SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 Case No. 12574-2024

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD Applicant

and

SARINJIT SINGH BAHIA Respondent

Before:

Mr P Lewis (in the chair)
Ms G Palmiero
Mrs S Gordon

Date of Hearing: **12 May 2026**

Appearances

Mr Michael Colledge, Solicitor, of Blake Morgan LLP, New King's Court, Tollgate, Chandler's Ford, Eastleigh, SO 53 3LG, appeared on behalf of the Applicant.

Mr Jonathan Macnae, Counsel, of Selbourne Chambers, 10, Essex Street, London WC2R 3AA appeared on behalf of the Respondent.

JUDGMENT ON AN AGREED OUTCOME

Allegations

1. The allegations against the Respondent, Sarinjit Singh Bahia, were that, while in practice as a Solicitor at Consilium Legal Limited operating from Colman House, 121 Livery Street, Birmingham, B3 1RS ("the Firm"), as sole director and owner of the Firm:

1.1 He prepared, or caused to be prepared, Estate Accounts dated 6 September 2017 and/or 15 June 2018 which contained misleading information and/or were intended to mislead that a Civil Service Pension was retained in the Firm's client account when it was not, and by stating "No fee to be charged" on behalf of the Firm when he had already billed the client £5,000 plus VAT on 20 November 2017 which he knew or ought to have known were untrue at the time that he made them. In doing so the Respondent breached or failed to achieve any or all of:

1.1.1. *[withdrawn]*
1.1.2. Principle 4 of the SRA Principles 2011.
1.1.3. Principle 6 of the SRA Principles 2011; and
1.1.4. Failed to achieve Outcome 1.1 of the SRA Code of Conduct.

1.2. *[withdrawn]*

1.3. On or around 10 February 2020, the Respondent prepared, or caused to be prepared, Estate Accounts as at 10 February 2020 that contained misleading information and had the potential to be misleading by stating "No fee charged" on behalf of the Firm when he had billed the client £5,000 plus VAT on 20 November 2017 and £15,000 plus VAT on 4 November 2019. In doing so the Respondent breached or failed to achieve any or all of:

1.3.1. Principle 2 of the SRA Principles 2019.
1.3.2. *[withdrawn]*
1.3.3. *[withdrawn]*
1.3.4. Principle 7 of the SRA Principles 2019; and
1.3.5. Failed to achieve Outcome 1.4 SRA Code of Conduct for Solicitors, RELs and RFLs.

1.4. In the period 8 August 2017 until at least 7 February 2020 the Respondent retained £27,698.10 of client money in his personal bank account and in doing so, he also caused a corresponding client account shortage. In doing so he breached all or alternatively any of the following:

1.4.1. *[withdrawn]*

1.4.2. For conduct occurring during the period 25 November 2019 to 7 February 2020:

1.4.2.1. Principle 2 of the SRA Principles 2019.
1.4.2.2. *[withdrawn]*
1.4.2.3. Principle 7 of the SRA Principles 2019.
1.4.2.4. *[withdrawn]*

1.4.2.5. *[withdrawn]*

1.5. From 30 April 2019 onwards the Respondent failed to account to the beneficiaries of the trust, for £15,000 of interest payments arising on a loan of trust monies to Mr C by an agreement dated 9 April 2019 and in doing so utilised the monies for other purposes. In doing so the Respondent breached or failed to achieve any or all of:

1.5.1. *[withdrawn]*

1.5.2. For conduct occurring during the period from 25 November 2019 onwards:

1.5.2.1. Principle 2 of the SRA Principles 2019.
1.5.2.2. *[withdrawn]*
1.5.2.3. Principle 7 of the SRA Principles 2011; and
1.5.2.4. *[withdrawn]*

1.6. *[withdrawn]*

1.7. In the period 16 December 2020 to 20 January 2021, the Respondent misused £13,560 of client money for purposes other than to meet the client's Stamp Duty Land Tax liability as intended by the client. In doing so he breached all or alternately any of the following:

1.7.1. Principle 2 of the SRA Principles 2019.
1.7.2. *[withdrawn]*
1.7.3. Principle 7 of the SRA Principles 2019; and
1.7.4. Rule 5.1 of the SRA Accounts Rules.

Factual Background

2. Mr Bahia, born in April 1967, was admitted to the Roll on 4 January 1993. At the time of the alleged conduct, he was a solicitor at the Firm and held the roles of Compliance Officer for Legal Practice (COLP) and Compliance Officer for Finance and Administration (COFA). He held these roles until 08 July 2021 when the firm's practice was subject to an Intervention. Mr Bahia's practising certificate was also suspended ~~by virtue~~ ~~of~~ following. the intervention into the Firm on 8 July 2021.

