

**ANNUAL RETURN FOR AN ENTITY AUTHORISED BY CILEX
TO CONDUCT LEGAL SERVICES**

Name of Authorised Entity	
CILEx Authorisation Number	
Annual Return Period	
Date by which your Annual Return must be completed	
Annual Return Completed by (state name)	
<i>Note: The Compliance Manager of the Authorised Entity is responsible for the accurate completion of this annual return. If the return has not been completed by the Compliance Manager state the reason below:</i>	

You should complete this Annual Return either using a word processor or in black ink using block capitals.

In completing this form you should refer to the guidance in the Annual Return section of the CILEx Regulation website.

This annual return is in two parts. This part relates to the information required on the Authorised Entity.

In addition, all members of the Authorised Entity's management team listed in Question 12 who are listed as Approved Managers must complete an Annual Return for an Approved Manager of a CILEx Authorised Entity.

The Compliance Manager(s) must also submit a Compliance Manager Annual Return.

You should submit this Annual Return with all the Approved Manager Annual Returns and Compliance Manager Annual Returns by the date stated above. All forms relating to the Authorised Entity and its Approved Managers should be submitted together.

ANNUAL RETURN FOR A CILEx AUTHORISED ENTITY

THE RESPONSES GIVEN IN THIS RETURN SHOULD RELATE TO THE PERIOD COVERED BY THE RETURN AND NOT THE BUSINESS FINANCIAL YEAR.

PART ONE: AUTHORISED ENTITY CONTACT DETAILS

- 1) Authorised Entity Address (state address of your Head Office if more than one office and provide details of any branch offices below):

Authorised Entity Telephone Number:

Authorised Entity Email address:

Authorised Entity Website:

Branch Offices
Entity Address:

Entity Telephone Number:

PART TWO: STRUCTURE OF AUTHORISED ENTITY

- 2) Has there been any change to the structure of your Entity (Sole Trader, LLP, Limited Company) during the period covered by this return?

Yes No

If **YES**, please provide details:

- 3) Confirm if any trading names of your Entity are either still in use or no longer in use:

- 4) Confirm if your premises are owned or leased?

Owned by your Entity Owned outside of your Entity Leased

If leased please state the length of your lease/commercial arrangement:

PART THREE: AUTHORISED ENTITY LEGAL ACTIVITIES

- 5) Confirm the Reserved or Regulated Legal Activity or Legal Activities carried out by your Entity. Please tick relevant areas:

Reserved Instrument Activities (Conveyancing) Probate Practice Civil

Litigation and Advocacy Civil Litigation and Judge Room Advocacy Criminal

Litigation and Advocacy Family Litigation and Judge Room Advocacy

Family Litigation and Advocacy Immigration Practice

- 6) Indicate the types of client you are working with:

Natural Person (Not Legal Aid) Natural Person (Legal Aid)

Small & medium-sized enterprises, Charities Larger Companies and Charities

Government

- 7) Estimate the percentage of gross fee income for each type of legal service your Entity has undertaken during the period of the return.

Put a tick under the heading titled 'More than 50% Vulnerable Clients' for each legal service undertaken where you would estimate that the majority of clients would meet the following definition of client vulnerability:

"A consumer or client is to be regarded as a vulnerable consumer or vulnerable client if, in obtaining or seeking to obtain legal services, they are at risk of encountering difficulties arising from any specific or general limitations as to their; physical abilities, sensory abilities, cognitive abilities, linguistic abilities, geographic location, economic resources or any combination of these."

Type of Legal Service	% Estimate of Gross Fee Income		More than 50% Vulnerable Clients	Type of Legal Service	% Estimate of Gross Fee Income	More than 50% Vulnerable Clients
Crime				Consumer Problems		
Personal Injury				Welfare & benefits		
Wills*				Civil Liberties		
Trusts*				Corp Taxation		
Probate & Estate Administration*				Intellectual Property rights		
Conveyancing -Residential*				Corporate Finance & structuring.		
Conveyancing -Commercial*				Debt		
Family				Other Business Affairs		
Landlord & Tenant incl Planning				Negligence		
Employment (excl work injuries)						
Immigration & asylum*						
National Insurance details, Visa application*						

*If your total Gross Fee Income is more than 30% in each grouped Type of Legal Service, then try to breakdown this figure by the specific types. If it is less, then a total figure is acceptable.

