's professional title as such; and

   (b) references to practising certificates and the issuing of practising certificates, shall be interpreted as references to initial registration or renewal of registration in the register of foreign lawyers, and reference to a first practising certificate shall be interpreted as reference to a lawyer's first registration in the register of foreign lawyers.

   (c) paragraph 3 shall apply to a foreign lawyer who has, at any time during the practising certificate year commencing 1 November 2026, registered or re-registered as a registered European lawyer and who applies for his or her first registration as a registered foreign lawyer.

7. The fee for a registered foreign lawyer practising mainly from an office or offices outside England and Wales shall be £100.

Application to registered Swiss lawyers

8. The fee to be paid for initial registration or renewal of registration as a registered Swiss lawyer shall be governed in all respects by the provisions of paragraphs 1 to 4 in the same way as the fee for a solicitor's practising certificate, and for this purpose:

   (a) references to a solicitor shall be interpreted as references to a registered Swiss lawyer applying for registration, and references to practice as a solicitor shall be interpreted as references to the provision of legal services in the United Kingdom under, or in reliance upon, a Swiss lawyer's professional title as such.

   (b) references to practising certificates and the issuing of practising certificates shall be interpreted as references to initial registration or renewal of registration in the register of Swiss lawyers, and references to a first practising certificate shall be interpreted as references to a lawyer's first registration in the register of Swiss lawyers.

   (c) paragraph 3 shall apply to a Swiss lawyer who has, at any time during the practising certificate year commencing 1 November 2026, registered or re-registered as a registered foreign lawyer who applies for his or her first registration as a registered Swiss lawyer.

Interpretation

9. In this determination:

Practising certificate means the certificate issued in accordance with sections 9 and 10 of the Solicitors Act 1974;

Practising certificate year means the period from 1 November to 31 October inclusive each year during which a practising certificate is operative;

Practising certificate fee means the sum to be paid by a solicitor for a practising certificate for the whole or part of a practising certificate year;

Practice as a solicitor means the provision of legal services under, or in reliance upon, the title "solicitor" whether as a principal, under a contract of employment or under a contract for the provision of services;

Registered European lawyer means a European lawyer registered with the SRA under regulation 17 of the European Communities (Lawyer's Practice) Regulations 2000;

Registered foreign lawyer means a lawyer registered with the SRA under section 89 of the Courts and Legal Services Act 1990;

Registered Swiss lawyer means a lawyer registered with the SRA under regulation 5 (a) (iii) of The Recognition of Professional Qualifications and implementation of International Recognition Agreements (Amendment) (Extension to Switzerland etc) Regulations 2024;

All other terms are to be interpreted in accordance with the SRA Glossary.

10. The singular includes the plural and vice versa.

Commencement

11. This determination shall come into force on 1 November 2026.

Annex B: Recognised Body and Recognised Sole Practice Fee Determination 2026

This determination is made by the Solicitors Regulation Authority under rule 1.1 of the SRA Application, Notice, Review and Appeal Rules and rule 7.1 of the SRA Authorisation of Firms Rules, with the approval of the Legal Services Board under section 51 of the Legal Services Act 2007.

Initial Applications

1. The fee payable by a body or sole practitioner applying for initial recognition as a New Firm is:

   (a) £1,000 on applying for initial recognition to commence in the period 1 November 2026 to 31 December 2026;

   (b) £800 on applying for initial recognition to commence in the period 1 January 2027 to 31 March 2027;

   (c) £600 on applying for initial recognition to commence in the period 1 April 2027 to 30 June 2027;

   (d) £400 on applying for initial recognition to commence in the period 1 July 2027 to 31 October 2027.

2. Where an initial recognition for a New Firm commences in a different period from the period in which the application was made, the fee payable under paragraph 1 shall be adjusted accordingly.

3. (a) This paragraph applies when a body or sole practitioner is applying for initial recognition on or after 1 November 2026 in the following circumstances:

   (i) the application is being made by an existing recognised body or recognised sole practice which is changing its legal status; or

   (ii) the application is being made by a Successor Firm.

