

# **SOLICITORS DISCIPLINARY TRIBUNAL**

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 10820-2011

**BETWEEN:**

SOLICITORS REGULATION AUTHORITY

Applicant

and

NATASHA SIMMON SCHAND

First Respondent

and

ANEET KAUR GARCHA

Second Respondent

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Before:

Mr J. N. Barnecutt (in the chair)

Mr D. Green

Mrs V. Murray-Chandra

Date of Hearing: 25th September 2012

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**Appearances**

Jayne Willetts, solicitor advocate of Jayne Willetts & Co, Cornwall House, 31 Lionel Street, Birmingham, B3 1AP for the Applicant.

The First Respondent did not appear and was not represented.

The Second Respondent appeared and was not represented.

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**JUDGMENT**

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## **Allegations**

1. The allegations against both of the Respondents Natasha Simmon Schand and Aneet Kaur Garcha were that:

### Set out in a Rule 5 Statement dated 7 September 2011

- 1.1 They failed to carry out client account reconciliations at least every five weeks, contrary to Rule 32(7) of the Solicitors Accounts Rules 1998 (“the 1998 Rules”);
- 1.2 They failed to ensure compliance with the 1998 Rules in breach of Rule 6 of those Rules;

### Set out in a Rule 7 Statement dated 14 May 2012

- 1.3 They failed to ensure the confidential storage of client files in breach of Rule 4.01 of the Solicitors Code of Conduct 2007 (“SCC 2007”);
  - 1.4 They failed to deal with the Solicitors Regulation Authority (“SRA”) in an open, prompt and cooperative way, in breach of Rule 20.05(1) of the SCC 2007 and/or they failed to cooperate fully with the SRA, thereby failing to achieve outcome 10.6 of the SRA Code of Conduct 2011;
  - 1.5 They failed to deliver Accountant’s Reports for Eden Solicitors for the periods ending 31 March 2010 and 30 September 2010, in breach of Section 34 of the Solicitors Act 1974 and of Rule 35 of the 1998 Rules.
2. The allegations against the First Respondent, Natasha Simmon Schand alone, were that:

### Set out in a Rule 5 Statement dated 7 September 2011

- 2.1 She deliberately and improperly withdrew client monies from client account for her own benefit, contrary to Rule 22(1) of the 1998 Rules.

This allegation was put on the basis that the First Respondent had behaved dishonestly or that she was grossly reckless in her stewardship of client funds. However, it was open to the Tribunal to find the allegation proved without finding dishonesty.

### Set out in a Rule 7 Statement dated 14 May 2012

- 2.2 She failed to act with integrity and behaved in a way that diminished the trust the public placed in her and in the provision of legal services in that she was convicted at Harrow Crown Court on 6 October 2011 of fraud and sentenced on 25 November 2011 to twelve months’ imprisonment in breach of Principle 6 of the SRA Principles 2011.

## **Documents**

3. The Tribunal reviewed all the documents submitted by the Applicant and the Respondents, which included:

Applicant:

- Application and Rule 5 Statement dated 7 September 2011, together with exhibit “IPR/1”;
- Rule 7 Statement dated 14 May 2012 together with exhibit “JBW1”;
- Print of Land Registry Register concerning a property in Church Road, Hanwell, London W7;
- Print of Land Registry Register concerning a property in Addiscombe Road, Watford, WD18;
- Bundle of documents relating to delivery of letters to the First Respondent of information concerning the substantive hearing date and a Civil Evidence Act Notice dated 18 May 2012;
- Bundle of documents relating to delivery of information to the Second Respondent concerning the substantive hearing date and a Civil Evidence Act Notice dated 18 May 2012;
- Applicant’s Schedule of Costs dated 12 September 2012.

First Respondent:

- A nine page fax consisting of a letter dated 24 September 2012 from the First Respondent, a letter from the First Respondent’s General Practitioner, a letter to the SRA dated 9 September 2010 from the First Respondent and two character references.