3. Following a Decision made by the Applicant on 15 May 2025, Mr Bahia held a practising certificate for the year 2024/2025 with conditions as follows:

- He shall not act as a manager or owner of any authorised body.

- 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 does 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.

4. In January 2021, the Applicant received an anonymous report alleging that Mr Bahia had misused client funds. A forensic investigation was subsequently initiated in April 2021, during which Mr Bahia was interviewed. During this interview, he indicated that his co-trustee in the administration of Client A's estate had previously expressed concerns regarding his suitability to act in that capacity.

5. The Interim Forensic Investigation Report, dated May 2021, identified significant financial irregularities. The Firm's accounting records were found to be unreliable and inadequately maintained, with additional potential shortfalls identified. Due to the deficiencies in the records, investigators were unable to determine the full extent or precise cause of the shortages, although it was established that client liabilities exceeded the funds held in the client account.

6. Concerns were also identified in relation to the administration of Client A's estate, including the preparation of inaccurate estate accounts, unrecorded transactions, and the making of a loan from estate funds without appropriate transparency or authorisation. Interest arising from that loan was not accounted for, and legal fees were deducted despite earlier indications that no fees would be charged, with no supporting billing records identified.

7. The investigation further concluded that the Firm's books of account were inadequately maintained. Accounting systems were not consistently or properly used, reconciliations were incomplete, and records were missing or unreliable. Mr Bahia failed to ensure that appropriate financial controls were implemented. In July 2021 the Applicant intervened in both Mr Bahia's practice and the Firm.

8. The Final Forensic Investigation Report, dated December 2021, confirmed and expanded upon these findings, identifying continuing client account shortages, overdrawn client ledger balances and ongoing failures in reconciliation.

9. Additional concerns arose in relation to a separate matter for Client C, in which funds intended for Stamp Duty Land Tax were misdirected, resulting in a delayed payment to HMRC. The tax was ultimately settled from the Firm's office account.

10. Following a without prejudice meeting on 9 April 2026 the Applicant concluded that Mr Bahia's explanations, as set out in the annexed Statement of Agreed Facts, merited a review of the case, following which it applied to withdraw allegations of dishonesty and breach of integrity and associated breaches of the Code and Rule 2.3 of the SRA Accounts Rules 2019, as detailed above.

Documents

11. The Tribunal had before it the following documents:

- The Form of Application dated 5 March 2024
- Rule 12 Statement and Exhibit Bundle of Documents MJC1 dated 5 March 2024
- Respondent's holding Answer dated 9 April 2024
- Respondent's Answer dated 10 February 2025
- Annex to an Application by the Applicant dated 8 May 2026
- Statement of Agreed Facts and Proposed Outcome signed by the Respondent and

the Applicant on 8 May 2026 ("the original SOAF")

- Statement of Agreed Facts and Proposed Outcome signed by the Respondent and the Applicant on 12 May 2026 ("the final SOAF")

Applicant's Applications

12. With the consent and support of the Respondent, the Applicant made three applications:

13. Application to anonymise the Rule 12

13.1 Mr Colledge acknowledged that this application, to continue the anonymity of the individuals and entities referred to in Annex 2 of the Rule 12, together with anonymity for a further company to be referred to as Company Q, should properly be made pursuant to Rule 35(9) of the Solicitors (Disciplinary Rules) Proceedings 2019 (SDPR) and not Rule 22(4)(h) as submitted. The Tribunal granted leave, for reasons set out in paragraphs 4 – 8 of the original SOAF, as it was satisfied that it was in the interests of justice to do so. An Order was published on the Tribunal's website.

14. Application to withdraw allegations pursuant to R 24 SDPR

14.1 Mr Colledge applied to withdraw allegations as set out above pursuant to the original SOAF. Allegations 1.2 and 1.6 were withdrawn in their entirety and the other allegations were refined, following the without prejudice meeting with Mr Bahia on 9 April 2026 and a review of the Applicant's case.

14.2 The Tribunal granted leave for allegations 1.2 and 1.6 to be withdrawn in their entirety and for allegations 1.1.1, 1.3.2, 1.3.3, 1.4.1, 1.4.2.2, 1.4.2.4, 1.4.2.5, 1.5.1 and 1.7.2 to be withdrawn pursuant to Rule 24 SDPR, as it was satisfied, for the reasons set out in paragraphs 9 to 19 of the original SOAF, that it was in the interests of justice to do so.

