SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 Case No. 12180-2021

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD Applicant

and

IFEOLU OLUMIDE OGUNSHAKIN Respondent

Before:

Mr J Evans (in the chair)
Mrs C Evans
Mr P Hurley

Date of Hearing: 10 August 2021

Appearances

Michael Collis, barrister, of Capsticks Solicitors LLP, 1 St Georges Road, Wimbledon, London, SW19 4DR, for the Applicant.

Jonathan Goodwin, solicitor, of Jonathan Goodwin Solicitor Advocate Limited, for the Respondent.

JUDGMENT

Allegations

1. The allegations against the Respondent are that, while in practice as sole director and a solicitor at Mayflower Law Limited ("the Firm"):

1.1 Between April 2018 and July 2020, he failed to adequately remedy breaches of the SRA Accounts Rules 2011 ("the 2011 Accounts Rules") and the SRA Accounts Rules 2019 ("the 2019 Accounts Rules") for the respective periods up to and after 25 November 2019, in relation to any or all of:-

1.1.1 establishing or maintaining proper accounting systems or proper internal control of those systems contrary to Rules 1.2(e) of the 2011 Accounts Rules and Rule 8.1 of the 2019 Accounts Rules;

1.1.2 keeping accounting records properly written up or maintaining accurate records contrary to Rules 1.2(f), 29.1 and 29.2 of the 2011 Accounts Rules and Rule 8.1 of the 2019 Accounts Rules;

1.1.3 ensuring adequate client account reconciliations, contrary to Rules 29.12 and 29.13 of the 2011 Accounts Rules/ Rule 8.3 of the 2019 Accounts Rules.

And, in so doing, he breached any or all of:

SRA Accounts Rules 2011 and 2019
Rule 7.1 of the 2011 Accounts Rules and Rules 6.1 of the 2019 Accounts Rules;

SRA Principles 2011 and 2019
Principles 6, 7, 8 and 10 of the SRA Principles 2011 and Principle 2 of the SRA Principles 2019;

Codes of Conduct 2019
Standards 4.2 and 7.1, 7.3, 7.4 and 7.10 of the 2019 Code of Conduct for Solicitors and Standards 2, 8 and 9 of the 2019 Code of Conduct for Firms.

Documents

Applicant

- Application dated 19 March 2021
- Rule 12 Statement and Exhibit Bundle MLR 1 dated 22 March 2021
- Costs at Issue dated 19 March 2021
- Schedule of Costs dated 3 August 2021

Respondent

- Respondent's Answer dated 21 April 2021
- Letter x 2 from Dr Vish Ratnasuriya MBE (General Practitioner) dated 7 April 2021 and 9 August 2021
- Personal Financial Statement dated 27 April 2021

Factual Background

2. The Respondent is a solicitor having been admitted to the Roll on 2 December 2002. He was the sole director and shareholder of the Firm which began trading on 1 April 2010, its main areas of work were in employment and commercial/corporate. The Firm was located at 8 The Wharf, 16 Bridge Street in Birmingham.

3. The Respondent was the Firm's COLP and COFA and as such was responsible for the management and regulatory compliance requirements of running the Firm.

4. An intervention took place in October 2020 and the Respondent's practising certificate was suspended.

5. The Respondent was granted a practising certificate on 7 April 2021 with the following conditions:

- He is not to be a manager or owner of an authorised body.
- He may not practise on his own account under regulation 10.2(a) or (b) of the SRA Authorisation of Individuals Regulations.
- He may not act as a compliance officer for legal practice (COLP) or compliance officer for finance and administration (COFA) for any authorised body.
- He may not hold or receive client money, or act as a signatory to any client or office account or have the power to authorise transfers from any client or office account.

Witnesses

6. Neither party called oral evidence before the Tribunal.

Findings of Fact and Law

7. The Applicant was required to prove the allegations on the civil standard, that of the balance of probabilities. The Tribunal had due regard to its statutory duty, under section 6 of the Human Rights Act 1998, to act in a manner which was compatible with the Respondents' rights to a fair trial and to respect for his private and family life under Articles 6 and 8 respectively of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

8. The evidence referred to will be that which was relevant to the findings of the Tribunal, and to facts or issues in dispute between the parties. For the avoidance of doubt, the Tribunal read all of the documents in the case and made notes of the submissions made by the Applicant and the Respondent in the hearing. The absence of any reference to particular evidence should not be taken as an indication that the Tribunal did not read, hear or consider that evidence.

9. **Allegation 1.1 – Failing to adequately remedy breaches of the Accounts Rules in respect of maintaining proper accounting systems or proper internal control of those systems, failing to keep accounting records properly written up or to maintain accurate records and failing to ensure adequate client account reconciliations.**

The Applicant's Case

The facts and matters relied upon by the Applicant in support of the Allegations

9.1 The conduct giving rise to the allegations was set out in two SRA Forensic Investigation Reports ("FIRs") which evidenced breaches of Accounts Rules.

9.2 These breaches had come to light initially from a Qualified Accountants Report ("QAR") in 2018. The breaches were then not adequately rectified by the Respondent despite the first Forensic Investigation and promises made by the Respondent that matters would be remedied.

9.3 The time period of the allegations spanned the 2011 and 2019 Accounts Rules, the 2019 Rules having come into force on 25 November 2019. The QAR was for the year ending 31 March 2018. The first investigation resulted in a FIR dated 4 October 2019. The second Forensic Investigation culminated in a report dated 31 July 2020, that investigation having commenced on 30 January 2020.

SRA Accounts Rules 2011

9.4 The overarching objective and underlying principles of the Accounts Rules require solicitors to establish and maintain proper accounting systems and proper internal controls over those systems in order to ensure compliance with the Rules (Rule 1.2(e)) and must keep proper accounting records to show accurately the position with regard to the money held for each client and trust (Rule 1.2(f)).

9.5 The purpose is, most importantly, to keep client money safe (Rule 1.1).

9.6 Rule 7 sets out that any breach of the rules must be remedied promptly upon discovery.

9.7 Rules 29.1 and 29.2 require that, in summary, accounting records which are properly written up to show the Firm's dealings with client money must at all times be kept and must be appropriately recorded in a client cash account or in a separate client ledger for each client.

9.8 Rules 29.12 and 29.13 set out that every five weeks the balance on the client cash account must be compared with balances shown on the statements and passbooks of client accounts, a listing of the balances shown of the liabilities to clients and a reconciliation statement be prepared, and that reconciliations must be carried out as they fall due, or at the latest by the due date for the next reconciliation.

