

IN THE MATTER OF DONALD EDWIN STRONG, Solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

---

Mr. D E Fordham (in the Chair)  
Mr. D W Faull  
Mr. G Saunders

Date Of Hearing: 14th September 1995

---

## FINDINGS

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

---

An application was duly made on behalf of the Solicitors Complaints Bureau by Gerald Lynch a solicitor of 16 Warrior Square, Southend-on-Sea, Essex on the 26th April 1995 that Donald Edwin Strong a solicitor of Tadworth, Surrey, KT20 might be required to answer the 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:-

- (i) dishonestly alternatively improperly utilised clients' money for his own benefit;
- (ii) acted in breach of the provisions of Rules 7 and 8 of the Solicitors Accounts Rules 1991 in that he drew from client account moneys other than permitted by the said Rules so to be drawn and utilised the same for his own and/or for the benefit of other clients not entitled thereto;
- (iii) acted in breach of Rule 11 of the Solicitors Accounts Rules 1991 in that he failed to maintain his books of account;

- (iv) had been guilty of unreasonable delay in the completion of conveyancing formalities for and on behalf of building societies and further failed to respond to correspondence addressed to him by those societies;
- (v) by virtue of each and all of the aforementioned had been guilty of conduct unbefitting a solicitor.

(the applicant filed a supplementary statement dated the 24th May 1995 the allegations set out above include the matters contained in the original and supplementary statements.)

The application was heard at the Court Room No. 60 Carey Street London WC2 on the 14th September when Gerald Lynch solicitor and partner in the firm of Drysdale & Janes, 16 Warrior Square, Southend-on-Sea, Essex appeared for the applicant and the respondent did not appear and was not represented.

The evidence before the Tribunal included the admissions of the respondent (save that he had not been guilty of dishonesty) contained in a letter written by the respondent to the Tribunal on the 9th September 1995.

At the conclusion of the hearing the Tribunal ORDERED that the respondent be Struck Off the Roll of solicitors and further Ordered him to pay the costs of and incidental to the application and enquiry fixed in the sum of £1,217.00 together with the costs of the Investigation Accountant of the Law Society to be taxed if not agreed.

The facts are set out in paragraphs 1 to 9 hereunder:-

1. At the material times the respondent was a sole practitioner practising at Tadworth, Surrey. He was 57 years of age and had been admitted a solicitor in 1960.
2. On the 10th October 1994 the Investigation Accountant of the Law Society attended at the respondent's office to inspect his books of account. The Tribunal had before it a copy of the Investigation Accountant's report dated the 14th October 1994.
3. It emerged from the Investigation Accountant's report that the respondent's books of account were not in compliance with the Solicitor's Accounts Rules as the client cash book and client ledger contained no entries later than the 30th November 1993.

4. The Investigation Accountant ascertained the following position:-

Liabilities to clients	£25,522.16
Cash Available	<u>£ 4,001.84</u>
Cash shortage	<u><u>£21,520.32</u></u>

5. The cash shortage arose in the following way:-

Improper transfers from client to office bank account	£ 2,487.99
Overpayments	£18,961.33
Unallocated bank charges	<u>£ 71.00</u>
	<u><u>£21,520.32</u></u>