15. Application for leave to present an agreed outcome pursuant to R 22(4)(h) and 25(1) SDPR and paragraph 8 PD No. 1: Agreed Outcomes

15.1 The Tribunal granted leave, for the reasons set out in paragraph 22 of the original SOAF, and in accordance with the overriding objective set out in Rule 4 SDPR to deal with cases justly and at proportionate cost, to consider the original SOAF, which had been submitted to the Tribunal only two working days before the start date of the substantive hearing. The parties invited the Tribunal to deal with the revised allegations against the Respondent in accordance with the proposals and submitted that the outcome proposed was consistent with the Tribunal's Guidance Note on Sanctions.

Findings of Fact and Law

16. The Applicant was required to prove the allegations on 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 Respondent's rights to a fair trial and to respect for their private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

17. The Tribunal reviewed all the material before it up to and including the original OAF, which proposed that the Respondent be fined £5,000 in relation to allegations 1.1 and 1.4, that he be reprimanded in relation to allegations 1.3, 1.5 and 1.7 and that he be subjected to a restriction order in respect of allegations 1.4 and 1.7.

18. The Tribunal indicated that it was not minded to approve the original SOAF for the reason that the proposals did not contain sufficient clarity about Mr Bahia's state of mind at the time he breached the Principles, the Code and the Accounts Rules and there was an insufficient explanation of Mr Bahia's intention at all relevant times, but particularly in relation to allegation 1.1. This resulted in the Tribunal being unable to properly assess Mr Bahia's culpability and therefore determine sanction in a proper and structured manner.

19. The Tribunal therefore invited the parties to revise the SOAF to include clarification on Mr Bahia's state of mind, especially the intention to mislead, setting out the factual basis on which this was assessed, and to revise the proposed financial penalty to reflect the seriousness of the admitted conduct.

20. The parties presented a second SOAF which the Tribunal considered and did not approve, suggesting the proposed sanction remained too low because it did not properly reflect Mr Bahia's prior disciplinary history.

21. The parties then presented the final SOAF for the Tribunal to review in the context of all the material before it, and it was satisfied on the balance of probabilities that the Respondent's admissions were properly made.

22. The Tribunal considered the Guidance Note on Sanction (11th edition) and the proper approach to sanctions, as set out in Fuglers and Others v SRA [2014] EWHC 179. The Tribunal's overriding objective, when considering sanction, was the need to maintain public confidence in the integrity of the profession. In determining sanction, it was the Tribunal's role to assess the seriousness of the proven misconduct and to impose a sanction that was fair and proportionate in all the circumstances.

23. In doing so the Tribunal assessed the culpability and harm identified together with the aggravating and mitigating factors that existed.

24. With regard to culpability, Mr Bahia's motivation was unknown, but his misconduct had been repeated with sustained carelessness regarding the preparation of estate accounts and proper accounting for client monies. The Tribunal noted the tragic circumstances surrounding Client A's death and the personal impact of this on Mr Bahia.

25. The Tribunal accepted that no loss or harm was caused to Mr Bahia's clients by his actions and that no income was generated because of his misconduct.

26. The Tribunal considered, however, that the misconduct was serious and not a matter for a reprimand. Estate accounts on behalf of Client A had been prepared which contained misleading or omitted information, Mr Bahia had caused a shortfall in his client account, and he had failed to account to beneficiaries of a trust for interest payments arising. In a separate matter for Client C, he had misused client money. There had been

breaches of the Principles of upholding public trust and confidence in the profession and the duty not to mislead clients or others, and of a solicitor's obligation to act in a client's best interests.

27. Mr Bahia's conduct was seriously aggravated by his previous regulatory history, as he had appeared before the Tribunal twice before, in 2007 and 2019. The Tribunal was of the view that there remained a possibility of future misconduct, but it accepted that the proposed Restriction Order, for seven years, was sufficient to protect the public and maintain confidence in the integrity of the profession.

28. The Tribunal determined that the proffered fines and reprimands proposed in the original and revised SOAFs were not sufficient to mark the seriousness of the breaches. It was, however, satisfied that the fine of £15,000 proposed in the final SOAF, in respect of allegations 1.1, 1.3, 1.4 and 1.7, which was in the Level 3 range, marked the seriousness of the misconduct and was appropriate, proportionate and in the interests of justice. The final SOAF is appended to this judgment.

Costs

29. The parties agreed that the Respondent should pay costs in the sum of £20,000.00. The Tribunal determined that the agreed amount was reasonable and proportionate. Accordingly, the Tribunal ordered that the Respondent pay the costs in the agreed sum.