9.9 Rule 29.14 requires that all shortages must be shown.

SRA Accounts Rules 2019

9.10 Pursuant to Rule 6 there is a duty to correct breaches of the rules promptly upon discovery. Rule 8 deals with client accounting systems and controls and requires that accurate, contemporaneous and chronological records are maintained (8.1) and that reconciliations are undertaken for all client accounts at least every five weeks and that any differences shown by the reconciliation be promptly investigated and resolved (8.3).

9.11 The SRA received a Qualified Accountants Report ("QAR") for the Firm for the year ending 31 March 2018, the report being qualified for the following reasons:

- Reconciliations were not being carried out on a regular or timely basis;
- The Firm was improperly using a suspense account by not promptly resolving or allocating the funds on this ledger;
- On eight client matters, payments had been made exceeding the funds held for those clients;
- On two matters, money had been transferred from the client to office account for payment of bills, without bills being formally raised;
- On 28 matters, client money was incorrectly paid into and held in the office account in error;
- Unreconciled transactions totalling £16,050.68 and two credit balances, where the accountants had been unable to obtain evidence from the Firm to contextualise and determine whether any breaches had occurred;
- The Firm did not have effective accounting systems and processes in place to ensure compliance and rectify breaches.

9.12 As a result of the QAR an SRA Forensic Investigation was commissioned and commenced on 11 December 2018.

Forensic Investigation Report 4 October 2019 – "the first FIR"

9.13 The 2019 FIR set out its findings in respect of unreliable and inaccurate books of account up to and including the client account reconciliation of June 2019.

9.14 The first FIR identified a failure to establish or maintain proper accounting systems or proper internal control of those systems and to keep accounting records properly written up or maintain accurate records.

9.15 The books of account were unreliable primarily because of the volume and nature of adjustments to the client account reconciliations, along with debit balances on the client account.

9.16 In meetings with the FIO on 11 December 2018 and 27 March 2019 the Respondent and T, the Firm's independently contracted bookkeeper, stated that as a result of historical problems in the retention of bookkeeping staff, no client account reconciliations were carried out from April to October 2018. T became involved in assisting the Firm from around September 2018 and was trying to bring the reconciliations up to date alongside attempting to minimise further deterioration in the Firm's accounts.

9.17 As a result of the unreliable books of account, the FIO was unable to determine whether the firm held sufficient funds to meet its liabilities to clients.

9.18 The first FIR identified a failure to carry out client account reconciliations and the total unreconciled items stood at £2,261,637.18 at June 2019.

9.19 The Firm had not carried out any reconciliations between April 2018 and October 2018 and the reconciliations from October 2018 onwards contained a high number of items that could not be reconciled. This included:

- Items which had been posted to the books of account (i.e. had been posted to the client ledgers) but which could not be matched to bank statements. The Firm described these as 'unreconciled transactions'; and

- Items which were on the bank statements (i.e. had genuinely occurred) but which could not be identified on the books of account. The Firm described these as 'unreconciled adjustments'.

9.20 The volume, age and nature of the unreconciled items were such that they were unlikely to be typical timing adjustments and instead were potentially indicative of significant posting errors

9.21 It was stated to the FIO on 27 March 2019 by T, who was understood to be speaking on behalf of the Firm, that the Firm anticipated resolving the unreconciled items entirely within the second half of 2019.

9.22 The list of client balances at June 2019 included debit balances. In November 2018, the Firm's accounting records showed £96,790.07 of debit balances. In June 2019, this figure had reduced to £13,061.16.

9.23 Despite the indication that these matters would be resolved in the second half of 2019, the second FIR established that these matters had not been resolved, but had in fact deteriorated further.

Forensic Investigation Report 31 July 2020 – the "second FIR"

9.24 This investigation commenced on 30 January 2020 in order to determine whether the issues identified by the first FIR had been resolved.

9.25 At the outset of the investigation it became apparent that the Firm had not resolved the issues identified by the first investigation, or indeed the QAR.

9.26 The second FIR identified a failure to establish or maintain proper accounting systems or proper internal control of those systems and to keep accounting records properly written up or maintain accurate records.

9.27 In the months following the previous investigation, T had not been maintaining the Firm's books of accounts due to delays in the Firm paying her invoices. The FIO had a meeting with T on 6 February 2020; she stated that she was contracted for seven hours a month and that that made it difficult to maintain ongoing compliance. She also noted some difficulties in obtaining payment for her services from the Firm and in ensuring the Firm actioned her remedial recommendations.

9.28 As was the case in the previous investigation, the books of account therefore remained unreliable primarily because of the volume and nature of adjustments to the client account reconciliations, along with debit balances of the client account.

9.29 The second FIR identified a failure to carry out client account reconciliations and the client account reconciliations for late 2019 showed a worsened position in terms of unreconciled items. For December 2019, there were 138 unreconciled items totalling £3,058,810.58 and the books of account remained non-complaint with the SRA Accounts Rules.

9.30 As before at the time of the first Forensic Investigation, the Firm's client account reconciliations from October 2018 contained a high volume of items which could not be reconciled, including:

- Items which had been posted to the books of account (i.e. posted to the client ledgers) but which could not be matched to the bank statements.

- Items which were on the bank statements (i.e. had genuinely occurred) but which could not be identified on the books of account.

9.31 During an initial meeting with the Respondent on 30 January 2020, the Respondent informed the FIO that the most recent client account reconciliation was November 2019 (it was then indicated that it was in fact October 2019) and that the unreconciled items had reduced but were still present. The Respondent was unable to provide the FIO with the October 2019 client account reconciliation or whether there were any other reconciliations post-dating the ones from the previous investigation which had been up to June 2019.

9.32 On 31 January 2020, T provided the client account reconciliation for December 2019 to the FIO and on 6 February 2020, the Respondent provided the FIO with hard copy client account reconciliations covering July to December 2019 signed by him.

9.33 The Respondent stated that the bookkeeper, T, was supposed to have put the reconciliations into an electronic drop box and that he had tasked T with resolving the accounting issued by 31 March 2020.

9.34 The Respondent then indicated that the unreconciled items would be resolved by March 2020, however the volume and nature of unreconciled adjustments to the client account reconciliation for March 2020 meant that the FIO was unable to express an opinion as to whether the Firm had sufficient funds to meet its liabilities to client.

9.35 The client account reconciliation for 31 March 2020 was received on 20 May 2020. The Firm stated the net unreconciled items on its client account reconciliations. For instance, in the March reconciliation, it deducted the total unreconciled payments of £1,184,099.42 from the total unreconciled receipts of £1,189,499.40 and stated the resultant figure of £5,399.98 on the reconciliation front sheet as 'Outstanding Postings'.

