

SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 12728-2025

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD

Applicant

and

CHRISTOPHER YIANNAKAS

First Respondent

NICHOLAS GEORGE KEPHALAS

Second Respondent

YVA SOLICITORS LLP

Third Respondent

Before:

Ms T Cullen (Chair)

Mr D Green

Mrs L McMahon-Hathway

Date of Hearing: 25 February 2026

Appearances

There were no appearances as the matter was dealt with on the papers.

JUDGMENT ON AN AGREED OUTCOME

Allegations

The allegations against the Respondents were:

First Respondent

- 1 The allegation against the First Respondent, Mr Christopher Yiannakas, made by the SRA were that, whilst in practice as a solicitor and partner at YVA Solicitors LLP (“the Firm”) and acting as the Firm’s COLP and COFA:
 - 1.1 Between 03 August 2021 and 28 September 2022, he failed to comply with his obligations and responsibilities both as a manager of the Firm and as the Firm’s COLP and COFA in relation to a commercial property sale, because he allowed and/or failed to prevent or take remedial action in relation to:
 - 1.1.1 funds retained in the Firm’s client account in the sum of £12,800,000 when there was no longer any proper reason to retain those funds.
 - 1.1.2 seven payments made from these funds which were not in respect of the delivery of regulated services.

In doing so, he breached any or all of the following:

- (a) Rule 2.5 of the SRA Account Rules 2019 (“the Accounts Rules”).
- (b) Rule 3.3 of the Accounts Rules.
- (c) Paragraph 9.1 of the Code for Firms (“Code for Firms”).
- (d) Paragraph 9.2 of the Code for Firms.
- (e) Paragraph 8.1 of the Code for Firms.
- (f) Principle 2 of the Principles 2019 (“the Principles”); and
- (g) Principle 3 of the Principles.

Second Respondent

- 2 The allegations against the Second Respondent, Mr Nicholas George Kephelas, who was a solicitor, partner and also the “unofficial co-COFA” of the Firm, acting in an assistance capacity to the First Respondent:
 - 2.1 Between 3 August 2021 and 28 September 2022, after acting for Client A in respect of a commercial property sale he:
 - 2.1.1 retained funds in the Firm’s client account with a starting balance of £12,800,000, which represented part of the proceeds of the sale, when there was no longer any proper reason to retain those funds.
 - 2.1.2 made seven payments from the funds retained which were not in respect of the delivery of regulated services.

In doing so, he breached any or all of:

- (a) Rule 2.5 of the SRA Accounts Rules 2019 (“the Accounts Rules”).

- (b) Rule 3.3 of the Accounts Rules.
- (c) Principle 2 of the Principles; and
- (d) Principle 3 of the Principles.

- 2.2 On 25 July 2022, after acting for Mr F in respect of a re-finance matter, made a payment in the sum of £355,000 to Client A when this payment was not in respect of the delivery of regulated services.

In doing so, the Second Respondent breached any or all of:

- 2.2.1 Rule 2.5 of the SRA Account Rules 2019.
- 2.2.2 Rule 3.3 of the SRA Accounts Rules 2019.
- 2.2.3 Principle 2 of the Principles; and
- 2.2.4 Principle 3 of the Principles.

Third Respondent

- 3 The allegations against the YVA Solicitors LLP (“the Firm” / “the Third Respondent”) which is a recognised body are that:

- 3.1 Between 03 August 2021 and 28 September 2022, when acting for Client A in respect of a commercial property sale caused or allowed:

- 3.1.1 The retention of funds in the Firm’s client account with a starting balance of £12,800,000 which represented part of the proceeds of this sale when there was no longer any proper reason to retain those funds; and
- 3.1.2 Seven payments to be made from these funds which were not in respect of the delivery of regulated services.

In doing so, the Firm breached any or all of the following:

- (a) Rule 2.5 of the SRA Accounts Rules 2019.
- (b) Rule 3.3 of the SRA Accounts Rules 2019.
- (c) Principle 2 of the Principles; and
- (d) Principle 3 of the Principles.

- 3.2 On 25 July 2022, acting for Mr F in respect of a re-finance matter, caused or allowed a payment in the sum of £355,000 to Client A when this payment was not in respect of the delivery of regulated services.

In doing so, the Firm breached any or all of the following:

- 3.2.1 Rule 2.5 of the SRA Accounts Rules 2019.
- 3.2.2 Rule 3.3 of the SRA Accounts Rules 2019.
- 3.2.3 Principle 2 of the Principles.
- 3.2.4 Principle 3 of the Principles.