- 8) Did any one client generate more than 15% of the fees your Entity earned during the period covered by this return?

YES NO

If **YES** provide details of each client above 15% including % generated.

- 9) Was any work sub-contracted by your Entity to another Entity or organisation during the period covered by this return?

YES NO

If **YES** provide details below:

- 10) State the number of Open Matters your Entity has at the end of this annual return period.
- 11) State the number of Closed Matters your Entity has had during this annual return period.

PART FOUR: MANAGEMENT & STAFF

- 12) List the name and role, and respective shareholding if applicable, of each director/partner/member (referred to as 'Manager' in this form). Show under the heading 'Authorised Legal Activity' if each manager is an authorised person and which legal activity or activities that manager is authorised to carry out (i.e. a person authorised to conduct reserved legal activities):

Name of Manager	Position in Company	Share holding(%)	Authorised Legal Activity
		100%	

- 13) Has there been any change(s) in the management or ownership of the Entity during the period covered by this return?

YES NO

If **YES** provide details including names, positions held, shareholding / ownership, reason for change and dates they left below:

- 14) If any of the Managers listed in Q12 have any separate businesses, provide details below:

Name and Address of Business	Business Activity or Activities

- 18) Confirm the name(s) of the Manager or member(s) of staff currently employed who have received training in accounts and/or legal accounts management and the qualification/training they have obtained:

Name	Qualification/Training Obtained

PART FIVE: FITNESS TO OWN / REGULATORY

Note: You should refer to the information shown in the CILEx Investigation, Disciplinary and Appeals Rules when answering questions 19 to 25 below

- 19) Has the Authorised Entity, or any related business (i.e. parent/subsidiary) been the subject of a resolution for voluntary winding-up passed without a declaration of solvency under section 89 of the Insolvency Act 1986?

Yes No

- 20) Has the Authorised Entity, or any related business (i.e. parent/subsidiary) ever entered administration within the meaning of paragraph 1(2)(b) of Schedule B1 to that Act?

Yes No

- 21) Has the Authorised Entity, or any related business (i.e. parent/subsidiary) had an administrative receiver within the meaning of section 251 of the Act appointed?

Yes No

- 22) Has the Authorised Entity, or any related business (i.e. parent/subsidiary) been the subject of a meeting of its creditors under section 95 of that Act?

Yes No

- 23) Has an order for the winding up of the Authorised Entity, or any related business (i.e. parent/subsidiary) been made?

Yes No

- 24) Has a civil judgement been made against the Authorised Entity, or any related business (i.e. parent/subsidiary)?

Yes No

- 25) Has the Authorised Entity, or any related business (i.e. parent/subsidiary) been the subject of any investigation or proceedings conducted by any regulatory or professional body?

Yes No

If the Authorised Entity is undertaking or proposing to undertake conveyancing activities please answer the following question. If not, go to question 27.

- 26) Has the Authorised Entity or any related business (i.e. parent/subsidiary) been refused membership of any lenders panels or had its membership of any such panel suspended or terminated?

YES NO

If YES provide details:

- 27) Has the Authorised Entity or any related business (i.e. parent/subsidiary) been regulated by another legal services regulator?

YES NO

If YES provide details. Your response should include whether the authorisation is still in force with the other regulatory body and if not the reasons why:

- 28) Declare any incidents during the period covered by this return in which the Authorised Entity or any manager within the Authorised Entity has acted (or not acted) in such a way which required the payment of compensation of more than £1,000 by this Authorised Entity or a regulatory Compensation Fund. (State 'None' if there were no payments and no compensation claims).

PART SIX: PROFESSIONAL INDEMNITY INSURANCE

As a CILEx Regulation Authorised Entity you are required to maintain professional indemnity insurance in accordance with the CILEx Indemnity Insurance Rules. A copy of your current professional indemnity insurance certificate must be submitted with this return.

- 29) Has the Entity or any related business (i.e. parent/subsidiary) ever been refused professional indemnity cover during the period covered by this return?

YES NO

If **YES** provide brief details below:

- 30) Has the Entity or any related business (i.e. parent/subsidiary) received any professional indemnity insurance (PII) claims (or reported to its insurers any potential claims) in relation to any activity conducted in the course of its operation during the period covered by this return?

YES NO

If **YES** provide details below including the date of the event causing the claim/potential claim, the date of claim where applicable, area of law, and the amount paid or likely to be paid by the insurance company.