**Preliminary Matters**

4. Ms Willetts asked the Tribunal to proceed in the absence of the First Respondent. It was clear from her letter to the Tribunal dated 24 September 2012 that she would be unable to attend the hearing today and was content that the matter proceed in her absence.

The Tribunal’s decision on the preliminary matter

5. The Tribunal would proceed to hear the matter in the absence of the First Respondent. It was satisfied that she was both aware of the substantive hearing date and had voluntarily absented herself. The Tribunal had been mindful of its discretion to proceed with the hearing today but that such discretion should be exercised with caution, balancing fairness to the Respondent with the public interest in proceeding with the case as expeditiously as possible. In all the surrounding circumstances, the Tribunal had concluded that on balance it was right that the matter should proceed today in the First Respondent’s absence.

**Factual Background**

6. The First Respondent was born in September 1975 and was admitted as a solicitor in February 2001. Her name remained on the Roll of Solicitors.
7. The Second Respondent was born in July 1964 and was admitted as a solicitor in July 2002. Her name remained on the Roll of Solicitors.

8. At all material times the Respondents carried on practice in partnership under the style of Eden Solicitors (“the firm”), at 368 Uxbridge Road, Hayes, Middlesex, UB4 0SE.
9. On 3 September 2010 an Investigation Officer (“IO”) of the SRA commenced an inspection of the firm’s books of account and produced a Forensic Investigation Report (“the FIR”), dated 7 September 2010.

Allegation 1.1, 1.2 and 2.1

10. On 1 September 2010 the SRA received a telephone call from the First Respondent informing the SRA that she had removed in excess of £100,000 of clients’ monies from client account.
11. On 2 September 2010 the SRA received a further telephone call from Ms S, a consultant at the firm, informing the SRA that she had spoken to the First Respondent’s husband that morning who confirmed that there were insufficient funds in client account to complete a conveyancing transaction due to complete that day.
12. On 3 September 2010, the IO attended the firm’s offices and was unable to gain entry. The IO therefore arranged to gain access to the firm’s offices with the help of another of the firm’s fee earners.
13. The Second Respondent attended the firm’s premises the same day when she provided the following information:
  - She was listed as a partner but had not been present at the firm for 12 months preceding the investigation;
  - Her absence was due to a breakdown in her relationship with the First Respondent;
  - She was suffering from stress and depression and had not worked at all during that time;
  - She had no knowledge of what had happened at the firm during her absence.
14. The IO identified a minimum cash shortage of £162,914.40. However, it was not possible to establish the firm’s total liabilities to clients as no list of client matter balances was available at the time and no reconciliations had been carried out for thirteen months.
15. It was not possible to determine the exact cause of the whole shortage. An analysis of the firm’s client account bank statements for the period 4 January 2010 to 31 August 2010 identified numerous round sum transfers from the firm’s client account to office account.
16. The IO conducted an analysis of the 37 round sum transfers in August 2010 totalling £57,600.00 and it was not possible to allocate any of these sums to client matters.
17. An analysis of the firm’s office account bank statements for the period of August 2010 showed 21 payments to an account in the name of “Schand N” totalling £35,130.