   (b) Where in paragraph 3(a) the predecessor authorised body has paid a fee for the practising year 1 November 2026 to 31 October 2027, the fee shall be £200.

   (c) Where in paragraph 3(a) the predecessor authorised body has not paid a fee for the practising year 1 November 2026 to 31 October 2027, the fee shall be determined in accordance with the following:

   (i) in the case of a predecessor recognised body or recognised sole practice, paragraphs 4, 5 or 6, as appropriate, plus an additional application fee of £200; or

(ii) in the case of a predecessor licensed body, paragraph 5 of the Licensed Body Fee Determination 2025, plus an additional application fee of £200.

Annual Periodical fees

Recognised Bodies and recognised sole practices are required to pay annual periodical fees, calculated by reference to the firm's turnover, by the prescribed date which is 31 October in any year. The way that the annual periodical fee is determined will depend on whether the firm is a continuing firm, a new firm or a successor firm. Paragraphs 4 to 6 below deal with the way that the fee is determined in relation to each of those categories.

4. The annual periodical fee payable by a recognised body or recognised sole practice where it is a Continuing Firm shall be determined by taking the Turnover Figure and carrying out the calculations in respect of the relevant band in accordance with appendix 1.

5. The annual periodical fee payable by a New Firm which first obtained authorisation after 31 October 2025 shall be calculated by taking the estimate of the Turnover Figure for the first 12 months of practice and carrying out the calculations in respect of the relevant band in accordance with appendix 1.

6. The annual periodical fee payable by a Successor Firm shall be determined by calculating the Successor Turnover Figure and carrying out the calculations in respect of the relevant band in accordance with appendix 1.

Overseas Branch Offices

7. A recognised body or recognised sole practice which has one or more overseas branch offices shall pay an additional fee of £200 in respect of each overseas office.

Application for the SRA to determine Successor Turnover Figure

8. Where a Notice of Succession does not include the agreement of all relevant firms to the apportionment of turnover, the Notice shall be treated as an application for the SRA to determine the relevant Successor Turnover Figure and the fee for the application is £250.

Interpretation

9. In this determination:

Continuing Firm means a recognised body or recognised sole practice which is not a Successor Firm and in which:

(a) the number and identity of the managers has not changed since 31 October 2025;

(b) the only changes since 31 October 2024 in the number or identity of the managers are as a result of one or more managers leaving or joining the recognised body; or

(c) the identity of the sole practitioner has not changed since 31 October 2025.

New Firm means a recognised body or recognised sole practice which obtained recognition after 31 October 2025 and is not a Successor Firm;

Notice of Succession means a notice required under rule 16.1 of the SRA Authorisation of Firms Rules;

Successor Firm means for the purposes of calculating the annual periodical fees, a recognised body or recognised sole practice which after 31 October 2025 succeeds to the whole or any part of any authorised body, for value or otherwise, in any of the following cases:

case (I):
a recognised body or recognised sole practice which acquires the whole or a part of one or more authorised bodies;

case (II):
a recognised body or recognised sole practice resulting from the merger between the whole or part of two or more authorised bodies;

case (III):
a recognised body or recognised sole practice remaining after it has split or ceded part of its practice to another authorised body;

Successor Turnover Figure means as set out in appendix 3;

Turnover Figure means as set out in appendix 2.

All other terms are to be interpreted in accordance with the SRA Glossary.

10. The singular includes the plural and vice versa.

Commencement

11. This determination shall come into force on 1 November 2026.

Recognised Body and Recognised Sole Practice Fee Determination

Appendix 1

Turnover band	Turnover Range (A)	Pay %* of Turnover within band (B)	Minimum Turnover in band (C)	Minimum Fee in Band (D)
A	£0 - £19,999	0.92%	£0	£100
B	£20,000 - £149,999	0.54%	£20,000	£184
C	£150,000 - £499,999	0.53%	£150,000	£886
D	£500,000 - £999,999	0.51%	£500,000	£2,741
E	£1,000,000 - £2,999,999	0.48%	£1,000,000	£5,291
F	£3,000,000 - £9,999,999	0.33%	£3,000,000	£14,891
G	£10,000,000 - £29,999,999	0.28%	£10,000,000	£37,991
H	£30,000,000 - £69,999,999	0.25%	£30,000,000	£93,991
I	£70,000,000 – £149,999,999	0.23%	£70,000,000	£193,991
J	£150,000,000 +	0.08%	£150,000,000	£377,991