- 3.3 By reason of the conduct detailed in Allegations 3.1 and 3.2 above, failed to ensure that effective arrangements were in place that ensured compliance by the Firm and its

managers and employees with the SRA's regulatory arrangements that were applicable; and failed to identify, monitor, and manage material risks to the Firm's business.

In doing so, the Firm breached any or all of the following:

- 3.3.1 Paragraph 2.1 of the Code for Firms 2019 ("Code for Firms")
- 3.3.2 Paragraph 2.3 of the Code for Firms.
- 3.3.3 Paragraph 2.5 of the Code for Firms; and
- 3.3.4 Principle 2 of the Principles.

Admissions and Withdrawals

4. Allegations relating to a breach of Rule 3.3 of the SRA Accounts Rules 2019 and the allegations relating to the refinancing of £335,000.00 were withdrawn and the remaining allegations were admitted and proved on the balance of probabilities as set out below.

Allegation 1

Allegation 1.1.1 – admitted and proved on the balance of probabilities.

Allegation 1.1.2 - withdrawn.

Allegation 2

Allegation 2.1.1 – admitted and proved on the balance of probabilities.

Allegation 2.1.2 – withdrawn.

Allegation 2.2 - withdrawn.

Allegation 3

Allegation 3.1.1 – admitted and proved on the balance of probabilities.

Allegation 3.1.2 – withdrawn.

Allegation 3.2 – withdrawn.

Allegation 3.3 – admitted and proved on the balance of probabilities.

Documents

5. The Tribunal had before it the following documents:
 - Rule 12 Statement and Exhibit MJC1 dated 29 January 2025
 - Respondent's Answer and Enclosures Bundle dated 7 May 2025
 - Applicant's Reply to the Respondent's Answer dated 22 May 2025
 - Statement of Agreed Facts and Outcome ("the SOAF") dated 23 February 2026
 - Email from Respondents' solicitors, copied to the Applicant, dated 23 February 2026 and timed at 15:56

Application for the matter to be resolved by way of Agreed Outcome

6. The parties invited the Tribunal to deal with the Allegations against the Respondent in accordance with the Statement of Agreed Facts and Proposed Outcome annexed to this Judgment.

7. The Tribunal granted leave for allegations 1.1.2, 2.1.2, 2.2, 3.1.2 and 3.2 in the Rule 12 Statement to be withdrawn pursuant to Rule 24 SDPR, as it was satisfied for the reasons set out in paragraphs 8 and 9 of the SOAF that it was in the interests of justice to do so.
8. The Tribunal granted leave of its own motion, in accordance with the overriding objective set out in Rule 4 SDPR to deal with cases justly and at proportionate cost, to consider the SOAF, which had been submitted to the Tribunal only two days before the start date of the substantive hearing.

Factual Background

9. The First Respondent was admitted as a solicitor in 1987.
10. The Second Respondent was admitted as a solicitor in 2011.
11. The Third Respondent was a limited liability partnership and a recognised body which employed 15 legally qualified fee earners.
12. Both the First and Second Respondents were partners in the Firm. The First Respondent was, and remained, the Firm's Compliance Officer for Legal Practice (COLP) and Compliance Officer for Finance and Administration (COFA). The fee earner for this matter was the Second Respondent.
13. On 31 October 2022, the SRA received a qualified accountant's report submitted by the Firm for the accounting period 1 April 2021 to 31 March 2022. The report referred to breaches of the Accounts Rules in respect of a client matter in which the Firm acted for Client A in a commercial property sale. The sum of £12,800,000 remained in the Firm's client account following payments to Client A and redemption of a loan. Between August 2021 and September 2022, the Firm used this sum in eight separate transactions, only one of which was a payment back to Client A, and those payments did not relate to the delivery of regulated services on which Client A instructed the Firm.
14. An SRA Forensic Investigations Officer commenced a forensic investigation of the Firm on 19 January 2023. The investigation culminated in a forensic report dated 29 June 2023. The concerns in the report related to the retention of the £12,800,000 in the Firm's client account, specifically:
 - That the retention of funds for this period of time was of itself a breach of Rule 2.5 of the Accounts Rules; and
 - That the distribution of funds was in breach of Rule 3.3 of the Accounts Rules as payments were made to parties other than the client directly.
15. Correspondence between the parties since the commencement of proceedings led the Applicant to form the conclusions in relation to the transactions which were itemised in the table in paragraph 8 of the SOAF, in turn leading to the withdrawal of the allegations relating to a breach of Rule 3.3.
16. The Rule 2.5 concern was addressed on the basis set out in paragraph 9 of the SOAF and the Respondents' admission of a breach of Rule 2.5.