18. The Respondents' conduct was referred to the Tribunal by an Authorised Officer of the SRA on 9 June 2011.

#### Allegations 1.3-1.5

19. On 10 June 2011 DD, the landlord of the firm's premises, informed the SRA that a number of the firm's files were still at the offices and rent was accruing with £15,000 outstanding.
20. On 5 August 2011 the Respondents were written to for an explanation of the steps being taken to close down the firm.
21. On 12 August 2011 the Respondents were written to for their reply to the allegation that they had failed to deliver accountants reports for the period ending 31 March 2009 [sic] [this should have read 2010], and 31 September 2010 which fell due on 30 November 2010 and 31 March 2011 respectively.
22. On 15 August 2011 the Respondents were reminded of their duty to ensure the ongoing and confidential storage of any archived client files relating to the firm and their explanation was requested of the steps being taken to close down the firm.
23. On 8 September 2011 the Respondents were further written to for their reply to the allegation that they had failed to deliver accountants reports and reminding them of their obligation to deal with the SRA in an open, prompt and cooperative manner. This obligation had previously been drawn to the attention of the Second Respondent by letter from the SRA on 13 April 2011.
24. On 14 September 2011 the Respondents were asked for their reply to the previous letters of 5 August and 15 August and were reminded of their obligation to deal with the SRA in an open, prompt and cooperative manner.
25. On 23 September 2011 the Caseworker requested the Respondents' reply to the allegation that they had failed to deliver Accountants Reports. Their reply was required by 10 October 2011.
26. On 26 September 2011 the Respondents were further written to reminding them of their duty to ensure the ongoing secure and confidential storage of any archived client files relating to the firm and requesting their explanation of the steps being taken to close down the firm. The reply was required by 3 October 2011.
27. The Respondents did not provide a response to the SRA.
28. A panel of Adjudicators of the SRA resolved to intervene into the firm and referred the Respondents' conduct to the Tribunal on 31 October 2011.

#### Allegation 2.2

29. The First Respondent was convicted at Harrow Crown Court on 6 October 2011 of fraud by abuse of position. She admitted taking a total of £163,000 from the client account of the firm between September 2009 and September 2010 to pay employees' salaries and other debts and also to use for gambling.

30. She was sentenced on 25 November 2011 to 12 months of imprisonment.

### **Witnesses**

31. The Second Respondent made an unsworn statement to the Tribunal in relation to the allegations against her. She also gave sworn evidence concerning her financial situation after the matter had been determined, in order that the Tribunal might properly assess the Costs Order to be made against her.

### **Findings of Fact and Law**

32. Ms Willetts told the Tribunal that the First Respondent had not formally admitted any of the allegations against her, and that therefore, following the service of the Civil Evidence Act Notice upon her, she would prove the matter on the documentary evidence before the Tribunal. In relation to the Second Respondent the Tribunal was informed that she would admit each of the allegations against her. However, the Tribunal noted that the Second Respondent seemed somewhat unsure of her admissions and, as she was unrepresented in the matter, the Tribunal decided that each allegation would also need to be proved against the Second Respondent on the documentary evidence before it.

### The First and the Second Respondent

33. **Allegation 1.1: They failed to carry out client account reconciliations at least every five weeks, contrary to Rule 32(7) of the Solicitors Accounts Rules 1998 (“the 1998 Rules”);**

**Allegation 1.2: They failed to ensure compliance with the 1998 Rules in breach of Rule 6 of those Rules;**

- 33.1 There were two allegations made in the Rule 5 Statement against both Respondents, which related to their failure to carry out client account reconciliations and their failure to ensure compliance with the 1998 Rules. The SRA had commenced an inspection at the firm after the First Respondent had self-reported the missing monies.
- 33.2 Ms Willetts referred to the relevant evidence in the FIR and exhibit bundle IRP/1. In so far as the reconciliations of the client account were concerned, she noted that the First Respondent had explained in a letter to the SRA dated 25 October 2010, which was part of exhibit bundle IPR/1, that:

“A bookkeeper was employed to carry out reconciliations of the client account. He was due to return in August 2009 in order to reconcile the accounts for that month. I was not at the office as I was in hospital... I do not know why he did not come for that month. In September 2009 the bookkeeper came to do the reconciliation but I informed him that I had to leave the office so asked whether he could return at a later date. The bookkeeper did not return to the offices. I did not pursue him as I knew that the books would not balance due to the money that I had taken and was not able to return to the client account.”