Statement of Full Order

30. The Tribunal ordered that the Respondent, SARINJIT SINGH BAHIA, solicitor, be subject to the following conditions for a period of seven years:

The Respondent may not:

30.1 Act as a manager or owner of any authorised body.

30.2 Act as a compliance officer for legal practice (COLP) or compliance officer for finance and administration (COFA) for any authorised body.

30.3 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.

The Tribunal further ordered that SARINJIT SINGH BAHIA, solicitor, do pay a fine of £15,000.00, such penalty to be forfeit to His Majesty the King, and it further ordered that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £20,000.00.

Dated this 3rd day of June 2026
On behalf of the Tribunal

P Lewis

P Lewis
Chair

Case No 12574-2025

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 (as amended)

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

-and-

SARINJIT SINGH BAHIA

Respondent

STATEMENT OF AGREED FACTS AND OUTCOME

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1. By a statement made on behalf of the Solicitors Regulation Authority ('the SRA') pursuant to Rule 12 of the Solicitors Disciplinary Proceedings Rules 2019 dated 5 March 2024 ('the Rule 12 Statement"), the SRA brought proceedings before the Tribunal against the Respondent, Mr Sarinjit Singh Bahia. The parties have agreed facts and a proposed sanction in this Statement of Agreed Facts and Outcome ('AO').

2. The SRA has agreed to withdraw the allegations that relate to dishonesty in Allegations 1.2 and 1.3. The SRA has agreed to withdraw the allegations of a lack of integrity in Allegations 1.1, 1.3, 1.4, 1.5 and 1.7. Allegation 1.6 is withdrawn.

3. Whilst by Paragraph 8 of the Practice Direction Number 1: Agreed Outcomes ("PD1"), PD1 does not apply to this application, this Agreed Outcome is nonetheless prepared in the spirit of and in accordance with PD1. It is accompanied by an application under Rule 25(1) SDPR due to the upcoming hearing on 11 May 2026 for leave to submit the Agreed Outcome.

Background

4. The Respondent is a solicitor admitted to the Roll on 4 January1993 under SRA number 158002. At the time of the alleged conduct, the Respondent was a solicitor at Consilium Legal Limited (SRA number 623977) operating from Colman House, 121 Livery Street, Birmingham, B3 1RS ("the Firm") and held the roles of COLP, COFA, MLRO, sole Director and Owner. He held these roles until 8 July 2021 when the Firm's practice was subject to an Intervention.

5. Further background is contained within the Rule 12 Statement at paragraphs 5 to 18.

The Allegations

6. The Allegations are set out below in so far as they are admitted together with the agreed facts in relation to each Allegation.

<u>*Allegation 1.1 – the Respondent prepared or caused to be prepared, Estate Accounts that contained misleading information and / or were intended to mislead*</u>

7. The allegation is set out at Paras 1.1, 13.1-2 and 19 – 36 of the Rule 12 Statement:

   "He prepared, or caused to be prepared, Estate Accounts dated 6 September 2017 and / or 15 June 2018 which contained misleading information and / or were intended to mislead that a Civil Service Pension was retained in the Firm's client account when it was not, and by stating "No fee to be charged" on behalf of the Firm when he had already billed the client £5,000 plus VAT on 20 November 2017 which he knew or ought to have known were untrue at the time that he made them."

8. In relation to Allegation 1.1:

   8.1 The Estate Accounts contained information which was wrong and therefore misleading information. The Respondent should have recognised the information as misleading but the Respondent had no intention to mislead (as to the Respondent's state of mind see further below), by stating that the Pension Monies were held in the client account when they were in the Respondent's personal bank account.

   8.2 The June 2018 Estate Accounts should not have stated "No fee to be charged" when a fee had been charged.

8.3 The 2017 Estate Accounts were accurate but whilst the Respondent asserts that the 2018 Estate Accounts were prepared using the 2017 accounts as a template, they were not accurate. This resulted in an error which the Respondent accepts was carelessly and inadvertently made: Amended Answer, Para 26 [B14].