9.36 However, the actual total of the unreconciled items was £2,373,598.82 (in respect of some 89 unreconciled items). This was a higher amount than the position during the first investigation. Most of these items were described on the reconciliation as adjustments, *corrections, reversals or rectifications.*

9.37 All of the unreconciled items in the March 2020 client account reconciliation were meant to represent items which had passed through the bank account but had not been allocated or posted. However, the FIR could not identify any of a sample of those items on the corresponding bank statements.

9.38 The total unreconciled items were reduced during this second investigation, from December 2019. However, they remained higher than the position in June 2019 (£2,261,637.18) and considerably higher than at the start of the previous investigation in October 2018 (£851,904.57).

9.39 The FIR sought explanations from the Respondent in relation to specific items on the Firm's client account reconciliation for March 2020 and whilst the Respondent responded, he did not address the specific questions raised.

9.40 The Firm did not subsequently provide any evidence of progress, save for the client account reconciliation for April 2020 which was unchanged from March in terms of unreconciled items and debit balances.

9.41 The Firm's client account reconciliations also indicated that there were debit balances on client account, reducing from £96,790.07 in November 2018 (during the first investigation) to £9,371.64 in March 2020.

9.42 However, as before, because of the volume and nature of adjustments to the client account reconciliations, it was not possible to say that the client ledgers were accurate and so the FIO was unable to confirm if the debit balances on client ledgers as stated were genuine debit balances and therefore whether they represented a shortage on client account.

<u>The Respondent's Position</u>

9.43 During the investigations the Respondent appeared to attribute some fault for the breaches of the Accounts Rules on A, a Legal Executive. However, in a response provided on the Respondent's behalf received on 1 October 2020 in respect of the

proposed intervention, it was indicated that the Respondent accepted that there had been breaches of the SRA Accounts Rules 2011 for which he apologised.

9.44 It was stated on his behalf that matters had been substantially rectified and any outstanding matters were in the process of being resolved. It was also said that he has introduced new systems, procedures and personnel which was supportive of his genuine insight and desire to ensure compliance with his professional obligations and that matters identified by the FIO as causes of concern were errors and not the result of any conscious or deliberate action on the part of the Respondent.

9.45 New procedures adopted by the Firm included:

- daily authorisation of funds from client account, searches by fee earner and completion of transactions and disbursements;
- weekly bank statement reconciliations to be undertaken by the Respondent's wife, (a speech therapist)
- T to undertake monthly reconciliations of all unreconciled balances.

9.46 It was indicated that the Respondent had appointed AB, a solicitor with nearly 29 years post qualification experience who was due to start at the Firm on 1 October 2020 and was to be appointed the new COFA. Other proposed steps were outlined in order to remedy the breaches/ensure future compliance. It was indicated that the Respondent denied failing to cooperate with, or reply to the FIO and that delays were caused due to access to the Firm due to the pandemic.

9.47 The Respondent accepted that he had ultimate responsibility for any Accounts Rules breaches but stated that it has always been his intention that proper standards should be maintained throughout the Firm.

<u>The Applicant's Position</u>

9.48 Mr Collis for the Applicant submitted that from the time of the 2018 QAR to the second FIR of 31 July 2020, the Respondent failed to remedy the identified breaches of the respective Accounts Rules (as set out in Allegation 1.1) over that period despite assurances that progress was being made and that matters would be rectified.

9.49 The Firm's books of account were not accurate or properly written up, as was required pursuant to Rules 1.2(e) and (f) and 29.1(a) of the 2011 Rules or Rule 8.1 of the 2019 Rules, and the situation was not remedied by the Respondent over the period alleged for the following reasons:

- They contained significant posting errors to the extent that the FIO was unable to determine whether the Firm held sufficient funds to meet its liabilities to clients.
- The reconciliations provided over the two investigations showed a large number of items that could not be reconciled.

- There were items posted to the ledgers which could not be matched with bank statements, and items on the bank statements which could not be identified on the books of account.

9.50 Reconciliations had not been properly carried out as they should have been pursuant to Rules 29.12 and 29.13 of the 2011 Rules and Rule 8.3 of the 2019 10 Rules and as alleged, this situation was not remedied over the period alleged:

- The 2018 QAR identified that the Firm did not carry out reconciliations regularly;

- all of the reconciliations for that year were not completed by the due date of the subsequent reconciliation;

- no client account reconciliations had been carried out from April to October 2018; 52.3. As at 22 November 2019, the reconciliations for August, September and October 2019 had not been completed;

- The client account reconciliation for 31 March 2020 was received on 20 May 2020. The firm stated the net unreconciled items on its client account reconciliations. For instance, in the March reconciliation, it deducted the total unreconciled payments of £1,184,099.42 from the total unreconciled receipts of £1,189,499.40 and stated the resultant figure of £5,399.98 on the reconciliation front sheet as 'Outstanding Postings'. However, the actual total of the unreconciled items was £2,373,598.82.

- All reconciliations reviewed by the FIO during the two investigations contained debit balances and items which could not be reconciled. The most recent in April 2020 included 90 unreconciled items totalling £2,373,601.82 and debit balances totalling £9, 371.64.

9.51 Mr Collis submitted that these were ongoing problems over a period of two years or more which evidenced a failure on the Respondent's part to promptly remedy the identified breaches of the Rules pursuant to Rule 7.1 of the 2011 Rules and Rule 6.1 of the 2019 Rules.

9.52 In terms of the Respondent's assertion that matters have been substantially rectified and any outstanding matters are in the process of being resolved, Mr Collis told the Tribunal that this was not in fact borne out by the evidence provided to the FIO by the Respondent.

9.53 The FIO considered that the documents provided evidence that the Firm had not made any substantive progress to resolve the three main issues with its books of account set out in the Notice of 7 September 2020. The most recent figures showed that the unreconciled items were not decreasing but actually appeared to be increasing.

9.54 Whilst an initial reduction was shown in the debit balances, the figure provided for July 2020 suggested that the debit balances were once again increasing. But in any case, given the unreliability of the books of account it was not possible to ascertain whether those figures represented a shortage on the client account, or the full extent of any shortage.

9.55 The reconciliations continued to show a difference between the cashbook balance and the client account balance. This could be indicative of potential further client account shortages but the extent of which could not be ascertained due to the unreliable books of account.

9.56 Consequently the position at that stage, showed the issues had in fact still not been resolved by July 2020.

9.57 Mr Collis said that the failure to promptly remedy the identified breaches was also demonstrated by the chronology of communications with the Respondent and his responses to the SRA.