- 33.3 In Ms Willett's submission, the Respondents were the principals in the firm when round sum transfers were made by the First Respondent to herself and they were both responsible for the firm's compliance with the 1998 Rules and ensuring that reconciliations were carried out at least every 5 weeks.
- 33.4 In her unsworn statement to the Tribunal, the Second Respondent said that she had been introduced to the First Respondent and they had set up in practice together. The Second Respondent had had a good reputation with clients, agents and brokers, and the practice grew. The Second Respondent had specialised in conveyancing which had been around 80% of the turnover of the firm, and she had worked very hard; however the First Respondent's department had failed to grow. When the recession started to affect the practice, it was obvious that the First Respondent would need to generate more clients but that had not happened. The First Respondent had previously worked in a practice where some of the partners had been convicted of fraud and the Second Respondent said that the First Respondent had been shocked by what had happened; she had never believed for one moment that the First Respondent would take client funds.
- 33.5 At the time the Second Respondent had been suffering from depression and stress to the extent that she had stopped coming in to the office and could no longer bear the thought of being there. The relationship between the two partners started to break down. The firm had by this stage employed a qualified solicitor doing conveyancing and the First Respondent had informed the Second Respondent that she needed to decide what she wanted to do about the firm. In a conversation that she had with the First Respondent, the First Respondent had told her that she would either shut the practice down or take it on by herself and that she would get everything sorted out. So far as the Second Respondent was concerned, that was the end of the practice. She now realised she should have done more, and followed procedures, in order to perform an orderly shut-down of the partnership, but at that time her thinking had been confused. It was after that meeting that the First Respondent had started to misappropriate the clients' funds. The Second Respondent also told the Tribunal that she had not applied for a practising certificate but that the First Respondent had done it for her in her absence; the Second Respondent had had no knowledge of that application.
- 33.6 Neither had the Second Respondent had any knowledge of what had been happening at the firm until she received a phone call informing her that monies were missing from client account. It was inconceivable to her that the First Respondent had misappropriated the monies but that had unfortunately turned out to be the case. She had ultimately spent time with the firm's bookkeeper reconciling the books and they had both made a statement to the police.
- 33.7 The Tribunal had examined the evidence most carefully and considered everything that the Second Respondent had had to say concerning the two allegations against her. It had also noted the written comments of the First Respondent. The Tribunal found the allegations proved beyond reasonable doubt on the facts and documents before them.

#### The First Respondent alone

34. **Allegation 2.1: She deliberately and improperly withdrew client monies from client account for her own benefit, contrary to Rule 22(1) of the 1998 Rules;**

**Allegation 2.2: She failed to act with integrity and behaved in a way that diminished the trust the public placed in her and in the provision of legal services in that she was convicted at Harrow Crown Court on 6 October 2011 of fraud and sentenced on 25 November 2011 to twelve months' imprisonment in breach of Principle 6 of the SRA Principles 2011.**

- 34.1 Ms Willets told the Tribunal that the First Respondent had noted in her letter dated 25 October 2010 to the SRA that there was a cash shortage of £162,914.40. However, the First Respondent had also said that she had been told that the figure could be nearer to £180,000 and that she had transferred money from the client account to the office account in order to gamble amounts to try to return all the money wrongfully taken from the client account.
- 34.2 Ms Willets informed the Tribunal that the IO had identified that £50,800.00 in unallocated round sum transfers were moved from client account to office account in August 2010 alone.
- 34.3 So far as the dishonesty accompanying allegation 2.1 was concerned, Ms Willets asked the Tribunal to apply the test set out in Twinsectra Ltd v Yardley and Others [2002] UKHL 12. Firstly, the Tribunal should consider an objective test as to whether the Respondent's conduct was dishonest by the ordinary standards of reasonable and honest people, and then a subjective test as to whether the First Respondent herself realised that by those standards her conduct was dishonest. In Ms Willets' submission the objective test was satisfied; such conduct would always be regarded by the public as dishonest. The First Respondent had said she took the monies to pay staff and debts and then gambled in order to recoup the deficit and that she categorically denied stealing any money from client account, and had always had the intention of returning the money. In Ms Willets' further submission the question of whether there was subjective dishonesty did not turn upon whether there was any intention to permanently deprive; the wrongful withdrawal was sufficient to satisfy the subjective test. The Tribunal was referred to the Judgment in Bultitude v The Law Society [2004] EWCA Civ 1853 where it was said that the proof of dishonesty in this context was not dependent upon proving an intention to permanently deprive clients of funds, but could be shown from the solicitor's reckless disregard. In making withdrawals from client account on a regular basis without knowing or caring how she could pay the monies back, the First Respondent must have known that what she was doing was dishonest, and the subjective test was therefore satisfied.
- 34.4 Ms Willets told the Tribunal that the First Respondent had been convicted of fraud by abuse of her position as a solicitor on 6 October 2011 and sentenced to 12 months of imprisonment. In his sentencing remarks HHJ Arran had said that:

“This fraud is very plainly serious. It has the aggravating features that there is a severe breach of trust because you were acting as a solicitor and abusing clients' funds. It was persistent and regular over a period of a year; a lengthy period of time. On the other hand, in mitigation, it can be said that you were plainly out of your depth. You have health problems. You, yourself, called in The Law Society and you were frank...”

It was in Ms Willets' submission self evident that such behaviour would damage the reputation of the profession.

- 34.5 The Tribunal noted that in her letter of 24 September 2012 to the Tribunal the First Respondent had stated:

“I would like to stress that at no time was it my intention to personally benefit financially from the money taken and this was accepted by the Criminal Court. I did not use the money to buy luxury items or to spend frivolously. I wanted to keep my business afloat. I am fully aware and accept that my actions were wrong and that I have caused a lot of people harm. I am truly sorry for this. My actions were completely out of character and this is something that I have not done before and will ever do again.”

The Tribunal also noted that the First Respondent had said that at the material time she had been very stressed and depressed about the situation she had found herself in, having been left to deal with the running of the firm alone.

- 34.6 The Tribunal found allegations 2.1 and 2.2 proved beyond reasonable doubt on the facts and documents before them. There was a Certificate of Conviction before them from Harrow Crown Court dated 10 February 2012 and the Tribunal also had the benefit of a copy of the His Honour Judge Arran’s sentencing remarks. The Tribunal was in no doubt whatsoever that there had been a breach of Rule 22(1) of the 1998 Rules and that in being convicted of fraud by abuse of position the First Respondent had failed to act with integrity and had diminished the confidence the public placed in the profession.
- 34.7 Dishonesty was alleged in relation to allegation 2.1 and the Tribunal had applied the test in *Twinsectra*; it was satisfied so that it was sure that in acting as she had the First Respondent had been dishonest by the ordinary standards of reasonable and honest people and that she herself realised by those same standards that her conduct was dishonest. Whilst the Tribunal had taken note of the fact that the First Respondent had said that she had had no intention to permanently deprive the clients of those funds, it accepted Ms Willetts’ arguments on the applicability of the principles in *Bultitude v The Law Society* in this case.

#### The First and the Second Respondent

35. **Allegation 1.3: They failed to ensure the confidential storage of client files in breach of Rule 4.01 of the Solicitors Code of Conduct 2007 (“SCC 2007”);**

**Allegation 1.4: They failed to deal with the Solicitors Regulation Authority (“SRA”) in an open, prompt and cooperative way, in breach of Rule 20.05(1) of the SCC 2007 and/or they failed to cooperate fully with the SRA, thereby failing to achieve outcome 10.6 of the SRA Code of Conduct 2011;**

**Allegation 1.5: They failed to deliver Accountant’s Reports for Eden Solicitors for the periods ending 31 March 2010 and 30 September 2010, in breach of Section 34 of the Solicitors Act 1974 and of Rule 35 of the 1998 Rules.**

- 35.1 Ms Willetts told the Tribunal that following the Forensic Investigation the firm had closed but the landlord had written to the SRA saying that there were still files at the office and rent was accruing. The SRA sent seven letters in total to the Respondents and there was no answer at all from either Respondent to any of those

communications. Neither had any Accountant's Reports been delivered for the firm for the periods ending 31 March 2010 and 30 September 2010.