17. The Applicant therefore withdrew the allegations that related to a breach of Rule 3.3 of the SRA Accounts Rules 2019 and the allegations relating to the refinancing of £335,000.00, namely allegations 1.1.2, 2.1.2, 2.2, 3.1.2 and 3.2. The remaining allegations, which were admitted, were set out, for clarity, in paragraph 2 of the SOAF.

Findings of Fact and Law

18. The Applicant was required to prove the allegations on the balance of probabilities. The Tribunal had due regard to the Respondents' rights to a fair trial and to respect for private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.
19. The Tribunal reviewed all the material before it and was satisfied on the balance of probabilities that the Respondents' admissions were properly made.

Sanction

20. The Tribunal referred to its Guidance Note on Sanctions (11th edition February 2025) when considering sanction and the proper approach to sanctions, as set out in *Fuglers and Others v SRA* [2014] EWHC 179. The Tribunal's overriding objective, when considering sanction, was the need to maintain public confidence in the integrity of the profession. In determining sanction, it was the Tribunal's role to assess the seriousness of the proven misconduct and to impose a sanction that was fair and proportionate in all the circumstances.
21. The Tribunal assessed the seriousness of the misconduct by considering the level of the Respondents' culpability and the harm caused, together with any aggravating or mitigating factors. The Tribunal accepted that no loss or harm was caused to clients, that the breaches were committed inadvertently, and that no income was generated as a result.
22. The SOAF proposed that the First and Second Respondents be reprimanded. The Tribunal considered, however, that the misconduct was serious, because client account monies had not been handled in accordance with the Solicitors Accounts Rules 2019, meaning there had been breaches of the Code for Firms and the Principles upholding public trust and confidence in the profession and the obligation to act with independence. Accordingly, it determined that a reprimand was not sufficient to mark the seriousness of the breaches, notwithstanding that neither the protection of the public nor the protection of the reputation of the legal profession justified suspension or strike off. It noted that a fine had been agreed in respect of the Third Respondent.
23. The SOAF before the Tribunal proposed that a fine of £2,500 be imposed on the Third Respondent on the basis that the misconduct giving rise to the allegations fell into the lowest level of seriousness assessed as justifying a fine, namely a fine in the Level 1 range. The Tribunal determined that this fine was appropriate and proportionate and in the interests of justice.
24. The Tribunal asked the First and Second Respondents to propose a fine in the Level 1 range which would mark the seriousness of the misconduct. The first and second

Respondents proposed a fine of £500 each which was approved by the Tribunal as being appropriate and proportionate and in the interests of justice.

25. The parties therefore submitted to the Tribunal a further SOAF in which paragraphs 16.2 and 21 were amended to reflect a fine being payable by each of the First and Second Respondents in the sum of £500. The revised SOAF is appended to this Judgment.
26. There were no previous disciplinary findings against the First and Second Respondents. The Tribunal noted the Respondents' extensive mitigation set out in paragraphs 10 – 15 of the SOAF and that measures were now in place to prevent any repetition of the breaches, meaning that the likelihood of future misconduct was low.

Costs

27. The parties agreed that the Respondents should pay costs in the sum of £35,000.00. The Tribunal determined that the agreed amount was reasonable and appropriate. Accordingly, the Tribunal ordered that the Respondents pay costs in the agreed sum.

Statement of Full Order

28. The Tribunal ORDERED that the First Respondent, CHRISTOPHER YIANNAKAS, Solicitor, do pay a FINE of £500.00, and it further ORDERED that the Second Respondent, NICHOLAS GEORGE KEPHALAS, Solicitor, do pay a FINE of £500.00, and it further ORDERED that the Third Respondent, YVA SOLICITORS LLP, do pay a FINE of £2,500.00, all such penalties to be forfeit to His Majesty the King, and it further ORDERED that the Third Respondent do pay the costs of and incidental to this application and enquiry fixed in the sum of £35,000.00.