9. Accordingly, the following admissions are made and accepted:

   9.1 Principle 4of the SRA Principles 2011;

   9.2 Principle 6 of the SRA Principles 2011; and

   9.3 Failed to achieve Outcome 1.1 of the SRA Code of Conduct.

<u>*Allegation 1.2 – dishonesty in relation to the facts set out in Allegation 1.1*</u>

10. This Allegation is withdrawn.

Allegation 1.3 – the Respondent prepared or caused to be prepared an Estate Account that was misleading and / or had the potential to be misleading as at 10 February 2020

11. The allegation is set out at Paras 1.3, and 42-53 of the Rule 12 Statement:

> *"On or around 10 February 2020, the Respondent prepared, or caused to be prepared, Estate Accounts as at 10 February 2020 that contained misleading information and had the potential to be misleading by stating "No fee charged" on behalf of the Firm when he had billed the client £5,000 plus VAT on 20 November 2017 and £15,000 plus VAT on 4 November 2019."*

12. In relation to Allegation 1.3:

    12.1 The 10 February 2020 Estate Accounts should not have stated "No fee to be charged" when more than one fee had been charged. Therefore, the Estate Accounts contained information which was wrong and therefore misleading information which the Respondent should have recognised was misleading.

    12.2 Fees had been charged on 20 November 2018 and 4 November 2019. Again, whilst the Respondent asserts that the 2018 Estate Accounts were prepared using the 2017 accounts as a template, they were not accurate. This resulted in an error which the Respondent accepts was carelessly and inadvertently made: Amended Answer, Para 26 [B14].

    12.3 Whilst the Estate Accounts prepared on 10 February did not include the relevant information, subsequent (undated) accounts, which were adopted by Mr Singh record the relevant information [D206].

13. Accordingly, the following admissions are made and accepted:

    13.1 Principle 2 of the SRA Principles 2019;

    13.2 Principle 7 of the SRA Principles 2019; and

    13.3 Failed to achieve Outcome 1.4 SRA Code of Conduct for Solicitors, RELs and RFLs

Allegation 1.4 – the Respondent retained client money in his personal bank account

14. The allegation is set out at Paras 1.4, and 54-64 of the Rule 12 Statement:

> *"In the period 8 August 2017 until at least 7 February 2020 the Respondent retained £27,698.10 of client money in his personal bank account and in doing so he also caused a corresponding client account shortage."*

15. In relation to Allegation 1.4:

15.1 The Will of Manjit Singh [X159] created a trust of his assets, to be operated by the Trustees of the Estate: the Respondent and Mr Rachim Singh. That will also purported to create a trust over the death in service / pension monies. Accordingly, the Will purported to be a composite document comprising a bequest by way of a Will but also attempting to operate as a trust over a benefit which could not be passed by a Will or into Mr Singh's estate.

15.2 The Civil Service Pension Scheme (CSPS) provided for a lump sum payment to a nominated beneficiary. Mr Manjit Singh nominated his brother on 14 February 2012 [X752]. The Applicant accepts that the Respondent was not aware of his nomination prior to Mr Manjit Singh's death.

15.3 Whilst both Manjit Singh (when settling his Will and/ or returning the nominee form to the CSPS) and the Respondent (when first contacted by the CSPS) may have thought that the Respondent had been nominated in a representative capacity: see, e.g. [D68]. However, the CSPS was clear as to the effect: the lump sums could not be paid into the client account; but only into a personal account in his own name [D71]. The Applicant accepts that the CSPS wished to ensure that the lump sum was paid to the person entitled to it, and duly remitted it to the Respondent's private bank account [D81].

15.4 The 6 September 2017 Estate Accounts [D157] record that the monies were "retained in Consilium Legal Client Account [D157], and the Respondent's has provided an admission that the reason for this was because he had already formed a firm intention to donate the monies to the beneficiaries of the Estate in "mid-July 2017" [B11].

15.5 However, the lump sum monies were not transferred into the client account (or into the Estate) and on 7 February 2020 when monies were transferred from client account to a designated trust account controlled by Mr Rachim Singh, the full sums recorded in the Estate Accounts were transferred resulting in a client account shortage of £27,698.10.

15.6 That shortage applied to the overall client account and had the corresponding effect of reducing the sums held in relation to other clients.

15.7 The Respondent thereafter transferred sums representing the lump sum into the client account from his personal bank account.

15.8 The Applicant accepts:

15.8.1 The Respondent was nominated by Mr Manjit Singh to receive the lump sum payment.

15.8.2 The payment of the lump sum by the CSPS to the Respondent was a payment to him personally.

15.8.3 Mr Manjit Singh did not own the lump sum payment paid after his death.

15.8.4 As a matter of law, irrespective of a person's intention, a person cannot create a trust over property that that person does not own: see, e.g. Garwood v Ambrose [2012] EWHC 1494 (Ch), at [18].

15.8.5 As a matter of law, for a gift to be rendered valid and effectual, the donor must have done everything necessary in order to transfer the property and render the settlement binding upon him: Milroy v Lord (1862) 4 De GF & J 264, 274–275.

