



## **Richard Kanani & Co Ltd (Richard Kanani & Co Ltd)**

**Tudor Cottage, Doras Green Lane, Ewshot, Farnham  
, GU10 5BL**

**Recognised body  
614526**

[Agreement Date: 7 July 2025](#)

### **Decision - Agreement**

Outcome: Regulatory settlement agreement

Outcome date: 7 July 2025

Published date: 18 July 2025

### **Firm details**

No detail provided:

### **Outcome details**

This outcome was reached by agreement.

#### **Decision details**

##### **1. Agreed outcome**

1.1 Richard Kanani & Co Ltd (the firm), a recognised body authorised and regulated by the Solicitors Regulation Authority (SRA), agrees to the following outcome to the investigation:

- a. Richard Kanani & Co Ltd will pay a financial penalty in the sum of £2,137 under Rule 3.1(b) of the SRA Regulatory and Disciplinary Procedure Rules.
- b. To the publication of this agreement, under Rule 9.2 of the SRA Regulatory and Disciplinary Procedure Rules.
- c. Richard Kanani & Co Ltd will pay the costs of the investigation of £600 under Rule 10.1 and Schedule 1 of the SRA Regulatory and Disciplinary Procedure Rules.

##### **2. Summary of facts**

2.1 Our AML Proactive Supervision team carried out a desk-based review (DBR) at the firm. The review identified areas of concern in relation to the



firm's compliance with the Money Laundering, Terrorist Financing (Information on the Payer) Regulations 2017 (MLRs 2017), the SRA Principles 2019 and the SRA Code of Conduct for Firms 2019.

2.2 As part of the firm's DBR, six live client files were considered. Only one of these files contained a completed client and matter risk assessment (CMRA). Five of these files did not contain any form of documented CMRA and therefore the firm was unable to demonstrate compliance with Regulations 28(12)(a)(ii) and 28(13) of the MLRs 2017, with a risk assessment taking place at the start of matter (and monitoring throughout). The firm was unable to show that the file handler had considered the risks of both the client and matter and therefore applied the correct level of customer due diligence on these files.

2.3 The firm completed a pre-DBR questionnaire, indicating that it had in place a compliant CMRA document, which it was able to provide. However, only one file reviewed had this document and therefore it cannot be considered that the firm's CMRA was in proper use at the time of review.

2.4 On 10 June 2025, the firm confirmed that all live in-scope matters contained a completed CMRA and provided five current examples of completed CMRAs. We are satisfied that the firm is now properly completing and documenting risk assessments on files.

### **3. Admissions**

3.1 The firm admits, and the SRA accepts, that by failing to comply with MLRs 2017 it has breached:

- a. Principle 2 of the SRA Principles 2019 – which states you act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.
- b. Paragraph 2.1(a) of the SRA Code of Conduct for Firms 2019 – which states you have effective governance structures, arrangements, systems and controls in place that ensure you comply with all the SRA's regulatory arrangements, as well as with other regulatory and legislative requirements, which apply to you.
- c. Paragraph 3.1 of the SRA Code of Conduct for Firms 2019 – which states that you keep up to date with and follow the law and regulation governing the way you work with proper governance and sound financial risk management principles.

### **4. Why a fine is an appropriate outcome**

4.1 The conduct showed a disregard for statutory and regulatory obligations and had the potential to cause harm, by facilitating dubious transactions that could have led to money laundering (and/or terrorist



financing). This could have been avoided had the firm established adequate AML documentation and controls.

4.2 It was incumbent on the firm to meet the requirements set out in the MLRs 2017. The firm failed to do so. The public would expect a firm of solicitors to comply with its legal and regulatory obligations to protect against these risks as a bare minimum.

4.3 The SRA consider that a fine is the appropriate outcome because:

- a. The agreed outcome is a proportionate outcome in the public interest because it creates a credible deterrent to others and the issuing of such a sanction signifies the risk to the public, and the legal sector, that arises when solicitors do not comply with anti-money laundering legislation and their professional regulatory rules.
- b. There has been no evidence of harm to consumers or third parties and there is a low risk of repetition.
- c. The firm has assisted the SRA throughout the investigation, admitted its breaches and has shown remorse for its actions.
- d. The firm did not financially benefit from the misconduct.

## **5. Amount of fine**

5.1 The amount of the financial penalty has been calculated in line with our published guidance on the approach to setting an appropriate financial penalty (the Guidance).

5.2 Having regard to the guidance the SRA and the firm agree the nature of the conduct in this matter as more serious (score of three). This is because the firm was aware of its obligation to undertake CMRAs on all in-scope files, as its policies, controls and procedures (PCPs) mandate that a CMRA is to be carried out at the outset of the matter opening, but this did not happen on all of the files reviewed.

5.3 In addition, all of the firm's work falls within scope of the MLRs 2017, by virtue of the conveyancing work it does, and therefore the firm should have been familiar with the obligations imposed by the regulations and should have implemented strict adherence.

5.4 The SRA and the firm agree the impact of the misconduct to be low (score of two). This is because the firm states, and the SRA accepts, it was risk assessing clients and matters, but there was a failure to properly document this process. The impact of this being much lower than if the firm were not risk assessing at all. Furthermore, there is no evidence of there being any direct loss to clients or actual harm caused, as a result of the firm's failure to ensure it had proper documentation in place on some of the files reviewed.

5.5 We are satisfied the firm has now ensured that all live files contain a CMRA and that training has been provided to all fee earners on the firm's



CMRA process. Consequently, any ongoing risk of harm is low.

5.6 Based on the firm's annual domestic turnover, the fine results in a basic penalty of £2,375.

5.7 The SRA considers that the basic penalty should be reduced by ten per cent, in terms of mitigation discount, to £2,137, for the following factors:

- a. The firm brought itself into compliance by confirming all files contain a client and matter risk assessment and staff have been trained on its CMRA process.
- b. The firm has cooperated with the SRA's AML Proactive Supervision and Investigations teams.

5.8 The firm does not appear to have made any financial gain or received any other benefit as a result of its conduct. Therefore, no adjustment is necessary to remove this, and the amount of the fine is £2,137.

## **6. Publication**

6.1 Rule 9.2 of the SRA Regulatory and Disciplinary Procedure Rules states that any decision under Rule 3.1 or 3.2, including a Financial Penalty, shall be published unless the particular circumstances outweigh the public interest in publication.

6.2 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. The firm agrees to the publication of this agreement.

## **7. Acting in a way which is inconsistent with this agreement**

7.1 The firm agrees that it will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

7.2 If the firm denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which is subject to this agreement may be considered further by the SRA. That may result in a disciplinary outcome or a referral to the Solicitors Disciplinary Tribunal on the original facts and allegations.

7.3 Acting in a way which is inconsistent with this agreement may also constitute a separate breach of principles 2 and 5 of the Principles and paragraph 3.2 of the Code of Conduct for Firms.

## **8. Cost**

8.1 The firm agrees to pay the costs of the SRA's investigation in the sum of £600. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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