Dated this 23rd day of March 2026
On behalf of the Tribunal

T. Cullen

T. Cullen
Chair

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL
2025

Case No 12728-

IN THE MATTER OF THE SOLICITORS ACT 1974 (as amended)

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

-and-

CHRISTOPHER YIANNAKAS

First Respondent

-and-

NICHOLAS GEORGE KEPHALAS

Second Respondent

-and-

YVA SOLICITORS LLP

Third Respondent

STATEMENT OF AGREED FACTS AND OUTCOME

1. By a statement made on behalf of the Solicitors Regulation Authority (**'the SRA'**) pursuant to Rule 12 of the Solicitors Disciplinary Proceedings Rules 2019 dated 29 January 2025 (**'the Rule 12 Statement'**), the SRA brings proceedings before the Tribunal against the Respondents, Mr Yiannakas, Mr Kephalas and YVA Solicitors LLP (**'the Respondents'**). The parties have agreed the following Statement of Agreed Facts and Outcome (**'AO'**).

2. The SRA has agreed to withdraw the allegations that relate to a breach of Rule 3.3 of the SRA Accounts Rules 2019 and the allegations relating to the refinance of £355,000. It has also agreed to amend allegation 2. As such, the SRA has agreed to withdraw Allegation 1.1.2, 2.1.2, 2.2, 3.1.2 and 3.2. The basis of this is set out at paragraphs 8 to 9 below. The allegations (which are admitted) therefore read:

As against the First Respondent, Mr Christopher Yiannakas:

1. The allegation against the First Respondent, Mr Christopher Yiannakas, made by the SRA were that, whilst in practice as a solicitor and partner at YVA Solicitors LLP ("the Firm") and acting as the Firm's COLP and COFA:

1.1 Between 03 August 2021 and 28 September 2022, he failed to comply with his obligations and responsibilities both as a manager of the Firm and as the Firm's COLP and COFA in relation to a commercial property sale, because he allowed and/or failed to prevent or take remedial action in relation to:

1.1.1 funds retained in the Firm's client account in the sum of £12,800,000 when there was no longer any proper reason to retain those funds;

1.1.2 [withdrawn]

In doing so, he breached any or all of the following:

(a) Rule 2.5 of the SRA Account Rules 2019 ('the Accounts Rules');

(b) [withdrawn];

(c) Paragraph 9.1 of the Code for Firms ('Code for Firms');

(d) Paragraph 9.2 of the Code for Firms;

(e) Paragraph 8.1 of the Code for Firms;

(f) Principle 2 of the Principles 2019 ('the Principles'); and

(g) Principle 3 of the Principles.

As against the Second Respondent Mr Nicholas Kephelas

2The allegations against the Second Respondent, Mr Nicholas George Kephelas, who was a solicitor and partner.

2.1 Between 3 August 2021 and 28 September 2022, after acting for Client A in respect of a commercial property sale:

2.1.1 retained funds in the Firm's client account with a starting balance of £12,800,000 which represented part of the proceeds of the sale, when there was no longer any proper reason to retain those funds;

2.1.2 [withdrawn]

In doing so, he breached any or all of:

(a) Rule 2.5 of the Accounts Rules;

(b) [withdrawn];

(c) Principle 2 of the Principles; and

(d) Principle 3 of the Principles.

2.2 [Withdrawn]

As against the Third Respondent YVA Solicitors LLP

3 The allegations against YVA Solicitors LLP (“the Firm/the Third Respondent”) which is a recognised body are that:

3.1 Between 03 August 2021 and 28 September 2022, when acting for Client A in respect of a commercial property sale caused or allowed;

3.1.1 The retention of funds in the Firm’s client account with a starting balance of £12,800,000 which represented part of the proceeds of this sale when there was no longer any proper reason to retain those funds; and

3.1.2 [withdrawn]

In doing so, the Firm breached any or all of the following:

(a) Rule 2.5 of the Accounts Rules 2019;

(b) [withdrawn];

(c) Principle 2 of the Principles; and

(d) Principle 3 of the Principles.

3.2 [Withdrawn]

3.3 By reason of the conduct detailed in Allegations 3.1.1 above, failed to ensure that effective arrangements were in place that ensured compliance by the Firm and its managers and employees with the SRA’s regulatory arrangements that were applicable; and failed to identify, monitor and manage material risks to the Firm’s business.