- 35.2 In her unsworn statement to the Tribunal the Second Respondent said that the firm's files had never been insecure. The landlord had wanted her to take them but he had also said that the office was still hers due to an ongoing issue with the business rates. In her submission the files were always secure.
- 35.3 In so far as communication with the SRA was concerned, the Second Respondent admitted that she had failed to respond to letters and that due to her depressed state she tended to be afraid to open letters.
- 35.4 The Second Respondent said that she had no funds to pay an accountant; indeed she had no money whatsoever. She had made an effort to find a friend to do the accounts and had asked for an extension of time but ultimately she could find no-one to prepare the Reports.
- 35.5 The Tribunal had considered most carefully all of the documents relating to these three allegations and had listened to what both Ms Willetts and the Second Respondent had had to say. The clear evidence before the Tribunal was that the Respondents had abandoned the practice and had not been paying rent to the landlord. It was an ongoing duty to keep client files secure, which neither of the Respondents had met; the letter sent by the SRA concerning this matter was now over one year old. The Tribunal therefore found allegation 1.3 proved beyond a reasonable doubt against both Respondents on the facts and documents before it.
- 35.6 In so far as allegation 1.4 was concerned there was also clear evidence before the Tribunal that both Respondents had failed to deal with the SRA in an open, prompt and cooperative way. The Tribunal therefore found this allegation proved beyond a reasonable doubt against both Respondents on the facts and documents before it.
- 35.7 The evidence before the Tribunal was that no Accountants Reports had been delivered for the periods ending 31 March 2010 and 30 September 2010. The Tribunal therefore found allegation 1.5 proved beyond a reasonable doubt against both Respondents on the facts and documents before it.

### **Previous Disciplinary Matters**

36. None

### **Mitigation**

37. The Tribunal had considered all of the points raised by the First Respondent in her nine page fax to the Tribunal covered by the letter of 24 September 2012 and had noted the character references supplied. It had also been mindful of her comments in correspondence with the SRA contained within exhibit bundle IPR/1.
38. The Tribunal had also taken into account everything that it had heard from the Second Respondent. The Second Respondent's current situation was that she had no income and relied entirely upon her family. She was still depressed. In questioning from the Tribunal concerning whether she had visited her GP when she had first started to feel depressed, the Second Respondent said that she had eventually sought help, but this

had only been after the situation had become clear with the missing client account monies.

39. The Second Respondent wished to stress that at no time had she ever been dishonest. She said that to this date the First Respondent had not contacted her and had made no apology to her. What had happened had totally destroyed both the Second Respondent and her family's lives. All outstanding debts relating to the firm seemed to be directed to the Second Respondent and in her view the First Respondent refused to take any form of responsibility.

### **Sanction**

40. In relation to the First Respondent, the Tribunal had found a number of allegations proved against her, including one of dishonesty. It had also noted that she had been convicted at Harrow Crown Court on 6 October 2011 of fraud by abuse of position and had been sentenced to twelve months' imprisonment. The Tribunal regarded this as an exceptionally grave matter and in all the circumstances the only appropriate sanction was to strike off the First Respondent.
41. The Tribunal considered that the Second Respondent's abandonment of the practice was serious and damaging to the reputation of the profession. By abandoning the practice the Second Respondent had not been able to prevent the First Respondent misappropriating client monies. Whilst the Tribunal had heard that the Second Respondent had been suffering from depression at the relevant time, she had not been on oath and no medical evidence had been produced. Neither had the Second Respondent seemed to fully appreciate what she had done nor that she had withdrawn from the practice without apparently taking any responsibility for it. The Tribunal did not find the Second Respondent had been particularly contrite in all of the circumstances.
42. In reaching their decision as to the appropriate sanction to be made against the Second Respondent the Tribunal had had regard to the harm caused by the Second Respondent's abandonment of the practice and her material breach of obligation over a period of time. It was the Tribunal's view that such behaviour by a solicitor should attract a heavy sanction and that a fine would not be a sufficient sanction in this case. There was no indication that the Second Respondent had recovered sufficiently to practise as a solicitor at present, and in all the circumstances it was impossible to say when she would be again fit to do so. Neither would it be wrong in this case to say that the Second Respondent needed to prove herself as a paralegal in a legal practice before she should be allowed to practise as a solicitor again. In this case a period of indefinite suspension would be logical, fair and proportionate until such time as the Second Respondent could prove by medical evidence and work experience that she was able to be a member of the profession again.

