

IN THE MATTER OF CELIA RUTH CROFTS, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

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Mr. Clitheroe (in the Chair)  
Mr. Chesterton  
Dame Simone Prendergast

Date Of Hearing: 30th January 1996

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## FINDINGS

of the Solicitors' Disciplinary Tribunal  
constituted under the Solicitors Act 1974

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An application was duly made on behalf of the Solicitors Complaints Bureau by Gerald Malcolm Lynch of 16 Warrior Square, Southend-on-Sea, Essex solicitor on the 2nd November 1994 that Celia Ruth Crofts, of Oxon., Wirral O43 might be required to answer allegations contained in the statement which accompanied the application and that such order might be made as the Tribunal should think right.

The allegations were that the respondent had:-

- (a) dishonestly alternatively improperly misappropriated clients' funds for her own personal use alternatively for the purposes of other clients not entitled thereto;
- (b) acted in breach of the provisions of Rules 7 and 8 of the Solicitors Accounts Rules;
- (c) in breach of her duty of good faith to her partners in that the dishonest utilisation hereinbefore pleaded brought the firm into breach of Rules 7 and 8 of the Solicitors Accounts Rules 1991;
- (d) by virtue of each and all of the aforementioned been guilty of conduct unbefitting a solicitor.

The application was heard at the Court room No. 60 Carey Street, London WC2 on the 30th January 1996 when Gerald Malcolm Lynch, solicitor and partner in the firm of Messrs. Drysdales & Janes of 16 Warrior Square, Southend on Sea Essex appeared for the applicant and the respondent did not appear and was not represented.

The matter had been listed for hearing on a number of occasions and had been adjourned. The respondent had been in touch with the Tribunal's office. A letter had been sent to her on the 11th January 1996 enclosing a Memorandum of Adjournment from the 12th December 1995 to a new hearing on the 30th January 1996. The respondent had telephoned the Tribunal's office to confirm receipt of that letter and confirm her intention to attend the hearing on the 30th January 1996.

The evidence before the Tribunal included the evidence of Mrs. V S Ralph, Assistant Clerk to the Tribunal. The respondent had been served personally with notices pursuant to the rules of the Tribunal and under the Civil Evidence Act. She had admitted the facts during the course of correspondence.

At the conclusion of the hearing the Tribunal ORDERED that the respondent Celia Ruth Crofts of Claughton, Wirral, L43 (formerly of Oxon., Wirral, O43 ) solicitor be Stuck Off the Roll of Solicitors and they further ordered her to pay the costs of and incidental to the application and enquiry fixed in the sum of £2,473.72p inclusive.

The facts are set out in paragraphs 1 to 4 hereunder:-

1. The respondent, (aged 34) was admitted as a solicitor in May 1989. At all material times the respondent was a salaried partner in the firm of Deacon Goldrein Green of Princess Buildings, 81 Dale Street, Liverpool and at seventeen other offices in the Liverpool area.
2. Pursuant to notice given, the Investigation Accountant of the Law Society inspected the books of Deacon Goldrein Green commencing on the 9th June 1994, and reported on the 27th July 1994.
3. The following relevant matters were noted:-
  - (1) The respondent was removed from the partnership on the 30th June 1994 following an investigation by the senior partner and other partners into misuse of clients' monies. The respondent was interviewed by the Investigating Accountant on the 1st July 1994 and 21st July 1994 when admissions were made by her.
  - (2) The books of account of the firm were not in compliance with the Solicitors Accounts Rules as there was a shortage on client account (net) of £89,861.48p.
  - (3) The net cash shortage was contributed to by defalcations of the respondent. Between 7th March 1993 and 31st January 1994, clients' bank accounts were charged at the instigation of the respondent with withdrawals totalling £7,798.15p. The money was used to meet the respondent's obligations in

respect of domestic mortgage repayments, the purchase of clothing and other domestic purchases. The payments with the exception of one on the 31st January 1994 in the sum of £614.00 were allocated by the respondent to various individual accounts and clients' ledgers. The respondent admitted that the transactions were all improper.

- (4) Between a date on or before the 20th May 1993 and 30th March 1994, the respondent admitted to having received in cash from four clients a total sum of £7,827.50p and that she had withheld those monies from client bank account and had retained them for her own personal use.
4. In one client matter the respondent had improperly utilised clients' funds for the benefit of another unconnected client. The circumstances were that in the estate of J L deceased, where the respondent on behalf of the firm acted for the executors, on the 25th November 1993, the sum of £15,330.24p, being the proceeds of an Abbey National Building Society account, were received by the firm, but were allocated to the ledger account of R deceased, an unconnected client. The respondent admitted to the Investigation Accountant that the allocation to the deceased account was made at her instigation in order to conceal earlier improper personal payments made by her from client bank account which she had allocated to the client ledger account of R deceased.

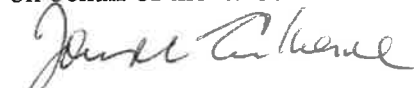
**The submissions of the applicant**

5. It was clear from the Investigation Accountant's report and the admissions of the respondent that she had dishonestly misappropriated clients' monies for her own purposes and had misused client's money for the benefit of another client to cover up the earlier misappropriation. The respondent's actions had been dishonest and clearly she had been in breach of the Solicitors Account's Rules and her duty of good faith to her partners.

Although the respondent had not made any formal submissions, the Tribunal were aware of the respondent's reports of her personal difficulties both in terms of her own health and the death of her father whilst in Cyprus on holiday. Nevertheless the respondent had been guilty of dishonest conduct which could not be tolerated by an honourable profession. The Tribunal ORDERED that she be Struck Off the Roll of Solicitors and further ordered that she pay the costs of and incidental to the application and enquiry fixed in the sum of £2,473.72p, which sum included a proportion of the costs of the Law Society's Investigation Accountant relating to the breaches attributable to the respondent's conduct.

DATED this 22nd day of February 1996

on behalf of the Tribunal



J R C Clitheroe  
Chairman

*Findings filed with the  
Law Society on the 27th  
day of February 1996*