In doing so, the Firm breached any or all of the following:

3.3.1 Paragraph 2.1 of the Code for Firms 2019 (“Code for Firms”)

3.3.2 Paragraph 2.3 of the Code for Firms;

3.3.3 Paragraph 2.5 of the Code for Firms; and

3.3.4 Principle 2 of the Principles.

Background

3. On 31 October 2022 the SRA received a qualified accountant's report submitted by YVA Solicitors LLP (**'the Firm'**) for the accounting period 1 April 2021 to 31 March 2022. The report referred to breaches of the SRA Accounts Rules 2019 in respect of a client matter in which the Firm acted for Client A in a commercial property sale.
4. An SRA Forensic Investigations Officer (the **'FIO'**) commenced a Forensic Investigation of the Firm on 19 January 2023 [**MJC1/11**] The investigation culminated in a report (**'The FI Report'**) dated 29 June 2023 ([**MJC1/82**]). In summary, the FI Report includes issues relating to the commercial property sale and a refinance matter as detailed below.
5. The First Respondent was, and remains, the Firm's Compliance Officer for Legal Practice (**COLP**) and Compliance Officer for Finance and Administration (**COFA**). The fee earner for this matter was the Second Respondent.

The SRA's Concerns

6. The concerns in the FI Report related to the retention of the Firm of £12,800,000 in its client account following the completion of the commercial property sale which were not fully distributed until 28th September 2022. The SRA's concerns related to two aspects:
 - 6.1. That the retention of funds for this period of time was of itself a breach of Rule 2.5 of the Accounts Rules; and
 - 6.2. That the distribution of funds was in breach of Rule 3.3 of the Accounts Rules as payments were made to parties other than the client directly.
7. These concerns are the basis of the allegations in the Rule 12 Statement.

The Rule 3.3 concern

8. Correspondence between the parties since the commencement of proceedings has led the SRA to form the following conclusions in relation to the transactions which are itemised in the table immediately below. Please note that Transfers 1 to 8 are the subject of the allegations and Transfers A to F are provided for context.

	Date	Description	Amount	Why Rule 3.3 has not been breached
A	30/7/21	Receipt	£16,562,311.96	This transfer is not the subject of the allegations.
B	30/7/21	Receipt	£1,832,650.26	This transfer is not the subject of the allegations.
C	30/7/21	Receipt	£1,907,860.10	This transfer is not the subject of the allegations.
D	15/10/21	Receipt	£230,000	This transfer is not the subject of the allegations.
1	05/11/21	Payment	£3,500,000	These transfers (1 and 2) money was sent in repayment of a loan associated with the transaction.
2	12/11/21	Payment	£98,150.20	
3	12/07/21	Payment	£2,000,000	This was a payment to another firm of solicitors on the clients' instructions for the purposes of a property transfer.
E	12/07/22	Receipt	£597,199.29	This transfer is not the subject of the allegations.
F	21/07/22	Payment	£243,534.69	This transfer is not the subject of the allegations.
4	25/07/22	Payment	£355,000	As set out above, the SRA has withdrawn the allegations in respect of this Transfer as it was a repayment to the client.
5	15/09/22	Payment	£975,785.94	These transfers (5, 6 and 7) involved the receipt of funds in respect of one legal transaction before the money was transferred to a separate client ledger in respect of a different legal transaction.
6	23/09/22	Payment	£102,500	
7	27/09/22	Payment	£999,862.77	
8	28/09/22	Payment	£4,898,108.06	As explained at Transfers 1 and 2 above, this payment was made to a solicitor who was required to deal with the money in accordance with the Accounts Rules and their wider regulatory obligations. This transfer was an attempt to regularise the position once the Firm was notified by their accountants of the issue.

The Rule 2.5 Concern

9. Correspondence between the parties since the commencement of proceedings has led to agreement as to the basis of the Rule 2.5 concern:

- (a) The sum of £12,800,000 was held following the sale of the commercial property on the basis that the Respondents awaited instructions as to potential further transactions and the client establishing a new banking facility.

- (b) These were available to the Respondents following Transfer D on 15 October 2021. After Transfers 1 and 2, a balance was retained by the Third Respondent until final distribution on 28 September 2022 for future transactions, which were not underway at the time the funds were retained, which the Respondents admit was in breach of Rule 2.5.