9.58 In a meeting with the Respondent on 20 February 2020, the FIO indicated that he would be reporting back to colleagues within the SRA in early March and that it therefore might be helpful to have as recent a reconciliation as possible, especially on the basis that the Respondent had indicated that he felt that the position would have much improved from end of January and so indicted that it would be worth the Respondent preparing a reconciliation as at for example 21 February.

9.59 The Respondent was recorded as having made a note of this and that he would raise it.

9.60 Between 2 March 2020 and 20 May 2020, the Respondent did not respond to the FIO's enquiries and as a result the FIO was unable to conduct any sampling of the Firm's files. In this period there was therefore a complete failure to respond at all to requests for information.

9.61 Following this, T provided the March 2020 client account reconciliation to the FIO and the Respondent in an email dated 20 May 2020. Shortly over an hour later, the Respondent emailed the FIO noting, *"It seems as though we are in a better place now than where we were in January 2020, and I hope that shines through in the latest Reconciliation Report for March 2020"*. There was, however, no explanation from the Firm as to why the unreconciled items were not reduced to zero in the March client account reconciliation as previously stated would be the case to the FIO.

9.62 On 10 June 2020 the FIO wrote to the Respondent in the Respondent's capacity as sole principal and COFA, raising detailed queries in relation to the unreconciled items on the March 2020 client account reconciliation. The FIO also sought explanations in relation to the fact that, contrary to the Firm's assurances, the adjustments to the reconciliations had not been cleared and in fact had increased from the position during the previous investigation. Finally, the FIO noted the balances stated as debit balances and asked the Respondent whether he regarded these as genuine and, if so, what action was being taken to replace them.

9.63 On 11 June 2020, T wrote to indicate that the FIO would be provided with a formal response by the end of the following day. However, as at the date of the second FIR, other than what appeared to be a corrected version of the front sheet of the March 2020 client account reconciliation (so as to show the client bank statement figures), T was not in further contact with the FIO.

9.64 On 12 June 2020, the Respondent wrote to outline some of the Firm's procedures. He continued: "*That has been the strategy and as to the more technical points you raise, I had genuinely thought we were making some progress with the 'Unreconciled postings' down to £5399.98 in the last report. I accept it is not where I hoped it will be at 31 March due to getting the cooperation of a particular fee earner, but I am doing my utmost to bottom this all out for obvious reasons. We expect a further improvement on that figure as we wade our way through them."*

9.65 It was noted that the Respondent did not directly address whether he regarded the stated debit balances as genuine but did state that *"over £9000 have [sic] been identified and transferred from Office to Client Account"*. He did not however not provide any evidence of this. Finally, he stated that he wished to get T's input before responding further.

9.66 On 3 July 2020, the Respondent sent a further email to the FIO in which he further outlined the Firm's current processes and the work that T was doing. He also indicated that the FIO had been provided with a client account reconciliation for May 2020, which was not correct. He stated that "*all items referred to in your email of 10 June, have been posted and corrected on ledgers. This task is continuing."* Later, he wrote "*The only adjustments for March, were some outstanding Client to Office transfers and InfoTrack items which have now been allocated"*.

9.67 The Respondent then referred to further work to *"unpluck the ledgers"* and concluded, "*Overall, we are making reasonably good progress, although frustratingly not as fast as I would desire. I am sure you will see further improvements in the June 2020 Monthly reconciliation Report, which* [T] *will be completing, in a few days' time for your inspection."*

9.68 The FIO, subsequently, did not hear any further from the Respondent.

9.69 Mr Collis said that in the period following May 2020, whilst there was communication from the Respondent to the FIO in May, his responses to the FIO he did not always provide the specific information requested, either at all, or otherwise adequately and on other occasions he left it to third parties to respond on his behalf.

9.70 It was submitted by Mr Collis that the level and nature of communication from the Respondent was instructive in considering the allegation of failing to remedy the identified breaches of Accounts Rules and was part and parcel of that failure to remedy those breaches.

9.71 Furthermore, Mr Collis referred the Tribunal to the concerns of the Adjudication Panel making the decision to intervene in the Firm as set out in its decision of 15 October 2020 which Mr Collis adopted and endorsed as having continued relevance to the present matter:

> "*Mr Ogunshakin is the sole director of the firm. He has full control over its management and direction. He is also the firm's COLP and COFA. We are not persuaded that he fully understands the demands of managing his firm. Our concerns are reinforced by his appointment of* [AB]*: we note from his letter dated 21 September 2020 to* [AB] *that he said the firm had not previously had*

a COFA, when he is the COFA. He refers to a 'first stab at a generic description of the role based on what I picked up from the SRA website. It will have to be 'work in progress' given it is the very first time we have had a COFA'.

Mr Ogunshakin appears to underestimate the scope and demands of the role as he tells [AB] *that he does not expect it to take more of her time than one day a week. He describes the role as 'essentially managing, monitoring and the implementation of measures to meet and where possible exceed the statutory and regulatory compliance expectations of the regulator'. This suggests the role is future-facing and not one that will address the current and long-standing issues with the books of accounts.* [AB's] *primary role is as a fee-earner.*

Mr Ogunshakin incorrectly refers to her as a manager on the application form to the SRA although she will in fact be a consultant. We have concerns that the role may only be temporary as, in his letter to [AB], *he refers to her putting 'a marker on the role for a successor'. This is not conducive to consistent and effective compliance. The application says the COLP will be the sole signatory to the office and client accounts. If this is correct and refers to Mr Ogunshakin it is concerning that the COFA will not have any control over the firm's accounts.*

If it is an error, and Mr Ogunshakin intends only the COFA to be a signatory it is concerning that he, as the sole director and manager would not have that control…..

.. We are not persuaded that Mr Ogunshakin has the commitment or the capability to resolve the issues facing his firm. The failings in the accounts have existed for at least 30 months. His attempts to address the problems have been inadequate and indifferent. He did not take seriously the FIO's concerns. He took on a bookkeeper for only 7 hours a month but risked losing her services by not paying her invoices, to the extent that she threatened to sue him.