Date of Event	Date of Claim	Area of Law	Amount Paid/to be paid

- 31) Has the Entity or any related business (i.e. parent/subsidiary) been the subject of any litigation proceedings during the period covered by this return?

YES NO

If **YES** provide details below:

PART SEVEN: CONSUMER SERVICE

- 32) Does your Entity seek feedback from clients on the service it provides through Client Feedback Questionnaires?

YES NO

33) Confirm that your client care letters and closure letters give clients the opportunity to provide feedback to CILEx Regulation on the service received.

YES NO

34) Has the Entity or any related business (i.e. parent/subsidiary) received any complaints in relation to any activity conducted in the course of its operation within the last 12 months up to the date of this application?

YES NO

If **YES** provide details below including the date of the complaint, reason for the complaint (e.g. delay, lack of costs information) area of law, how it was resolved (e.g. if compensation provided state amount) or if not resolved whether resolution remains on-going. Also state whether the complaint was resolved with the involvement of the Legal Ombudsman (LeO) by answering 'YES' or 'NO' as appropriate:

Date of Complaint	Reason(s)	Area of Law	How Resolved (or on-going)	LeO involved?

PART EIGHT: SYSTEMS AND PROCEDURES

35) Has your Entity gained any quality standard awards or memberships? **Note** - This will include the Legal Services Commission Specialist Quality Mark (SQM)

YES NO

If **YES** provide details below including whether the standard applies to all of the Authorised Entity or only part of it (e.g. restricted to publicly-funded work or particular activity areas)

36) Does your Entity have any documented case management systems or file management/file review procedures in operation?

YES NO

If **YES**, summarise how the system and/or reviews operate including the frequency of review, the number of files reviewed and who conducts reviews:

37) Does your Entity have any diary systems (include back-up procedures) in place?

YES NO

If **YES**, explain how these systems operate:

38) Summarise the procedures your Entity has in place for identifying and addressing conflicts of interest:

39) Confirm the following information and procedures your Entity has in place to comply with the anti-money laundering regulations (and mortgage fraud):

Name of Money Laundering Reporting Officer:

Name of Deputy Money Laundering Reporting Officer:

Number of Suspicious Activity Reports submitted to the National Crime Agency during the period covered by this return:

Number of Suspicious Activity Reports rejected by the National Crime Agency during the period covered by this return:

40) Summarise the arrangements in place at your Entity for the following:

Record Keeping/File Storage:

Building Security:

IT Security & Back-Up Procedures:

Data Protection Act compliance:

Business Continuity and Succession Planning:
(incl What happens to client files if you are not able to work?)

PART NINE: CLIENT ACCOUNTS

41) Has your Entity dealt with client money during the period covered by this return?

YES NO

If you have answered 'NO' to question 41 continue to question 45.

42) How does your Entity hold client money?

Single Clients a/c Designated Clients a/c's Umbrella Account

Fixed Term Deposits Escrow a/c

43) State the approximate value of client money your Entity dealt with during the period covered by this return:

Under £10k Between £10k - £99,999 Between £100k - £500k

More than £500k

44) State the highest balance held by your Entity on a client account during the period covered by this return:

PART TEN: FINANCIAL

Answers the following questions in addition to providing the documents we have requested with your annual return which are:

- i. Your updated Business Plan, if appropriate.*
- ii. Copies of your bank statements for all accounts held for the 3 months prior to the date of this return*
- iii. Your Annual Business Accounts for the last complete year.*
- iv. A copy of the latest Accountants Report or statement confirming Client Money not held for this annual period.*
- v. A copy of the latest annual budget for the Entity. (or forecast / cashflow as appropriate)*
- vi. A copy of the latest monthly management accounts.*
- vii. A list of your outstanding bills. (the monies owed to the Business)*

45) Has your business plan been updated during the period covered by this return?

YES NO

If **YES**, please provide a copy

46) Confirm the name and address of your Business Accountant/Auditor:

47) Confirm the name and address of your Bank:

48) Provide details of any bank borrowing facilities your Entity has, including overdraft limits, and renewal dates.

Type of Facility	Limit £	Renewal Date

49) Confirm that all Tax payments due to be paid by your Entity are up to date and/or provide details of any arrangements your Entity has for payment with the Inland Revenue

50) Provide details of how capital accounts / partners accounts in your Entity have been funded i.e. any partners' loans including amounts and potential renewal dates etc.

