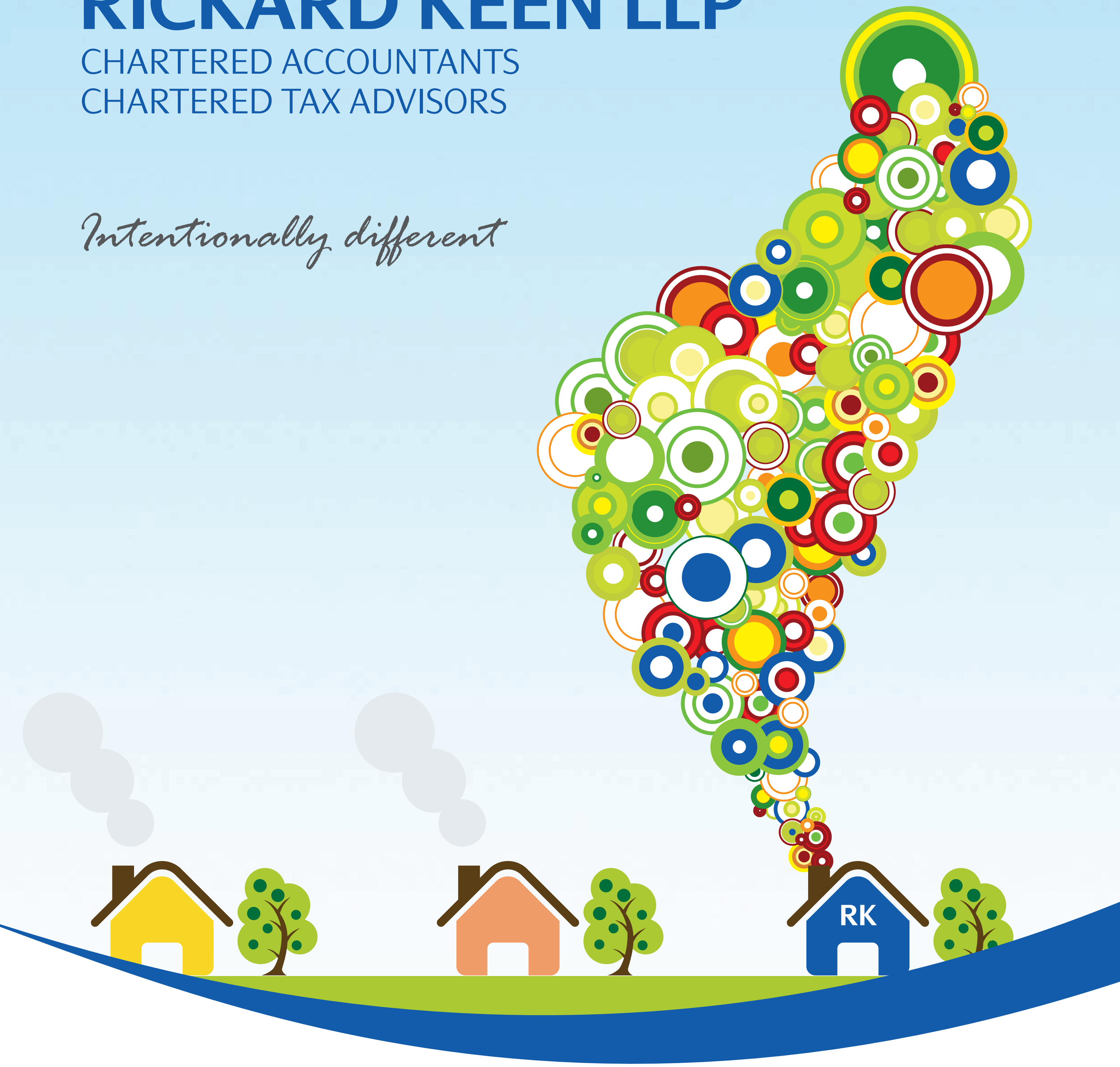
RICKARD KEEN LLP

CHARTERED ACCOUNTANTS
CHARTERED TAX ADVISORS

Intentionally different



Welcome

Welcome to the first issue of Legal Bulletin, which brings you news and information on the financial issues facing law firms.

In this issue, we take a look at how legal practices can comment on the implementation of proposed changes to professional indemnity insurance and the best ways for lawyers to fund their retirement plans.

We hope you enjoy reading Legal Bulletin and that you find it useful. We'd welcome your feedback on the content, or ideas for topics that you'd like to see featured in future issues, so if you would like to comment, please email **Noel Kelleway** at **noel.kelleway@rickardkeen.co.uk** or call **01702 347771**.

SRA consults on changes to professional indemnity insurance

The Solicitors Regulation Authority (SRA) has launched a consultation on how the proposed changes to compulsory professional indemnity insurance (PII) will be implemented next October.

While solicitors can currently obtain PII from a qualifying insurer or the assigned risks pool (ARP), the latter of these options will no longer be available from October 2013.

Instead, individuals who cannot obtain PII will receive an extended policy period (EPP) of 90 days from their current provider.

Changes will be made to the Authorisation Rules to regulate the work that firms can undertake during the EPP.

Furthermore, the ARP will be funded in 2012-13 by both the solicitors' profession and qualifying insurers, and it will no longer provide cover to uninsured firms from 1st October 2012.

To implement these measures, modifications will be made to the Qualifying Insurer's Agreement 2012 (including the Indemnity Insurance Rules 2012), the Authorisation Rules and Compensation Fund Rules.

Any interested parties have until 17th January 2012 to comment on the proposed changes to these regulations.

Making the most of your retirement

While every individual looks forward to the day they retire, having time to do all the things you want is only half the picture. It is no good having the freedom if you can't afford the quality of life that you have always dreamed of and worked towards. Consequently, it is important to save for your retirement.

This applies equally to lawyers, who, according to new research by Wesleyan for Lawyers, would like to retire, on average, at the age of 62 with an annual pension income of between £36,000 and £50,000. However, many of them have not planned sufficiently for the future, with 35 percent likely to use the equity built up in their properties to generate further funds.

As lawyers are likely to start building up their pension pot later in life due to the pressures of completing their qualifications and training, they may need to consider increasing their contributions to ensure they enjoy a comfortable retirement.

In addition to their pension contributions, 61 percent of lawyers save money each month, including into bank and building society accounts and ISAs – both of which are used by around 40 percent of respondents.

However, given the current economic climate, the individuals using bank and building society accounts to build up their wealth would be better off considering longer-term investments such as stocks and shares.

For more advice and information on pensions and investments, please contact **Rickard Keen Financial Services** on **01702 428880**.

RICKARD KEEN
FINANCIAL SERVICES LTD

www.rickardkeen.co.uk

Southend Office:
7 Nelson Street
Southend-on-Sea
Essex
SS1 1EH
DX: 2846 SOUTHEND 1

Tel: 01702 347771
Fax: 01702 330951

Basildon Office:
Glenny House
Fenton Way
Southfields Business Park
Basildon, Essex
SS15 6TD

Tel: 01268 548127
Fax: 01268 548715

Chartered Accountants
Chartered Tax Advisors
Registered Auditors
Business Consultants

ICAEW SOUTH ESSEX SOCIETY OF CHARTERED ACCOUNTANTS
ICAEW Essex Accountancy and Business Awards 2010 Accountancy Firm of the Year – Rickard Keen LLP

ICAEW SOUTH ESSEX SOCIETY OF CHARTERED ACCOUNTANTS
ICAEW Essex Accountancy and Business Awards 2011 Training Firm of the Year – Rickard Keen LLP

A member of mgi BUSINESS SOLUTIONS WORLDWIDE