

IN THE MATTER OF PETER GEORGE COLCLOUGH, solicitor's clerk

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

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Mr. J.R.C. Clitheroe (in the Chair)  
Mr. A.G. Gibson  
Mr. K.J. Griffin

Date Of Hearing: 4th June 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 Law Society by Andrew Christopher Graham Hopper of PO Box 7, Pontyclun, Mid Glamorgan, CF7 9XN on the 20th February 1996 that an order be made by the Tribunal directing that as from a date to be specified in such order no solicitor should except in accordance with permission in writing granted by the Law Society for such a period and subject to such conditions as the Society might think fit to specify in the permission employ or remunerate in connection with the practice as a solicitor Peter George Colclough of Newcastle Under Lyme, Staffordshire, ST5 a person who was or had been a clerk to a solicitor or that such other order might be made as the Tribunal should think right.

The allegation was that the respondent had occasioned or been a party to an act or default in relation to a solicitors' practice to which he was clerk which involved conduct on his part of such a nature that it would be undesirable for him to be employed by a solicitor in connection with his practice in that he had misappropriated clients' funds.

The application was heard at the Court Room, No.60 Carey Street, London, WC2 on the 4th June 1996 when Geoffrey Williams Solicitor and partner in the firm of Messrs. Cartwrights

Adams & Black of 36 West Bute Street, Cardiff appeared for the applicant. The respondent did not appear and was not represented.

The evidence before the Tribunal included the oral evidence of Mrs Valerie Susan Ralph as to due service of the proceedings.

At the conclusion of the hearing the Tribunal ORDERED that as from the 4th June 1996 no solicitor should except in accordance with permission in writing granted by the Law Society and for such a period and subject to such conditions as the Society might think fit to specify in the permission employ or remunerate in connection with the practice as a solicitor Peter George Colclough of Newcastle under Lyme, Staffordshire ST5 a person who was or had been a clerk to a solicitor and the Tribunal further ordered him to pay the costs of and incidental to the application and enquiry fixed in the sum of £3204.87 inclusive.

The facts are set out in paragraphs 1 to 6 hereunder.

1. The respondent who was not a solicitor was at the material times employed by Messrs. Heatons Solicitors (formerly Heaton, Moreton and Ryder) of Stoke on Trent.
2. Following information received by the Solicitors Complaints Bureau (the Bureau) from the employer firm an investigation into the firm's books of account was undertaken by an assistant to the Investigation Accountant of the Bureau. A copy of the Investigation Accountant's report of the 6th April 1995 was before the Tribunal.
3. The partners in the firm told the Investigation Accountant that in April 1994 the respondent had been asked to resign following dissatisfaction with his work and during the course of several meetings the respondent admitted, inter alia, to the misappropriation of clients' funds which he subsequently used for his personal benefit. The partners had informed both the police and their insurers.
4. During the period 4th May 1994 to 19th December 1994 the partners had transferred the sum of £155,665.79 from office to client bank account to cover both the loss of clients' capital and interest earned thereon which had resulted from the dishonest conduct of the respondent.
5. The Investigation Accountant interviewed the respondent on the 1st February 1995 when he admitted, inter alia, that he had misused clients' funds for his own benefit and had attempted to conceal the facts with false entries in the books of account. The respondent said he had first taken clients' funds in 1984 and he estimated that he had misused clients' funds amounting to at least £120,000 for his personal benefit.
6. The Investigation Accountant set out details of the client accounts from which the respondent had misappropriated sums of money. Details were given in respect of five client matters in respect of which the respondent had misappropriated sums of money ranging between £21,992.34 and £2,500.


**The Submissions of the Applicant**

7. The respondent had dishonestly misappropriated large sums of clients' money for his own personal benefit. Such activity had been the subject of admissions on the respondent's part. The applicant did not know if the respondent had been the subject of criminal proceedings.
8. It was right in the circumstances that the respondent should be subject to the control of an order made pursuant to Section 43 of the Solicitors Act 1974.
9. In the submission of the applicant it was right that the respondent should pay the costs of the Investigation Accountant of the Bureau as the books were found to be in order apart from the matters in which the respondent had been dishonestly involved.
10. The respondent did not make any submissions.

The Tribunal FOUND the allegation to have been substantiated. The Tribunal were dismayed to learn of the substantial misappropriation of clients' funds by this clerk employed by a firm of solicitors. It was right that his future employment within the solicitors' profession should be controlled and the Tribunal also considered it right that he should pay not only the costs of the application and enquiry but should also pay the costs of the Investigation Accountant of the Solicitors Complaints Bureau as those costs were made necessary entirely as a result of the respondent's activities and no fault lay with the firm of solicitors employing him. The Tribunal made the order sought and further ordered that the respondent should pay fixed costs in the sum of £3,204.87 inclusive.

DATED this 9th day of <sup>August. Gee</sup> ~~July~~ 1996

on behalf of the Tribunal



J.R.C. Clitheroe  
Chairman

Findings filed with the  
Law Society on the 16th  
day of August 1996