

IN THE MATTER OF SELLIAH VEERAVAGU, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr. A. H. Isaacs (in the chair)
Mr. R. J. C. Potter
Mr. M. C. Baughan

Date of Hearing: 20th September 2004

FINDINGS

of the Solicitors Disciplinary Tribunal
Constituted under the Solicitors Act 1974

An application was duly made on behalf of The Law Society by Geoffrey Williams of Queens Counsel solicitor of 2a Churchill Way, Cardiff, CF10 4DW on 22nd July 2003 that Selliah Veeravagu of 24 Fernlea Road, Mitcham, Surrey CR4 2HE 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 been guilty of conduct unbecoming a solicitor in each of the following respects namely that he had:-

- (a) failed to maintain properly written books of account contrary to Rule 11 Solicitors Accounts Rules 1991 and Rule 32 Solicitors Accounts Rules 1998;
- (b) failed to produce to The Law Society documents properly required contrary to Rule 34 Solicitor Accounts Rules 1998.

The application was heard at the Court Room, 3rd Floor, Gate House, 1 Farringdon Street, London, EC4M 7NS when Geoffrey Williams QC appeared as the Applicant and the Respondent did not appear and was not represented.

This case was heard together with others on 20th and 22nd September 2004 the other cases being 8857-2003, 8858-2003 and 8860-2003. The Respondent was a Respondent in this and the other three cases. The order made by the Tribunal related to all four cases. This

document relates to case number 8859-2003 in which the Respondent was the sole Respondent.

At the conclusion of all of the hearings the Tribunal made the following order:-

The Tribunal ORDER that the Respondent, SELIAH VEERAVAGU of 24 Fernlea Road, Mitcham, Surrey, CR4 2HE, solicitor, be STRUCK OFF the Roll of Solicitors and they further order that he do pay with regard to case no. 8857, 10%; with regard to case no. 8858, 25%, with regard to case no. 8859, 100% and with regard to case no. 8860, 75% of the respective costs of and incidental to these applications and enquiries to be subject to a detailed assessment unless agreed between the parties to include the costs of the Investigation Accountant of The Law Society.

The evidence before the Tribunal included the documents prepared by the Applicant, notices to admit having been served upon the Respondent.

The facts are set out in paragraphs 1 to 11 hereunder:-

1. The Respondent, born in 1946, was admitted as a solicitor in 1991. At the material times he carried on in practice as a solicitor on his own account under the style of Veera & Co. at 24 Fernlea Road, Mitcham, Surrey CR4 2HE. Such practice ceased on or about 1st March 2001. The Law Society resolved to intervene into all of the practices of the Respondent on 3rd October 2001. The Respondent practised in partnership also under the styles of Tooting Law Chambers, (Law Chambers) Ahmed & Co., and Bokhari & Co.
2. Upon notice duly given to the Respondent an inspection of his books of account was carried out by an officer of the Forensic Investigation Unit of the Office for the Supervision of Solicitors (hereinafter called the Investigation Accountant).
3. On 4th February 2001 the Investigation Accountant received a letter from Veera & Co., requesting that the inspection be postponed for a period of at least two weeks as Mr Verravagu had recently relocated his offices. The arrangements made for the inspection to be started on 6th February 2001 were not changed as the Investigation Accountant did not have the opportunity to contact the Respondent to discuss his request.
4. Initially the Investigation Accountant attended at the Respondent's new address shown in the fax communication which was a residential street adjacent to Fernlea Road. No response was received when he rang the door bell. The Investigation Accountant telephoned the firm. The person who answered the phone explained that the Respondent was in court and that he worked only part-time and was located at 24 Fernlea Road. Later that afternoon the Investigation Accountant spoke with the Respondent.
5. On 8th February 2001 it was agreed that the Respondent be allowed time to produce his books and records and arrangements were made for the inspection to commence on 19th February 2001.
6. On 19th February 2001 the Investigation Accountant had attended the Respondent's office. The Respondent's books of account were not in compliance with the Solicitors Accounts Rules as the firm's clients' cash book reflected only entries from the 1st August 2000 to 18th January 2001. No clients' cash book had been maintained between the period of 1st October 1999 and 31st July 2000. Client bank account reconciliations had been prepared for the six months ending 31st December 2000 but no comparisons

of reconciled cash with the total balance shown in client ledger accounts had been made. Client ledger accounts contained no current client balances and reflected no office bank account transactions.

7. The Respondent told the Investigation Accountant that work was currently being undertaken to produce the firm's client cash book for the period 1st October 1999 to 31st July 2000. He was unsure why lists of client ledger balances had not been extracted in accordance with the Rules and he would contact his accountant to ensure that such listings be made available.
8. The Investigation Accountant agreed to postpone the inspection further until 5th March 2001.
9. On 5th March 2001 the Investigation Accountant attempted to resume the inspection. The Respondent was not present at the office. The Investigation Accountant was told by the Respondent's staff that he had left instructions that the books of account should be provided.
10. When reviewing the books provided the Investigation Accountant established that none of the work required had been carried out. The Respondent did not return to the office by 3.00pm on 5th March 2001 and the Investigation Accountant departed. Later that afternoon the Investigation Accountant telephoned the Respondent who said that he had been unable to carry out the necessary work owing to other pressing commitments. The Investigation Accountant offered the Respondent the opportunity to carry out the necessary work by 19th March 2001 but the Respondent said he was too busy to carry out that work and that the Investigation Accountant should issue his Report.
11. The Investigation Accountant reported that he did not think fit to place any reliance upon the veracity of the balances shown in the clients' ledger and he expressed no opinion as to whether sufficient funds were held in client bank accounts to meet the firm's liabilities to clients as at 31st December 2000.