** % is equivalent to 'divided by 100' (e.g. 0.48% = 0.0048)*

Using the table above to calculate the firm fee based on the firm's turnover (T)

1. Identify the turnover value (T) and which corresponding band the turnover falls into from column A.
2. Subtract the figure in the corresponding column C from T for that turnover band.
3. Multiply this figure by the corresponding percentage in column B.
4. Finally add this figure to the corresponding figure in column D.
5. Firm fee then needs to be rounded to the nearest pound (i.e. if less than 50p then round down and if equal to or more than 50p then round up)

Formula: (T - C) x B + D

Example 1: For Turnover of £0:
(£0 - £0) x 0.92% + £100 = £100

Example 2: For Turnover of £200,000:
(£200,000 - £150,000) x 0.53% + £952 = £1,151

Example 3: For Turnover of £800,000:
(£800,400 - £500,000) x 0.51% + £2,702 = £4,271

Example 4: For Turnover of £200,000,000:
(£200,000,000 - £150,000,000) x 0.08% + £360,002 = £417,991

Recognised Body and Recognised Sole Practice Fee Determination

Appendix 2

Turnover Figure

The following paragraphs describe how the turnover figure that will be used for the purposes of determining the fee should 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 2026 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 2025, 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 2025 (e.g. 31 March 2025). The latest acceptable annual accounting period end date is 31 October 2025.

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 2024 to 31 October 2025, 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. The SRA will determine at its discretion whether to use the 2024 figure if an updated 2025 figure based on closed accounts has not been received by 31 August 2026.

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 2025) will be accepted; the 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 2025 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 2025)
- Alternatively, if this is not possible then take the last closed accounts period prior to the 1 November 2025 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 it should respond as if there were no change in status.

Recognised Body and Recognised Sole Practice Fee Determination
Appendix 3

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 Figures 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 the Turnover Figure for the purpose of calculating the fees. The SRA will determine this apportionment based on the information available and its decision will be final.

Annex C: Licensed Body Fee Determination 2026

This determination is made by the Solicitors Regulation Authority under rule 1.1 of the SRA Application, Notice, Review and Appeal Rules and rule 7.1 of the SRA Authorisation of Firms Rules, with the approval of the Legal Services Board under section 51 of the Legal Services Act 2007.

Initial Applications

1. The application fee payable by a body applying for initial authorisation as a licensed body will be calculated as follows:

   (a) an initial payment of £2,000, which is based on a day rate of £600;

   (b) £150 in relation to each candidate subject to approval by the SRA under Part 4 of the SRA Authorisation of Firms Rules, excluding those deemed to be approved under rules 13.3 and 13.5 of the SRA Authorisation of Firms Rules;

   (c) where the SRA's costs in considering the application exceed the amounts specified in (a) and (b) above then such additional costs will be charged at a day rate of £600;

   (d) where the nature of the application means that the SRA has to seek external assistance, the full cost of that assistance will be charged;

   (e) on initially considering an application, the SRA will notify those bodies whose applications it considers likely to exceed the amounts specified in (a) and (b) above and will indicate any additional sums payable in accordance with paragraphs (c) or (d) above;

   (f) notwithstanding any additional sums notified under paragraph (e), the SRA may charge further additional sums in accordance with paragraphs (c) or (d) if unforeseen circumstances arise during the application process, however the SRA shall notify the applicant as soon as reasonably practicable as to the further liability to be incurred.

2. Appendix 1 contains information on the circumstances that may give rise to additional costs that may be chargeable under paragraphs 1(c) and (d) and the SRA may publish additional information from time to time.