According to [T's] *statement dated 13 October 2020 her hours have been increased to 2 hours a day. However, her role appears to be simply to deal with daily postings: she describes her role as including 'checking and posting of all monies into and account daily. Checking of all completions or 14 monies debiting the bank account.' This does not address the long-standing issues identified by the FIO.*

There is a pattern of Mr Ogunshakin inappropriately delegating to unqualified members of staff tasks that should, in the circumstances, be his responsibly. For example, his wife (a speech therapist) is now to deal with the weekly reconciliations and he has previously tasked a trainee solicitor with resolving the issues with the accounts. Even his communications with the FIO have often been conducted by [T], [A], *or a former employee of the firm on his behalf.*

Mr Ogunshakin is placing reliance on the introduction of a new accounts package. It is not clear how this is intended to facilitate resolving the existing issues, for example identifying to whom the money held in the suspense account belongs. We note from the QAR that the accountants commented: 'No checks

were carried out during the reporting period to ensure that balances transferred from the books of account of the old bookkeeping software system were reconciled with the opening balance held on the new bookkeeping software system before day to day operations commenced.' This indicates that the firm had only recently adopted a new system which has not resolved the difficulties with the firm's accounts. It also indicates that the difficulties are not simply due to system errors, but a lack of proper management.

It is clear from Mrs Ogunshakin's statement that her husband has a number of external interests. That is to his credit, but causes us to question, in light of his current difficulties and his inadequate attempts to resolve them, whether he gives, and has given, sufficient priority to his firm.

As the COFA and sole director, Mr Ogunshakin holds ultimate responsibility for ensuring that the firm's accounts are accurate and up to date. Mr Ogunshakin and the firm have not done so over a considerable period of time. The books of account were, and continue to be, in such disarray that we cannot be confident the work he is doing will resolve the issues either at all or promptly enough to allay risk to client money and the interests of current and future clients.

The significant errors and failings with the books of account go beyond simply poor record keeping because they have a very real and significant consequence for clients. To allow a firm to continue to operate with such poor accounts puts the money and interests of current, former, and potential new clients at significant risk."

9.72 Mr Collis, for the Applicant commended the analysis of the Intervention Panel to the Tribunal and submitted that the Respondent's response inadequately addressed the failures and breaches of the Accounts Rules and served only to only to reinforce the ongoing failure on his part to adequately remedy breaches of the Accounts Rules.

9.73 Mr Collis also submitted that the Respondent's response was further evidence of the core issue in this case i.e. the Respondent appearing to have an ongoing lack of understanding of his role of COFA and COLP in the Firm, which entailed having overall responsibility for such matters and to ensure compliance with the fundamental requirement of having an adequate accounting system.

<u>Breaches of Principles and Standards of the Codes of Conduct</u>

9.74 Mr Collis submitted that the Respondent's conduct amounted to the following breaches.

9.75 *Breaches of Principle 6 of the 2011 Principles and Principle 2 of the 2019 Principles (maintaining trust).*

9.75.1 In failing to remedy breaches despite repeated reassurances that breaches would be remedied following the investigations and FIRs, which followed on from a QAR which should have prompted remedial action also, the Respondent continued to fail to ensure that he complied with basic, yet fundamental, aspects of the Accounts Rules.

9.75.2 At a most basic level it was clear that for years the Respondent failed to establish and maintain proper accounting systems or to have proper control over those systems, to ensure compliance with the Rules and the state of the accounting records was unacceptable.

9.75.3 The solicitors' profession is trusted with large amounts of money by members of the public and other institutions. As a result of this, the public would expect a solicitor to establish and maintain proper accounting systems and keep proper records of dealings with their money. Conduct as shown by the Respondent would undermine the trust placed by the public in the Respondent and in the provision of legal services.

9.76 *Breaches of Principle 7 of the 2011 Principles and Standards 7.1, 7.3, 7.4 and 7.10 of the 2019 Code of Conduct (compliance with legal and regulatory obligations and dealing with your regulator in an open, timely and cooperative manner).*

9.76.1 In failing to comply with the Accounts Rules in the manner alleged, the Respondent failed to comply with his legal and regulatory obligations. The Respondent failed to remedy repeated and serious breaches of the Accounts Rules despite being given the opportunity and ample time to do so and despite repeated reassurances that such matters would be resolved; this amounts to a failure to deal with the SRA in a timely and cooperative manner.

9.76.2 Whilst the Respondent appeared to be willing to cooperate with the SRA and provided assurances that matters would be remedied, he did not follow through on this, ultimately leading to the 2020 FIR, the intervention and this matter coming before the Tribunal.

9.77 *Breach of Principle 8 of the 2011 Principles (business management) and Standards 2, 8 and 9 of the Code of Conduct for Firms (compliance and business systems)*

9.77.1 Principle 8 required that solicitors run their business or carry out their role in the business effectively and in accordance with proper governance and sound financial and risk management principles.

9.77.2 The Respondent was also the COFA and COLP of the Firm. As such he had the additional responsibilities under Rules 8.5(e) and 8.5(c) of the SRA Authorisation Rules 2011. These included to:

- Take all reasonable steps to ensure compliance with: (i) the obligations imposed by the SRA Accounts Rules (as COFA); and (ii) other terms and conditions of the RSP's authorisation

- Record any such failure so to comply and make such records available to the SRA on request; and

- As soon as reasonably practicable, report to the SRA any material failure so to comply (a failure may be material either taken on its own or as part of a pattern of failure so to comply).

9.77.3 As the COFA, the Respondent had additional responsibility for the ongoing weaknesses in his accounts systems, and for the breaches of the Accounts Rules detailed in this matter. These comprised general systemic weaknesses and repeated issues such as large numbers of client ledger debits and unreconciled items.

9.77.4 The Respondent's failures in relation to management of client money and management of the system of accounts and records of accounts, demonstrate a failure to run his business effectively and in accordance with sound financial principles.

9.77.5 Mr Collis said that the Applicant also considered it appropriate to refer to Standards 2, 8 and 9 of the Standard of Conduct for Firms, given the Respondent being the COLP and COFA, as well as the manager, and therefore having responsibility in those capacities and as the only corresponding standards to the 2011 Principles in respect of compliance and business systems.

9.77.6 The Respondent did not have effective governance structures, arrangements, systems and controls in place to ensure that he and the Firm complied with the SRA's regulatory arrangements or other legislative requirements.

9.78 *Breach of Principle 10 of the 2011 and Standard 4.2 of the 2019 Code of Conduct (protect client money and assets)*

9.78.1 The Accounts Rules require firms to keep accurate, contemporaneous and chronological records of their dealings with client money. The Firm's accounting records, where they existed, could not be relied upon and the FIO could not form an opinion on whether the firm could meet its liabilities to clients.

9.78.2 Due to the irregularities in the Firm's accounts and unreconciled adjustments, the amounts owed to clients were not readily ascertainable such that money could not be accurately distributed to clients. These issues show that the Respondent failed to ensure compliance with the Accounts Rules, the purpose of which is to keep client money safe. This put client money at risk and demonstrated a failure to protect client money.