15.8.6 The Respondent's gift to his nieces was perfected when he replenished the client account from his own monies to reflect the prior transfer of sums representing the lump sum payment from the client account to the account controlled by Mr Rachim Singh.

15.8.7 'Client money' is defined under both the SRA Handbook and the Code of Conduct. Until the gift was perfected, the lump sum payment did not satisfy either definition and thus was not 'client money'.

16. Accordingly, the following admissions are made and accepted:

16.1 Principle 2 of the SRA Principles 2019; and

16.2 Principle 7 of the SRA Principles 2019.

Allegation 1.5 – the Respondent failed to account to the beneficiaries of the trust, for £15,000 of interest payments

17. The allegation is set out at Paras 1.5, and 65-69 of the Rule 12 Statement:

"From 30 April 2019 onwards the Respondent failed to account to the beneficiaries of the trust, for £15,000 of interest payments arising on a loan of trust monies to Mr C by an agreement dated 9 April 2019 and in doing so utilised the monies for other purposes."

18. In relation to Allegation 1.5

18.1 Under section 3 of the Trustee Act 2000, trustees in England and Wales have a general power to invest trust assets as if they were absolute owners and the Respondent recorded the investment at [D161]. Mr Rachim Singh confirmed in his interview with the FIO that he had authorised the Respondent to make investment decisions without further recourse to him [X428].

18.2 The Client Account Ledger records the loan payment and re-payment amounts together with interest [X161]. By an email dated 14 January 2020 the Respondent wrote to Rachim Singh, enclosing a copy of Office and Client Ledger, which contains confirmation of the loan interest and repayment of loan, see [X794] to [X796].

18.3 The Estate Accounts provided on 10 February 2020 should have explained more clearly on their face that these were draft accounts and were, at the time, incomplete.

18.4 Whilst the Estate Accounts prepared on 10 February did not include the relevant information, subsequent (undated) accounts, which were adopted by Mr Singh record the relevant information [D206].

19. Accordingly, the following admissions are made and accepted:

19.1 Principle 2 of the SRA Principles 2019; and

19.2 Principle 7 of the SRA Principles 2019.

Allegation 1.6 – the Respondent failed to apply appropriate customer due diligence measures

This Allegation is withdrawn.

Allegation 1.7 – the Respondent misused £13,560 of client money for purposes other than to meet Client C's Stamp Duty Land Tax (SDLT) liability as intended by the client

20. The allegation is set out at Paras 1.7, and 82-90 of the Rule 12 Statement:

> *"In the period 16 December 2020 to 20 January 2021, the Respondent misused £13,560 of client money for purposes other than to meet the client's Stamp Duty Land Tax liability as intended by the client."*

21. In relation to Allegation 1.7

21.1 The Applicant accepts that the transfer out of the client account caused a shortage which meant that the SDLT liability could not be met was that of a third party, acting in error and without the Respondent's knowledge or approval.

21.2 As COLP and COFA, the Respondent had oversight obligations in relation to the third party's actions. The Respondent accepts a breach of his professional obligations in this regard: [D113] at paragraph 42. Paragraphs 83 and 84 of the R12 are accepted. See also Paragraphs 41-43 of the Amended Answer [B17].

21.3 In consequence of the admitted errors, there were insufficient funds to pay the stamp duty and consequently a client account shortage. The deficiency was made up within weeks from the Respondent's own funds in two payments in January and February 2021.

21.4 As COLP and COFA, the Respondent accepts that any failures due to the lack of a bookkeeper or otherwise were his responsibility. The Applicant accepts that the incorrect transfer of funds out of the client account was not to the benefit of the person who transferred those funds, and was made in error.

21.5 Whilst the Respondent has replenished the client account with his own personal funds he has not been able to establish the ultimate cause of the client account deficiency other than by reference to his own inability to manage the client account without the assistance of a bookkeeper.

22. Accordingly, the following admissions are made and accepted:

22.1 Principle 2 of the SRA Principles 2019;

22.2 Principle 7 of the SRA Principles 2019; and

22.3 Rule 5.1 of the SRA Accounts Rules.

The following mitigation, which is not agreed by the SRA, is put forward by the Respondent

23. In relation to the charging of fees:

23.1 It was the Respondent's initial intention not to charge for his legal work. This intention was indicated within the first set of Estate accounts, produced in 2017. Those Accounts were prepared by the Respondent following discussions with his co-trustee.

23.2 However, the management of the Estate became more complicated than anticipated. The file ran to (at least) 2 lever arch files, one of which dealt solely with the widow's claim against the Estate. The file has been lost.