### **Costs**

43. The Applicant's Schedule of Costs was in the sum of £15,357.70. The Tribunal had also heard from Ms Willetts that £147,000 had already been paid out by the SRA Compensation Fund in this case.

44. The Tribunal had the letter before it from the First Respondent dated 24 September 2012, informing the Tribunal that she was currently unemployed and surviving on benefits and money given to her by her husband, from whom she had separated.
45. The Tribunal summarily assessed the Applicant's costs in this matter in the sum of £14,500, the small deduction having been made to take account of any overlap in work caused by the change in the Applicant's solicitor. Since the liability of each Respondent was different and the First Respondent had faced the more serious charges, the Tribunal assessed the liability to costs as being £10,000 for the First Respondent and £4,500 for the Second Respondent.
46. The Tribunal had had regard to the principles laid down in the cases of D'Souza v The Law Society [2009] EWHC 2193 (Admin) and SRA v Davies & McGlinchey [2011] EWHC 232 (Admin). The Tribunal had also heard from Ms Willetts that both Respondents had been provided with a copy of the case of Davies & McGlinchey. In that case Mr Justice Mitting had said that a sensible regulatory regime required the means of an individual against whom a costs order was proposed to be investigated when that issue was determined. It was for the Respondent to provide the evidence of means upon which the Tribunal could make a decision as to costs and the Tribunal had no evidence before it as to the exact means of the First Respondent, who had elected not to attend before it. However, it wished to hear from the Second Respondent in evidence given under oath as to her financial situation, should she wish that matter to be taken into account.
47. In evidence given under oath, the Second Respondent told the Tribunal that she was not in receipt of any benefits but was supported by her family, who lived with her. One of the family had been paying the mortgage on the family home for the last two to three years. Although the property was shown to be in the Second Respondent's sole name at the Land Registry, another family member had a considerable equitable interest in it, having provided the monies for the purchase from the sale of her own property so that the family could all live together. Whilst there was equity in the property the equity belonged to that family member.
48. The Second Respondent also had another property in her name in which that same family member held the equitable interest. It was in her name because that person could not get a mortgage upon it; whilst the equity belonging to that person was substantial there was some equity in her name.
49. After the Second Respondent had finished giving her sworn oral evidence, Ms Willetts informed the Tribunal that the office copy entries supplied to the Tribunal from the Land Registry were out of date, and that the Second Respondent had explained there was a further charge upon the property where she was living which was in relation to the indemnity insurance premium of the firm.

#### The Tribunal's Decision on Costs

50. The Tribunal would award costs in the sum of £10,000 against the First Respondent. Whilst the Tribunal noted the brief contents of her letter dated 24 September 2012 concerning her means, she had provided no evidence upon which she could rely to support the contention that the costs should be limited in her case.

51. In regard to the Second Respondent the Tribunal had heard that she was the owner of two properties and she had a small amount of equity in those properties, despite the further charge. It was right that she should pay her due proportion of costs in this case of £4,500.

**Statement of Full Order**

52. The Tribunal Ordered that the Respondent, Natasha Simmon Schand, solicitor, be Struck Off the Roll of Solicitors and it further Orders that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £10,000.00.
53. The Tribunal Order that the Respondent, Aneet Kaur Garcha, solicitor, be suspended from practice as a solicitor for an indefinite period to commence on the 25th day of September 2012 and it further Orders that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £4,500.00.

Dated this 29<sup>th</sup> day of October 2012  
On behalf of the Tribunal

J. N. Barnecutt  
Chairman