Periodical fees

Licensed bodies are required to pay an initial periodical fee on authorisation which is calculated by reference to the firm's estimated turnover. Licensed bodies are also required to pay annual periodical fees by the prescribed date which is 31 October in any year. Paragraphs 3 and 4 below deal with the way in which the initial periodical fee will be calculated for the period which runs from 1 November 2026 to 31 October 2027 and paragraph 5 deals with the annual periodical fee.

Initial Periodical Fee

3. Subject to paragraph 4, the initial periodical fee payable by a licensed body shall be determined by:

(a) taking the estimate of the Turnover Figure for the first 12 months of business and carrying out the calculation in respect of the relevant band in accordance with appendix 2; and

(b) paying one twelfth of that amount in relation to each month or part of a month between the date of authorisation and 31 October 2027.

4. (a) Where a licensed body has succeeded to the whole of the practice of an authorised body the fee calculated in accordance with paragraph 3 shall be reduced by one twelfth of the firm fee already paid by the predecessor authorised body in respect of each month between the date of authorisation of the licensed body and 31 October 2027.

(b) Where a licensed body has succeeded to part of the practice of an authorised body the fee calculated in accordance with paragraph 3 shall be reduced as set out in paragraph 4(a) above but the reduction shall relate to such proportion of the firm fee as the SRA shall determine taking into account any Notice of Succession or other information.

Annual Periodical Fee

5. The annual periodical fee payable by a licensed body shall be determined by taking the estimate of the Turnover Figure for the first 12 months of business or, where the licensed body became a licensed body before 1 November 2024, the Turnover Figure, and carrying out the calculation in respect of the relevant band in accordance with appendix 2.

Overseas Branch Offices

6. A licensed body which has one or more overseas branch offices shall pay an additional fee of £200 in respect of each overseas office.

Interpretation

7. In this determination:

Notice of succession means notice required under rule 16.1 of the SRA Authorisation of Firms Rules;

Turnover Figure means as set out in appendix 3.

All other terms are to be interpreted in accordance with the SRA Glossary.

Commencement

8. This determination shall come into force on 1 November 2026.

Licensed Body Fee Determination: Appendix 1

1. The initial payment of £2,000 includes the costs that the SRA will incur in reviewing the application and considering whether, and if so how much, additional time and external assistance will be required. At the end of the review the SRA will notify the applicant of additional sums payable under paragraph 1 (c) and (d). Such estimate may be exceeded if unforeseen circumstances require additional time or external assistance.

2. The following list contains indicators of circumstances relating to the applicant body that may lead to the SRA seeking further information and incurring additional costs:

   (a) proposed outsourcing arrangements;

   (b) proposed initial public offering;

   (c) proposed franchise model;

   (d) proposed multiple fee sharing and /or referral arrangements;

   (e) proposed multi-disciplinary practice, involving other regulators;

   (f) the applicant is part of a group including other organisations or permitted separate businesses which could cross sell services and /or give rise to potential conflicts.

This list is not exhaustive.

3. The SRA estimates that a combination of indicators that includes one or more of (a) to (d) above (moderate complexity) may require an additional 15 days of cost and an approximate additional charge of £9,000.

4. The SRA estimates that a combination of indicators that includes one or more of (e) and (f) together with any of the other indicators (high complexity) may require an additional 30 days of cost and an approximate additional charge of £30,000.

5. Additional costs may also be incurred where candidates, or sources of funding are located overseas. This could include the use of specialised external agencies to provide detailed reports on foreign individual and corporate owner applicants and may cost between £3,000 and £5,000 dependent on the jurisdiction.

6. Additional costs may also be incurred where there are complex ownership structures which require investigation in order to identify all persons who hold a material interest.