51) Outline the system your Entity has in place for maintaining accounting records. If computerised accounts software is used provide the name of the accounts software package and a summary of how it operates.

52) Confirm the names of the signatories on your Bank account(s) below:

Name	Office	Client	Signs jointly

53) Please provide the total fee income for your Entity for a) the last financial year and b) the year to date and c) projected fee income to the end of the current financial year.

a)

b)

c)

DECLARATION AND UNDERTAKINGS

I/we confirm this information is true, accurate and complete, and that all material information has been included and attached where applicable.

I/we can confirm that the Authorised Entity continues to have the appropriate compliance arrangements in place to meet its regulatory obligations.

I/we understand CILEx Regulation is entitled to seek verification from any party where necessary and appropriate, including but not limited to clients, staff, government departments, other regulatory bodies, and previous insurers. Unless considered to be inappropriate, CILEx Regulation will notify the Applicant Entity in advance of any such verification approach being sought.

I/we understand that any misrepresentation or failure to reveal information or grant any authorisation requested may be deemed to be sufficient cause for CILEx Regulation to consider taking action to revoke the Authorised Body's authorisation.

I/we confirm that the Authorised Entity will:

- (i) Provide IPS with any information it requires to fulfil its regulatory duties
- (ii) Comply with any monitoring and inspection visits undertaken by CILEx Regulation

I/we understand that as an Authorised Entity I/we continue to be bound by the Charter Bye Laws, the bye laws and all other rules and regulations of CILEx Regulation/CILEx for the time being in force, including the Code of Conduct, and supporting guides to good practice.

All the Managers must sign the following declaration. The details of each Manager must also be provided in the Approved Manager application.

I/we enclose the annual practising fee for the entity.

Data Protection Act: Approved Managers' names, and those of their employers, will be published in the Directory of Entities on the CILEx Regulation web site and in other directories which provide information about law firms and lawyers.

Information you (the Authorised Entity) provide on this form in relation to Managers may amount to personal data.

The personal data you provide to CILEx or CILEx Regulation will be used by them to enable them to meet their obligations as a professional body and Approved Regulator under the Legal Services Act 2007. We may also share relevant personal data with approved publishers of legal directories and suppliers of membership benefit products, but you or the manager concerned may ask us not to do so by contacting CILEx Regulation on 01234 845770; info@cilexregulation.org.uk.

In addition to publishing basic information about Authorised Entities, Approved Managers and Compliance Managers on our own website and providing that information to other approved publishers of legal directories, we provide it in a publicly available database where third parties, including operators of comparison websites and other commercial organisations, may access it in reusable form and republish it, alone or in combination with other information. If your manager(s) agree(s) to the inclusion of their details (which may include any publishable disciplinary information) in this database, please tick:

Signed

Print Name

Position in Authorised Entity

Signed

Print Name

Position in Authorised Entity

Signed

Print Name

Position in Authorised Entity

Signed

Print Name

Position in Authorised Entity

Signed

Print Name

Position in Authorised Entity

Signed

Print Name

Position in Authorised Entity

ANNUAL RETURN CHECKLIST

Please include a copy of the following documents to support your completed annual return.

	Please Tick (/)	
	Included	Not Included
Copy of your Current Professional Indemnity Insurance Certificate		
A copy of your updated Business Plan or a Business Compliance Review Document		
Policies and Procedures Documentation		
Anti-Money Laundering policies including schedule of training records		
Copy of Open & Closed matter listing		
Copies of your standard client care letters		
Copy of your complaints handling procedure		
Copies of any fee sharing agreements, referral arrangements, and outsourcing agreements		
Copies of your bank statements for the three months prior to the date of this return for all accounts held.		
Copies of the client bank account reconciliation for the last three complete months prior to the date of this return		
Annual Business accounts for your last financial year		
Copy of the latest annual budget for your Business		
Copy of the latest monthly management accounts		
A list of the monies owed to your business		
A copy of the latest Accountants Report (if not already submitted) or statement confirming Client Money not held for this annual period		
List of material breaches within the period of this Annual Return		

Please send the completed annual return plus copies of the items listed above by post to:
 Entity Supervision Team, CILEx Regulation, Kempston Manor, Kempston, Bedford, MK42 7AB