The Respondent's Case

9.79 Mr Goodwin, on the Respondent's behalf, told the Tribunal that subject to explanation and mitigation the matters set out in Allegation 1.1 to 1.1.3 including the breaches of the Principles; Accounts Rules; Codes of Conduct and Standards set out therein were all, without exception, admitted by the Respondent.

The Tribunal's Findings

9.80 In accordance with Rule 5 of The Solicitors (Disciplinary Proceedings) Rules 2019, as amended by The Solicitors (Disciplinary Proceedings) (Amendment) Rules 2020, the Tribunal applied the civil standard of proof.

9.81 With respect to the matters set out in Allegation 1.1 to 1.1.3 Tribunal was satisfied on the balance of probabilities that the Respondents' admissions were properly made and that the conduct admitted by the Respondent, set out fully in the Allegation represented breaches of:

- Rules 1.2(e) of the 201 1 Accounts Rules and Rule 8.1 of the 2019
- Rules 1.2(f), 29.1 and 29.2 of the 2011 Accounts Rules and Rule 8.1 of the 2019 Accounts Rules
- Rules 29.12 and 29.13 of the 2011 Accounts Rules/ Rule 8.3 of the 2019 Accounts Rules
- Rule 7.1 of the 2011 Accounts Rules and Rule 6.1 of the 2019 Accounts Rules
- Principles 6, 7, 8 and 10 of the Principles 2011 and Principle 2 of the Principles 2019
- 4.2 and 7.1,7.3,7.4 and 7.10 of the 2019 Code of Conduct for Solicitors and Standards 2, 8 and 9 of the 2019 Code of Conduct for Firms.

9.82. Accordingly, the Tribunal found the Allegation proved in full to the requisite standard, namely on the balance of probabilities.

Previous Disciplinary Matters

10. There were no previous matters.

Mitigation

11. Mr Goodwin told the Tribunal that the Respondent was an honourable, hardworking and honest solicitor. The Respondent was of exemplary character and hitherto unblemished regulatory and disciplinary history since being admitted as a solicitor some 19 years ago. It was therefore a matter of considerable regret and sadness that he was now the subject of proceedings before the Tribunal.

12. With respect to the identified problems by the Applicant, the Respondent had started to take remedial action prior to the decision to intervene into his practice, and at the date of the intervention, whilst the Respondent acknowledged that there remained work to be done to bring the accounts fully up to date, he had made progress in seeking to resolve the identified issues to include the implementation of new systems, both in terms of accounting and bookkeeping and enhanced procedures, to ensure compliance with the Account Rules.

13. The Respondent offered his sincere apology to the Tribunal, the profession, and the public at large for the identified and admitted breaches. The Respondent accepted and respected the role of the Regulator and he had prided himself on building a practice that would contribute to the local legal community, in which the Firm had been located.

14. The Respondent established the Firm on 8 July 2008 and incorporated the practice on 15 February 2010. The Respondent had also strived to work not just in the best interests of his clients, but to work with others within the legal, academic and the non-profit legal advisory communities, with collaborations and partnerships with local law schools across the region.

15. The Respondent had been a visiting lecturer in law at BCU School of law and had taught on its the LPC Post Graduate course where he lectured on modules in his areas of practice.

16. Mr Goodwin presented to the Tribunal material particularising serious and overwhelming difficulties both personally, and within the Respondent's immediate family, which had contributed to the Respondent's deficiencies in managing the identified problems in the Firm.

17. The difficulties had related to the Respondent's health and the health and well-being of a family member.

18. Notwithstanding the issues which were set out fully before the Tribunal Mr Goodwin said that the Respondent had used his best endeavours to make progress in correcting the identified accounting issues but this effort had been impacted adversely by the COVID-19 Pandemic.

19. On 23 March 2020 the UK-wide partial lockdown came into force, and whilst the Respondent acknowledged that certain of the identified matters in the Firm were historical in nature, the fact of the lockdown had a significant and detrimental impact upon the Respondent's ability resolve the identified issues.

20. The Respondent used his best endeavours to continue progressing matters to resolve the issues and it was to his credit that he accepted that he had had the ultimate responsibility for ensuring compliance with the Accounts Rules.

21. Mr Goodwin said that it had always been the Respondent's intention that proper standards should be maintained throughout the Firm, to include compliance with the Accounts Rules. The appointment of new personnel, and the implementation of new systems, prior to the intervention, demonstrated genuine insight on the Respondent's part and his desire to rectify the identified breaches.

22. Regrettably, as a consequence of the intervention, the Respondent was not afforded the opportunity of concluding the exercise and the Respondent conceded that he had placed too much reliance upon the ability of bookkeepers to deal with the accounts, to ensure that he kept the accounts up to date.

23. With the benefit of hindsight and reflection, the Respondent acknowledged that his over-reliance on his staff had been an error of judgement on his part for which he offered his sincere apology to the Tribunal and the profession.

24. Mr Goodwin encouraged the Tribunal to recognise that it had always been the Respondent's intention to comply with all rules and guidance issued by his professional body and to this end the Respondent had co-operated fully with the Regulator during the intervention and during the investigation.

25. Further, it was important for the Tribunal to note that there had been no allegations brought by the Applicant in which dishonesty, lack of integrity or manifest incompetence had been pleaded.

26. The identified and admitted breaches to the Accounts Rules were caused as a consequence of error unaccompanied by malicious intent. The Respondent had endeavoured to implement new systems, procedures and to appoint new personnel by way of rectification and Mr Goodwin submitted that this demonstrated genuine insight on the Respondent's part and an intention to put matters right.

27. The Respondent rightly conceded he had made mistakes for which he was sincerely sorry. Mr Goodwin said that the Respondent had always been open and frank in his admissions which again showed genuine insight and an acceptance of the seriousness of the position he faced.

28. There had been no personal gain to him. The mistakes he had made had resulted in the severest of penalties by way of intervention and the closure of his firm, and its direct impact and effect, on his clients and staff, together with the consequential impact on he and his family financially, emotionally and physically. The effects upon his family, staff and clients were matters of deep and sincere regret.

29. With respect to the approach the Tribunal should adopt when considering sanction Mr Goodwin referred the Tribunal to the judgment in Fuglers and Others v Solicitors Regulation Authority [2014] EWHC 179 in which Popplewell J had set out at paragraph 28 the following:

> *"There are three stages to the approach… The first stage is to assess the seriousness of the misconduct. The second stage is to keep in mind the purpose for which sanctions are imposed by such a tribunal. The third stage is to choose the sanction which most appropriately fulfils that purpose for the seriousness of the conduct in question."*

30. Mr Goodwin asked the Tribunal to adopt a 'bottom up' approach to sanction starting with the least onerous sanction and working its way up the 'sanctions ladder' to arrive at the sanction which represented a proportionate and just penalty.