The Submissions of the Applicant

12. The Respondent had written to the Office for the Supervision of Solicitors on 7th June 2001 disagreeing with the comments recorded by the Investigation Accountant. The books, which the Respondent said reflected all entries from 1st October 1999 to 30th September 2001, had not been seen by the Investigation Accountant. Comparisons of reconciled cash with total balances could not be carried out where the ledger accounts did not contain ledger balances. The Respondent's assertion that clients' ledger accounts contained named client ledger balance was directly contrary to the evidence of the Investigation Accountant.
13. The client cash book had never been submitted to the Investigation Accountant or The Law Society. The Respondent's assertion that all necessary accounts work had been carried out and produced to the officer who visited the Respondent's office was not accepted. It was not possible to comment on the Respondent's assertion that the old files and account books were kept in a store when the documents referred to had not been seen.
14. The Investigation Accountant of The Law Society had tried to be flexible but even so the Respondent had not co-operated. It was right that a serious view should be taken of a solicitor who does not co-operate with his own professional body. The system of self regulation of the profession operated only by the consent of its members. If any member refused to co-operate then the system of self regulation cannot work.

Confidence of the public in the solicitors' profession must be maintained and if proceedings needed to be taken against a solicitor where he was found to be in breach of the Rules and Regulations relating to his practice as a solicitor.

15. The Respondent in a letter had accepted that client ledgers had not been balanced.
16. The Tribunal was invited to find the allegations to have been substantiated and to make an appropriate order including and order for the Applicant's costs.

The Submissions of the Respondent

17. The Respondent did not make formal submissions but the Tribunal sets out below the Respondent's letter dated 7th June 2001 addressed to The Office for the Supervision of Solicitors referred to above.

"Dear Sirs,

Re: Accounts Report for the Period 1999-2000

I refer to your letter dated 30th May 2001 and submit the following facts for your consideration.

1. Clients' cash book reflected all the entries from 1st October 1999 to 30th September 2001
2. Clients' cash book had been maintained between the period 1st October 1999 to 30th September 2001.
3. Comparisons of reconciled cash with total balance shown in the client ledger accounts had been made.
4. Clients' ledger accounts contained named client Ledger balance.
5. The client cash book for the period 1st October 1999 to 30th September 2001 is available for inspection.
6. All the necessary accounts work had been carried out and produced to the Officer who visited our office.
7. The live files as at 1st March 2001 were transferred to Tooting Law Chambers Solicitors at 175 Tooting High Street London SW17 0SZ and the old files and the accounts books are kept in a store.

I do not agree with the comments recorded by the Officer who visited our office to see the books.

Further referring to the letter of 18th April 2001 written by M.J. Calvert, I submit the following facts for your consideration.

Arrangements were made for inspection of the accounts books on 6th February 2001 at our office at 24 Fernlea Road Mitcham. Due to moving of my business to another place I have requested to fix another date for inspection. For unknown reason disregarding my request without any notice whatsoever for the officer appointed to attend inspection visited by office. I do not know why he was not informed of my request. May be there is no coordination between the office and himself.

Again I do not know why the Officer has gone to a place which I have not notified to you or The Law Society. I do not understand what is meant by a residential street adjacent to Fernlea Road. It makes no sense at all.

As I have agreed with Mr Thomsett I have obtained from my accountants all the relevant accounts details and books for the period of six months before inspection. All other information were not available at that time because I have not collected from the accountants. I do not accept that I have not maintained clients' cash book for the period 1st October 1999 and 31st July 2000. The fact is that Mr Thomsett didn't see that cash book. Comparisons of reconciled cash with the total balance shown in the client ledger accounts have been made. It was true that the clients' ledger accounts were not balanced and all our costs were not transferred to office accounts at that time because I was going to cease practice on 28th February, I had close all the accounts as at 28th February 2001. As I ceased practice on 28th February 2001, I have told Mr Thomsett that I would send the full Report to The Law Society.

Mr Thomsett didn't see all the books and that is the reason why he was of the opinion that there was no sufficient funds were held in client bank accounts to meet the firm's liabilities as at 31st December 2000".

The Findings of the Tribunal

18. The Tribunal found the facts set out at paragraphs 1 to 15 proved beyond reasonable doubt and that the allegations had been substantiated. The Respondent had provided no evidence to contradict that of the Investigation Accountant and the Tribunal did not accept the Respondent's submissions which were unsupported.
19. The failure of the part of a solicitor to comply with the Solicitors Accounts Rules is a serious matter. Those Rules are in place for the protection of the public and so that any member of the public can be certain that placing his money with a solicitor will not put that money in jeopardy and that the solicitor will exercise a proper stewardship of it.
20. As set out above, this case was heard with other cases in which the Respondent, Mr Veeravagu, was concerned and the Tribunal concluded having found the allegations in this case to have been substantiated and having found the allegations against Mr Veeravagu in cases numbered 8857, 8858, and 8860-2003 to have been substantiated that in order to protect the public and the good reputation of the solicitors profession it was appropriate to order that the Respondent be Struck Off the Roll of Solicitors and that he should pay the costs of the application and enquiry in this case (8859-2003) to include the costs of The Law Society's investigation accountant such costs to be subject to a detailed assessment unless agreed between the parties.

DATED this 12th day of November 2004

on behalf of the Tribunal

A H Isaacs
Chairman