23.3 The Respondent's co-trustee, who was a solicitor and part time judge, agreed with the Respondent that the Respondent should charge for his time. (Whilst there is no direct evidence from the co-trustee tendered by either party this position is supported by an attendance note of a call between the co-trustee and the SRA [X428].)

23.4 By the time that the 2018 and 10 February 2020 Estate Accounts were produced, the co-trustee was aware that charges would be levied for work conducted in relation to the Estate by the Firm. The Accounts recorded that "no fee to be charged" as he used the 2017 Estate Accounts as a template, even though the position vis a vis legal fees had changed by agreement. This was inadvertent and careless.

24. In relation to the Pension Lump Sum:

24.1 The Respondent had initially applied for the CSPS monies to be paid into the Firm account but on 19 July 2017 was informed that the CSPS would not pay the funds belonging personally to the Respondent into a solicitors' client account. (The Respondent has been able to obtain copies of CSPS documents which support his assertions that the CSPS would not make payment into a solicitors' client account [B346]).

24.2 Therefore, as the nominee, the Lump Sum was his. However, the Respondent also determined that, in accordance with his brother's wishes, he would give that Lump Sum to his Nieces as the beneficiaries of the Estate.

24.3 Whilst the Lump Sum was not held in the client account, he was treating it as the Nieces' money, and as such, sought to demonstrate this by designating the money to the client account within the Estate Accounts: see Bahia 3, at Para 16 [D108]. By so doing, Mr Bahia was attempting to indicate his intention that his money would become the Nieces' money, albeit that this increased clarity was at the expense of accuracy. The reference to the client account was a reference to the account in which all the other Estate monies were being held.

24.4 By recording the lump sum as being in the client account, this was wrong. the Respondent was trying to convey that a sum outside the Estate would become part of the Estate. In stating that the CSPS monies were held in the Consilium Client Account the Respondent did not intend to mislead but intended to record the position as it should have been and as he intended. The delay in reconciling this intention is regrettable. The Respondent notified the co-trustee that the Lump Sum was not in the client account on 6 February 2020: X133. Whilst the Estate Accounts provided on 10 February 2020 continued to refer to the Lump Sum being in the client account, by the time that he received those accounts, his co-trustee had been made aware that this was not in fact the case.

25. There was no benefit to the Respondent in expressing the position in this way. To satisfy the accounts as explained, he would have to gift the Lump Sum to his nieces.

26. The Respondent's state of mind can also be seen from the last set of Estate Accounts: see [D206]. These are accurate and complete Estate Accounts. Having any intention to mislead is inconsistent with producing those accounts.

27. The Respondent has cooperated with the SRA throughout, shown insight and made open and frank admissions of where the Respondent's conduct should have been better.

28. The context against which the Respondent became involved in the administration of the Estate is important for understanding the Respondent's position. The retainer arose out of tragic circumstances death by suicide of the Respondent's brother. The Respondent was motivated by a personal sense of guilt for failing to look after his brother, coupled with a sense of responsibility toward his nieces. The Respondent accepts that the unusual circumstances of this retainer resulted in an emotional entanglement to this matter, which clouded the Respondent's professionalism. Whilst wishing to do his best by his nieces, the accuracy of the documents (until the final accounts) was poor, and could, divorced from context, be considered to be misleading. There are matters in connection with this retainer that the Respondent would not do again. He is disappointed in himself.

29. The Respondent is not the same individual as he was at the time of the allegations. He has had therapy and has a fresh outlook on life. He no longer drinks alcohol. He is dealing better with the loss of his father and brother, and the issues of guilt that these events brought.

30. The Respondent's position is that Mr Singh raised concerns with him that dealing with the legal side of the Estate on top of everything else connected with his brother's death was too much for the Respondent. Mr Singh proposed that he take

over the administration of the Estate (see X428 in which Mr Singh provides a reason for this suggestion that the Respondent "had also been going through a difficult time personally and his "head wasn't in the right place"). The Respondent agreed and regrets taking on the responsibility of the retainer whilst trying to deal with the emotional and familial aspects his brother's death.

31. Ultimately, the Respondent's position is that his nieces have financially benefitted from the Respondent's conduct to a sum in excess of £60,000 (pension monies gift, investment return and payment of Estate's legal fees) in what was a fairly small estate. The Respondent was the closest the nieces had to a father after their own father had passed away. He wanted to do his best by them. The Respondent has also undertaken extensive therapy in an attempt to deal with issues connected to his brother's death.