31. Mr Goodwin urged the Tribunal to take the view that the circumstances of this case were not of a degree and nature which would require a period of suspension or strike off from the Roll and that whilst the Respondent had made mistakes he had not been dishonest; he had not lacked integrity, and he had not been manifestly incompetent. There had been no identifiable shortages on the client account and fundamentally the Respondent was not a risk to the public.

32. Further, with respect to the question of risk to the public Mr Goodwin reminded the Tribunal that the Respondent had been granted a Practising Certificate by the SRA for 2021/2022 to which conditions had been applied.

33. Mr Goodwin submitted that the conditions on the Respondent's Practising Certificate were a significant safeguard and also an indication by the Regulator that it considered that the Respondent should be permitted to practise.

34. Mr Goodwin said that the Respondent recognised that No Order or a Reprimand were insufficient penalties but that a fine in the upper band of Level 3 of the Indicative Fine Bands (as set out in Tribunal's Guidance Note on Sanctions 8th Edition) *'conduct assessed as more serious'* would be appropriate. Level 3 has a range of £7,501 to £15,000.

35. Mr Goodwin suggested that if the Tribunal was not satisfied that such a fine would be a sufficient sanction then a fine at the lower end of Level 4 of the indicative Fine Bands *'conduct assessed as very serious'* should next be considered by the Tribunal. Level 4 of the Indicative Fine Bands has a range of £15,001 to £50,000.

36. Mr Goodwin referred the Tribunal to the Respondent's statement of means. The Respondent had limited means and Mr Goodwin again reminded the Tribunal of the assistance provided by the decision in Fuglers *(cited above)* regarding the factors to be considered when determining the appropriate level of fine and which may result in movement of the level of fine up or down the Indicative Fine Bands.

37. The factors to be considered include:

- whether the seriousness of the misconduct, and giving effect to the purpose of the sanction, puts the case at or near the top, middle or bottom of the category;

- the level of fines imposed by other disciplinary tribunals or the High Court in analogous cases;

- the size or standing of the solicitor or firm in question;

- the means available to an individual or a firm. In considering means it was relevant to take into account the total financial detriment which is suffered, including any costs order, and any adverse financial impact of the decision itself.

38. It was the last factor which was of particular relevance in the Respondent's case given that the Respondent had paid a heavy financial price in the loss of his firm and his means were very much reduced. Mr Goodwin suggested that an appropriate fine would be in the region of £10,000.

39. Mr Goodwin indicated that it was open to the Tribunal to impose conditions upon the Respondent's practise and to combine a Restriction Order with a fine. If the Tribunal did opt to do so then he urged the Tribunal to adopt and mirror within its order the conditions imposed upon the Respondent's Practising Certificate by the Regulator.

40. Finally, Mr Goodwin asked that the Tribunal treat the Respondent with compassion as he had learnt a salutary lesson and he now wished to look to the future. The Respondent was in many other respects a competent and caring solicitor who still had much to offer the profession.

Sanction

41. The Tribunal first had regard to the observation of Sir Thomas Bingham MR (as he then was) in Bolton v Law Society [1994] 1 WLR 512 that the fundamental purpose of sanctions against solicitors was:

> *"to maintain the reputation of the solicitors' profession as one in which every member, of whatever standing, may be trusted to the ends of the earth".*

42. The Tribunal referred to its Guidance Note on Sanctions (8th Edition) when considering sanction. The Tribunal was mindful of the three stages it should follow when approaching sanction, namely the seriousness of the misconduct, the purpose for which sanctions are imposed by the Tribunal, and the sanction which appropriately fulfils that purpose in light of the seriousness of the misconduct.

43. The Tribunal assessed the seriousness of the misconduct by considering the level of the Respondent's culpability and the harm caused, together with any aggravating or mitigating factors.

44. In assessing culpability, the Tribunal found that there was no overt motivation for the admitted misconduct. The Tribunal considered that this was a case where the Respondent had '*taken his eye off the ball'* and had got himself and the Firm into a complete shambles from which he had found it difficult to recover.

45. The Respondent's actions were neither planned nor spontaneous but had been akin to a *slow motion car crash* occurring over a number of years and in which millions of pounds had passed through the Respondent's client account. The Respondent's failures in relation to management of client money and management of the system of accounts and records of accounts, demonstrated a failure to run his business effectively and in accordance with sound financial principles over a protracted period of time.

46. The Respondent had had responsibilities as sole manager, COLP and COFA of the Firm and it was clear that the Respondent had had little effective governance structures, arrangements, systems, and controls in place to ensure that he and the Firm complied with the SRA's regulatory arrangements and other legislative requirements.

47. The Tribunal observed that it would have been as sensible decision on the Respondent's part to have paid what he had needed to pay in order to retain the services of T, his bookkeeper and ensure that she had had sufficient time to take the required action. The seven hours a week that T had been paid to work had been wholly inadequate to deal with magnitude of the accounting problems which had engulfed the Firm.

48. There was no evidence that the Respondent had acted in breach of a position of trust.

49. The Tribunal considered that the Respondent had had direct control and responsibility for the circumstances giving rise to the misconduct. The Respondent had been the sole principal and had sole responsibility for the management of the Firm.

50. The Respondent was solely responsible, directly or indirectly, for the breaches and the failure to remedy them. The Respondent was also the COLP and COFA of the Firm. As such he had the additional responsibilities which these roles had imposed upon him. the Respondent had additional responsibility for the ongoing weaknesses in his accounts systems, and for the breaches for the Accounts Rules. These comprised general systematic weaknesses and repeated issues such as large numbers of client ledger debits and unreconciled items.

51. The Respondent had been a solicitor for at least 15 years prior to the matters set out in the allegation and he was deemed to have had sufficient experience to understand the nature of his conduct and the consequences which flowed from them. A solicitor of any level of experience would know the absolute importance of carrying out regular reconciliations as client money is sacrosanct and the solicitor its guardian.

52. The Accounts Rules require firms to keep accurate, contemporaneous, and chronological records of their dealings with client money. The Firm's accounting records, where they existed, could not be relied upon and the FIO could not form an opinion on whether the Firm could meet its liabilities to clients. This put client money at risk and demonstrated a failure to protect client money. It was still not clear whether there had been a shortage on the client account.