Licensed Body Fee Determination: Appendix 2

Turnover band	Turnover Range (A)	Pay %* of Turnover within band (B)	Minimum Turnover in band (C)	Minimum Fee in Band (D)
A	£0 - £19,999	0.92%	£0	£100
B	£20,000 - £149,999	0.54%	£20,000	£184
C	£150,000 - £499,999	0.53%	£150,000	£886
D	£500,000 - £999,999	0.51%	£500,000	£2,741
E	£1,000,000 - £2,999,999	0.48%	£1,000,000	£5,291
F	£3,000,000 - £9,999,999	0.33%	£3,000,000	£14,891
G	£10,000,000 - £29,999,999	0.28%	£10,000,000	£37,991
H	£30,000,000 - £69,999,999	0.25%	£30,000,000	£93,991
I	£70,000,000 – £149,999,999	0.23%	£70,000,000	£193,991
J	£150,000,000 +	0.08%	£150,000,000	£377,991

** % is equivalent to 'divided by 100' (e.g. 0.52% = 0.0052)*

Using the table above to calculate the firm fee based on the firm's turnover (T)

1. Identify the turnover value (T) and which corresponding band the turnover falls into from column A.
2. Subtract the figure in the corresponding column C from T for that turnover band.
3. Multiply this figure by the corresponding percentage in column B.
4. Finally add this figure to the corresponding figure in column D.
5. Firm fee then needs to be rounded to the nearest pound (i.e. if less than 50p then round down and if equal to or more than 50p then round up)

Formula: (T - C) x B + D

Example 1: For Turnover of £0:
(£0 - £0) x 0.92% + £100 = £100

Example 2: For Turnover of £200,000:
(£200,000 - £150,000) x 0.53% + £952 = £1,151

Example 3: For Turnover of £800,000:
(£800,400 - £500,000) x 0.51% + £2,702 = £4,271

Example 4: For Turnover of £200,000,000:
(£200,000,000 - £150,000,000) x 0.08% + £360,002 = £417,991

Licensed Body Fee Determination: Appendix 3

Turnover Figure

The following paragraphs describe how the turnover figure that will be used for the purposes of determining how the periodical fee should be calculated:

1. Turnover figure means a firm's total gross fees arising from regulated activities 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. Applicant bodies are required to provide an estimated turnover figure in the application and the SRA will seek information to support the figure and explain the basis on which the body has made the estimate during the authorisation process. Where the applicant body is succeeding to any legal practice carried on by a recognised sole practitioner, an authorised body or to a previously unregulated legal services business then the historic turnover figures for such businesses will be relevant in validating the estimated turnover for the new body.

3. The SRA may substitute an alternative estimated turnover figure for the purpose of the fee calculation where it reasonably considers that the estimated turnover figure produced by the applicant body does not fully reflect the true value of the legal services to be provided. The examples below indicate the sort of circumstances in which such a substitution may be made:

   (a) The licensed body is part of a group of businesses which provide a range of services some of which may be bundled with legal services, where the legal services may be offered at a reduced rate or as a "free" service.

   (b) The licensed body is part of an insurance company where some of the legal services may be supported by premium funding, rather than fee income.

   (c) The licensed body provides a mix of regulated activities and other activities which are either unregulated or regulated by other regulators, and the services provided may include a mix of such activities which may be bundled as in (a) above.

   In these cases the SRA will seek further information to help it determine a fair estimate and will seek to agree the figure with the applicant body but in the absence of such agreement the SRA's decision shall be final.

4. A licensed body will have provided an estimated turnover figure for the first 12 months of trading during the application process. This estimated turnover figure will be used to determine the annual periodical fee payable by the licensed body. In some cases, the SRA may have chosen to substitute an alternative estimated turnover figure in the circumstances outlined in paragraph 3 above to ensure the estimated turnover reflects the true cost of legal services being provided. This figure will have been communicated to the applicant prior to the licence being granted. In such cases, the revised estimated turnover figure will be used to determine the annual periodical fee payable by the licensed body.

5 Where a licensed body became a licensed body before 1 November 2024, the turnover figure should no longer be estimated. In such cases, the turnover figures that will be used when billing firms in October 2026 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.

6. 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 2025, 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.

7. The turnover figure should, wherever possible, be for the last complete (12 months) accounting period prior to the 1 November 2025 (e.g. 31 March 2025). The latest acceptable annual accounting period end date is 31 October 2025.

8. 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.