32. In respect of Allegations originally made by the Applicant at 1.1-1.6, Mr Bahia has learned from the handling of the Estate and Mr Bahia would no longer accept an instruction in similarly emotive or closely connected circumstances. There is a very low risk of repetition.

33. In relation to the fees charged to the Estate, the Respondent used his own personal monies as well as sums derived from taking out a personal loan to pay his firm's legal fees, and has by doing so paid those fees to the benefit of the Estate and his nieces.

34. In addition, and in respect of Allegation 1.7 the Respondent had to borrow to restore the client account, and did so as soon as he was able.

35. The Respondent recognises that his SRA interview was unhelpful, in that he did not set out his position in the best way possible. The file of documents said to be relevant to the discussion was only provided to him by Mimecast link at 4.54pm on the day before, and he did not have a full opportunity to re-familiarise himself with them. The interview was the first time that there had been any suggestion of dishonesty on the Respondent's part. As explained in the Respondent's Amended Answer, he felt blindsided: Para 59 [B20]. Nonetheless, the Respondent considers that he has let himself down. The Respondent accepts that part of the reason that the SRA has taken the position that it has is due to the contents of that interview.

36. No loss or harm was caused to clients and no income was generated as a result of the breaches.

Proposed sanction

37. The parties invite the Tribunal to determine that an appropriate sanction is:

37.1 In relation to Allegations 1.1, 1.3, 1.4, 1.5 and 1.7 the Respondent is fined a total sum of £15,000;

37.2 In relation to Allegation 1.4 and 1.7 the Respondent is subject to a Restriction Order.

The Fine

38. As to the fine, this figure is consistent with the principles set out in the Tribunal's Guidance Note on Sanctions (11th edition) ('the SDT Sanctions Note'), taking into account the guidance set out in Fuglers & Ors v Solicitors Regulation Authority [2014] EWHC 179 (Popplewell J) and as set out in the SDT Sanctions Note at paragraphs 8 and the table at page 15.

39. The financial penalty is considered to be proportionate taking into consideration (a) the seriousness of the misconduct; (b) the size and financial resources of the individual Respondent and (c) the Respondent's previous disciplinary history (SRA v Clyde & Co; Edward Henry Mills-Webb [12481-2023]).

40. The misconduct giving rise to the allegations falls in the middle of the category of more seriousness (level 3 of the fine bands).

41. This assessment takes account of the following factors:

    41.1 The number of allegations

    41.2 Whilst no loss or harm was caused to clients the client account shortfall had the potential to do so; and

    41.3 No income was generated by the misconduct.

    41.4 That there is a propensity to misconduct in respect of previous regulatory history set out below.

The Restriction Order

42. As set out in the SDT Sanctions Note, a Restriction Order may be combined with any other sanction made by the Tribunal, and it is proposed that the Respondent is subject to the following restrictions for a period of 7 years:

    42.1 The Respondent shall not act as a manager or owner of any authorised body.

    42.2 The Respondent may not act as a compliance officer for legal practice (COLP) or compliance officer for finance and administration (COFA) for any authorised body.

    42.3 The Respondent does 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.

43. The restrictions are justified in light of the two instances of client account shortages and the Respondent's admissions that, absent a bookkeeper his knowledge and experience in dealing with client account reconciliations and transfers was not sufficient.

Previous regulatory history

44. The Respondent appeared before the Tribunal on 13 November 2019 where the Tribunal ordered him to pay a financial penalty of £30,000 and the SRA's costs of £18,412.50. The Tribunal found the Respondent had:

(a) failed to take any or any adequate steps to satisfy himself as to the validity of a power of attorney used in the sale of a client's property;
(b) failed to take adequate steps to confirm his client's instructions and accepted instructions from a third party based in Pakistan without ensuring they were authorised to give instructions;
(c) paid the proceeds of sale to a third party without taking adequate steps to confirm his client's instructions.

45. The Respondent appeared before the Tribunal on 5 July 2007 where the Tribunal ordered that he be severely reprimanded and to pay the SRA's costs of £1,175.00. The Tribunal found that the Respondent had had brought the profession into considerable disrepute following a conviction on 26th July 2006 for assault by beating by contrary to Section 39 of the Criminal Justice Act 1988.

Costs

46. Subject to the approval of this Agreed Outcome, it is agreed that the Respondent will contribute £20,000 to the SRA's costs of the Application and Enquiry, including VAT.

SIGNED:

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Michael Colledge (partner), Blake Morgan LLP, on behalf of the SRA, **APPLICANT**

...

Mr Sarinjit Singh Bahia, **RESPONDENT**

Dated 12 May 2026