53. The Tribunal did not consider that the Respondent had purposely misled the Regulator. The Respondent had co-operated in the investigation but he had failed to follow through with his assurances to remedy the situation he had made to the Regulator prior to the intervention.

54. Overall, the Tribunal assessed the Respondent's culpability as medium taking into account all the factors it had considered.

55. The Tribunal next considered the issue of harm.

56. There was no evidence of direct harm to the Respondent's clients but this may have been a matter of luck given the muddle into which he had placed himself. Despite assurances to the Regulator the Respondent failed to ensure that he complied with the Accounts Rules. The solicitors' profession is trusted with large amounts of money by members of the public and other institutions. As a result of this, the public would expect a solicitor to establish and maintain proper accounting systems and keep proper records of dealings with their money.

57. The damage to the reputation of the profession by the Respondent's misconduct was not insignificant as the public would trust a solicitor to protect client money and run their firm with all the necessary safeguards in place and according to the rules.

58. However, the Tribunal did not consider the Respondent's conduct represented a complete departure from *'the integrity, probity and trustworthiness expected of a solicitor'* in circumstances where dishonesty and lack of integrity had not been pleaded

by the Applicant and there had been no evidence of 'actual' harm to clients, therefore, in this respect there had been limited impact although the potential for harm had been great.

59. The harm to the reputation of the legal profession had been entirely foreseeable by the Respondent and the Tribunal assessed the harm caused as medium.

60. The Tribunal then considered aggravating factors.

61. Dishonesty had not been pleaded and the misconduct had not involved the commission of a criminal offence.

62. The Respondent's actions had not been deliberate and calculated but they had occurred over an unacceptable period of time. Despite two Forensic Reports over a period of two years, the Respondent failed to remedy substantial Accounts Rules breaches for which he was given ample time and opportunity to remedy.

63. The Tribunal did not consider that the Respondent had concealed the misconduct and whilst there had been a suggestion he had sought to direct the failures towards junior staff he had accepted, unequivocally, that he had been ultimately responsible for the mistakes and lack of control which had occurred. By not carrying out reconciliations as he knew he was required to do the Respondent must have been aware that he was in material breach of his obligations to protect the public, his clients, and the reputation of the profession.

64. With respect to mitigating factors the Tribunal noted that the Respondent had no previous disciplinary findings recorded against him and that he had had an unblemished career hitherto.

65. The Tribunal accepted that the Respondent had shown genuine insight into his conduct and indeed he had made open and frank admissions to the Applicant at the time of the intervention and during the investigation.

66. In all the circumstances of this case the Tribunal considered the seriousness of the misconduct to be at the lower to middle of the spectrum.

67. The Tribunal considered that given the nature of the Respondent's misconduct, sanctions of No Order or a Reprimand were inappropriate and insufficient as the protection of the public and the reputation of the profession justified a more stringent penalty.

68. In this case the Respondent had, over a number of years, ignored the regulatory framework which had been created to ensure that:

- client money is safe;
- clients and the public have confidence that client money held by firms will be safe;
- firms are managed in such a way, and with appropriate systems and procedures in place, so as to safeguard client money, and

- the SRA is aware of issues in a firm relevant to the protection of client money.

69. The Tribunal had listened carefully to Mr Goodwin's submissions regarding a just and proportionate sanction and considered that neither the protection of the public nor the protection of the reputation of the legal profession justified a fixed or indefinite period of suspension or striking off the Roll.

70. The Tribunal concluded that the appropriate sanction would be a financial penalty within Level 3 of the Indicative Fine Bands.

71. In determining the amount of the fine that the Respondent should be ordered to pay the Tribunal gave very careful consideration to all the circumstances in the case which were to be weighed in the balance against the strong personal mitigation put forward on the Respondent's behalf, including his means. The Tribunal considered that a fine of £10,000 as suggested by Mr Goodwin would be a sufficient penalty.

72. The Tribunal considered that it was evident that in many respects the Respondent was a competent and well-regarded solicitor whose level of ability however did not extend to the oversight and compliance required to be a COLP, COFA or sole manager of a firm.

73. Therefore, the Tribunal decided that in order to protect the public and the reputation of the profession from future harm of a similar nature by the Respondent it would be necessary to impose a Restriction Order upon the Respondent for an indefinite period.

74. The Tribunal agreed with Mr Goodwin that the conditions of the Restriction Order should mirror those conditions applied by the SRA to the Respondent's Practising Certificate as follows:

75. The Respondent may not:

- be a manager or owner of an authorised or recognised body;

- practise on his own account under regulation 10.2(a) or (b) of the SRA Authorisation of Individuals Regulations;

- be a Legal Practice/Compliance Officer for Legal Practice or a Finance and Administration/Compliance Officer for any authorised body;

- hold or receive client money or act as a signatory to any client or office account or have the power to authorise transfers from any client or office account;

- there be liberty to apply.

76. The Tribunal was satisfied that the combination of a fine set at £10,000 and an indefinite Restriction Order, with the conditions set out above, would be sufficient to mark the seriousness of the misconduct and provide adequate protection to the public from the risk of future harm from the Respondent.

Costs

77. The Applicant had sought its costs in the sum of £39,289.00. However, the Tribunal was informed by Mr Goodwin that the parties had agreed the quantum of costs to be paid by the Respondent would be in the sum of £17,000.

78. The Tribunal considered that given the circumstances of the case and the Respondent's limited means the concession made by the Applicant with respect to its costs was reasonable and proportionate and that it would order the Respondent to pay the Applicant's costs in the sum agreed between the parties.

79. **Statement of Full Order**

1. The Tribunal Ordered that the Respondent, IFEOLU OLUMIDE OGUNSHAKIN, solicitor, do pay a fine of £10,000.00, such penalty to be forfeit to Her Majesty the Queen, and it further Ordered that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £17,000.00.

2. The Respondent shall be subject to conditions imposed indefinitely by the Tribunal as follows:

2.1 The Respondent may not:

2.1.1 be a manager or owner of an authorised or recognised body;

2.1.2 practise on his own account under regulation 10.2(a) or (b) of the SRA Authorisation of Individuals Regulations;

2.1.3 be a Legal Practice/Compliance Officer for Legal Practice or a Finance and Administration/Compliance Officer for any authorised body;

2.1.4 hold or receive client money or act as a signatory to any client or office account or have the power to authorise transfers from any client or office account.

3. There be liberty to either party to apply to the Tribunal to vary the conditions set out at paragraph 2 above.

Dated this 31st day of August 2021
On behalf of the Tribunal

J Evans
Chair