6. Two improper transfers were made from client to office bank account on the 3rd June and the 17th August in the sums respectively of £1,595.00 and £892.99 which the respondent said were in respect of costs due to his firm although he could not identify the clients concerned.
7. During the period 1st December 1989 to 25th July 1994 overpayments, varying in amount between £0.70p and £5,045.00 totalling £18,961.33 had been made on account of six clients. The largest overpayment had arisen when a payment was made from an estate to a beneficiary when insufficient funds were held in client account.
8. The Investigation Accountant pointed out that the respondent's own accountant had filed accountant's reports relating to the relevant periods which showed the liabilities to clients as being equalled by funds held on client bank account. No mention was made of the cash shortages caused by the debit balances which existed during the relevant periods.
9. On the 1st August 1994 the solicitors for H Building Society wrote the Solicitors Complaints Bureau in complaint against the respondent. He had failed to reply to correspondence about undue delay and the deposit of title deeds. Sets of title deeds had not been handed over and the position as to the state of registration in following completed conveyancing transactions were unclear. Some matters had been completed as long ago as 1991/1992. Another similar complaint was made by H Building Society on the 8th December 1994. The respondent did not reply to letters addressed to him by the Solicitors Complaints Bureau. On the 1st August 1994 the Legal Department of A & L Building Society wrote to the Solicitors Complaints Bureau. In one matter the respondent had been instructed in connection with a transfer of equity subject to the Society's mortgage and had held the deeds since December 1990 and only after much pressure had written in November 1993 saying that the deeds had been mislaid but had then been found and he was lodging an application with the Land Registry. Office copy entries obtained from the Registry dated the 4th February 1994 indicated that the proprietorship register had not been altered. The respondent had ignored numerous requests for the return of the deeds. In a second matter the respondent had been instructed by the Society in connection with a leasehold property in Merton Park, London. The respondent acted for the Society in connection with a mortgage advance completed on the 21st October 1991. The respondent reported the completion of the transaction and on the 17th June 1993 wrote to say that he would be able to send the title deeds within the course of the following two to three weeks. Further correspondence led to a letter from the respondent in September when he said that he had overlooked the letters and had lost the deeds. He then went on to say that the deeds had been found and land registration was being dealt with. Further enquiries had been made but no response was forthcoming. When the Society made a search at H M Land Registry it revealed that there were no pending registrations. The respondent did not respond to letters addressed to him by the Solicitors Complaints Bureau in October and November 1994 although he spoke in February 1994 to the Bureau on the telephone saying that he would deal with the matter on the following day.

**The submissions of the applicant**

9. The breaches of the Solicitor's Accounts Rules were clear and the Investigation Accountant of the Law Society had established a cash shortage on client account in excess of £21,000.00.
10. The Law Society had intervened into the respondent's practice.
11. In the matter of the complaint by H Building Society there had been serious and unexplained delay on the part of the respondent and the completion of matters on behalf of the Building Society in particular the registration title and the deposit of title deeds. It was clear that despite continual enquiry by the Building Society there had been no adequate or satisfactory response from the respondent. A similar picture had emerged following the complaint to the Solicitors Complaints Bureau by A & L Building Society where it was clear that the respondent failed to carry out and complete conveyancing work in which he had been instructed over a period of three and a half years. He had not made proper response to letters and other enquiries made of him.
12. The applicant was able to tell the Tribunal that nine applications had been made to the Law Society's Compensation Fund. The sum of £801.40 had been paid out and claims totalling £2,350.00 were pending. Following the intervention a recovery of £12,080.85 had been made and it had not been necessary to make a subvention grant from the Fund. It had to be accepted that the picture ultimately painted was not as bleak as was sometimes the case.

**The submissions of the respondent (contained in his letter of 9th September 1995)**

13. The respondent said that the overpayments made by him were the results of errors on his part and he disputed absolutely that he had been guilty of dishonesty. He had been a solicitor for over thirty years and during that time had been entrusted with many thousands of pounds of clients' money which had all been properly accounted for. The respondent had been unaware of the shortfall on his client account until it was brought to his attention by the Society's Investigation Accountant. He had been encouraged in that view by the unqualified report provided by his own accountant however he admitted it was his ultimate responsibility.
14. The respondent had tried to borrow to replace the cash shortage but had been unable to do so. He said that the Law Society's Compensation Fund would not be exposed as he intended to sell his house and would replace the cash shortage from the proceeds of the sale.
15. The respondent had apologised to the building societies who had complained. He believed that the files had erroneously been put away as completed matters. The respondent believed that he had always answered letters sent to him by the societies and the Solicitors Complaints Bureau.

16. The respondent did not intend to practise again as a solicitor and considered himself as retired.
17. The respondent apologised to the Tribunal and to the societies concerned.

The Tribunal FOUND the allegations to have been substantiated, indeed they were not contested. The cash shortage on client account was substantial. It was unfortunate that accountant's unqualified reports had been filed on behalf of the respondent but it was harder to accept that the respondent had been unaware of the cash shortage which would have been apparent if his books had been in order. The Tribunal do Find that the respondent had been dishonest. The inconvenience and concern to which building society clients had been exposed was entirely unacceptable and was to be deprecated. The Tribunal considered it right that the respondent should be Stuck Off the Roll of solicitors and that he should pay the costs of and incidental to the application and enquiry in a fixed sum together with the costs of the Investigation Accountant of the Law Society to be taxed if not agreed.

DATED this 19th day of October 1995

on behalf of the Tribunal



D E Fordham  
Chairman

*Findings filed with the  
Law Society on the 20th  
day of October 1995*