Non-agreed mitigation and context for the breaches advanced on behalf of the Respondents

10. The breach in paragraph 9(b) was inadvertent as the Respondents genuinely believed that they were complying with the Accounts Rules at all times.
11. The Respondents have cooperated with the SRA throughout, shown insight and made open and frank admissions of where the Third Respondent's systems could be improved.
12. The Respondents regret the admitted breaches and the Firm has invested heavily and taken significant steps to prevent any repetition of them. The steps taken include:
 - 12.1. **Enhanced Training Programme:** Comprehensive training implemented to ensure all staff are familiar with SRA warning notices and rules, including firmwide meetings, external courses for senior staff, and regular reminder emails to reinforce learning.
 - 12.2. **Designated Deposit Account Risk Register:** A register tracking key details and review dates for each deposit account has been created, with mandatory approval from senior partners and monthly monitoring to prevent missed reminders.
 - 12.3. **Stricter Approval Process:** New deposit accounts now require dual approval from the First and Second Respondents before opening, and all existing commercial rent deposits have been reviewed and returned to clients.
 - 12.4. **Regular SRA Consultation:** Established routine contact with the SRA's Professional Ethics Helpline now takes place to discuss queries before transactions take place, ensuring proactive compliance with regulations.
 - 12.5. **Improved Payment Controls:** The Firm has established enhanced oversight of client account payments, with the Accounts team trained to identify and escalate unusual payments or inter-client transfers to senior partners for approval.
 - 12.6. **Comprehensive Policy Overhaul:** New firmwide policies were implemented following the SRA investigation, including upgraded internal procedures for payments and client balances, and clear communication to clients about fund-holding limitations.

- 12.7. **Increased Staff Engagement:** The Firm has created a culture of compliance where fee earners actively seek sign-off from senior partners, with positive feedback and increased interaction demonstrating improved understanding of the rules.
- 12.8. **Creation of informal Co-COFA and Co-COLP roles:** whilst such formal roles are not required by the SRA's policies, the Respondents recognise that there should be a shared responsibility internally rather than relying on the discretion of one person's interpretation of the SRA's rules and guidance. The Second Respondent and one other senior partner have assumed these roles to assist the First Respondent.
13. The Firm is committed to maintaining full compliance and there is no risk of further breaches.
14. No loss or harm was caused to clients and no income was generated as a result of the breaches.
15. Every action taken by the Respondents was on the instruction and knowledge of the underlying clients who also received payment of interest on the money held in the designated deposit client account of the Third Respondent earned from the day the monies were first held.

Proposed sanction

16. The parties invite the Tribunal to determine that an appropriate sanction is:
- 16.1. That the Firm (the Third Respondent) is fined £2,500; and
- 16.2. The First and Second Respondents are fined £500.

The Third Respondent

17. As to the fine, this figure is consistent with the principles set out in the Tribunal's Guidance Note on Sanctions (11th edition) ('**the SDT Sanctions Note**'), taking into account the guidance set out in *Fuglers & Ors v Solicitors Regulation Authority* [2014] EWHC 179 (Popplewell J) and as set out in the SDT Sanctions Note at paragraphs 8 and the table at page 15.
18. The financial penalty is considered to be proportionate taking into consideration (a) the seriousness of the misconduct; and (b) the size and financial resources of the firm including revenue generated by the firm (*SRA v Clyde & Co; Edward Henry Mills-Webb* [12481-2023]).
19. The misconduct giving rise to the allegations falls into the category of lower seriousness (level 1 of the fine bands).
20. This assessment takes account of the following factors:
- 20.1. No loss or harm was caused to clients; and
- 20.2. No income was generated by the misconduct.

The First and Second Respondents

21. A fine of £500 for the First and Second Respondents is consistent with the SDT Sanctions Note for the following reasons:

- 21.1. The breach of Rule 2.5 of the Accounts Rules was inadvertent in the sense that the Respondents' position as set out above is that they genuinely thought that they were complying with the Accounts Rules;
- 21.2. No loss or harm was caused to clients;
- 21.3. The likelihood of future misconduct is very low; and
- 21.4. The Respondents have demonstrated considerable insight in the making of the admissions in this Agreed Outcome and in the remediation efforts made by the Firm described at paragraphs 10 to 13.

Costs

22. Subject to the approval of this Agreed Outcome, it is agreed that the Respondent will contribute £35,000 to the SRA's costs of the Application and Enquiry, including VAT.

SIGNED:



Michael Colledge (partner), Blake Morgan LLP, on behalf of the SRA, **APPLICANT**

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Iain Miller (partner), Kingsley Napley LLP, on behalf of the **RESPONDENTS**

Dated 9 March 2026