

Aman Mahroof

Solicitor

502352

Fined Date: 10 July 2024

Decision - Fined

Outcome: Fine

Outcome date: 10 July 2024

Published date: 27 August 2024

Firm details

Firm or organisation at date of publication and at time of matters giving rise to outcome

Name: Tyler Hoffman Ltd

Address(es): 15 Cheapside, Wakefield, WF1 2SD

Firm ID: 633499

Outcome details

This outcome was reached by SRA decision.

Decision details

Who does this disciplinary decision relate to?

Mr Mahroof is a solicitor at Tyler Hoffman Ltd located at 15 Cheapside, Wakefield WF1 2SD, which is a regulated body (the firm). Between 18 October 2016 and 16 April 2019, Mr Mahroof was a director at the firm, as well as its Compliance Officer for Legal Practice (COLP) and Compliance Officer for Finance and Administration (COFA).

Short summary of decision

We have issued Mr Mahroof with a financial penalty. It was found that from 18 October 2016 to 16 April 2019, Mr Mahroof

1. failed to carry out three-way client account reconciliations, and in doing so breached:

- Rules 29.12, 1.2 (e) and 6.1 of the SRA Accounts Rules 2011 (SARs)



- Principle 7 of the SRA Principles 2011.

2. failed to maintain records of all receipts that were not client money or bills of costs on the client ledgers, and in doing so breached:

- Rules 1.2(e), 29.1(b), 29.2, 29.4, 29.9 and Rule 6.1 of the SARs
- Principle 7.

Facts of the misconduct

A forensic investigation at the firm identified a number of issues in relation to financial record keeping during the period Mr Mahroof was the firm's COLP and COFA and therefore had primary responsibility for ensuring compliance with the firm's regulatory obligations:

- The firm did not maintain a list of client liabilities with running totals. The firm's bills and any receipts that were not client money were not posted to client ledgers so the balances showing on the ledgers were not kept up to date.
- Three-way client account reconciliations had not been produced since the firm's inception in 2016.

Decision on sanction

It was decided that a financial penalty was an appropriate and proportionate sanction.

This was because his conduct was serious by reference to the following factors in the SRA Enforcement Strategy:

- Any lesser sanction would not be appropriate.
- To send a signal to those we regulate more widely with the aim of preventing similar behaviour by others.
- Some public sanction is required to uphold public confidence in the delivery of legal services.

Aggravating factors included that Mr Mahroof's conduct had the potential to cause more than minimal harm, he had direct responsibility for ensuring the firm's compliance with its regulatory obligations, and in his capacity as a director, COLP and COFA Mr Mahroof should have been aware of his regulatory obligations. He nevertheless failed to give due regard to these during his two-and-a-half-year tenure in his roles, which formed a pattern of behaviour.

In view of the above, Mr Mahroof's conduct was placed in conduct band C which has a financial penalty bracket of between 16% and 49% of his gross annual income. His conduct was placed in the bottom of this bracket at C1 (16% of gross annual income).



A discount of 5% was applied to the penalty to take account of Mr Mahroof's co-operation and acceptance of a financial penalty.

Financial penalty and costs

Mr Mahroof was ordered to pay a financial penalty of £5,472 and costs of £600.

SRA Rules and Principles breached

SRA Accounts Rules 2011

Rule 1.2(e) You must establish and maintain proper accounting systems, and proper internal controls over those systems, to ensure compliance with the rules.

Rule 6.1 All the principals in a firm must ensure compliance with the rules by the principals themselves and by everyone employed in the firm. This duty also extends to the directors of a recognised body or licensed body which is a company, or to the members of a recognised body or licensed body which is an LLP. It also extends to the COFA of a firm (whether a manager or non-manager).

Rule 29.1(b) You must at all times keep accounting records properly written up to show your dealings with:

(b) any office money relating to any client or trust matter.

Rule 29.2 All dealings with client money must be appropriately recorded:

(a) in a client cash account or in a record of sums transferred from one client ledger account to another; and

(b) on the client side of a separate client ledger account for each client (or other person, or trust).

No other entries may be made in these records.

Rule 29.4 All dealings with office money relating to any client matter, or to any trust matter, must be appropriately recorded in an office cash account and on the office side of the appropriate client ledger account.

Rule 29.9 The current balance on each client ledger account must always be shown, or be readily ascertainable, from the records kept in accordance with rule 29.2 and 29.3 above.

Rule 29.12 You must, at least once every five weeks:

(d) compare the balance on the client cash account(s) with the balances shown on the statements and passbooks (after allowing for all

unpresented items) of all general client accounts and separate designated client accounts, and of any account which is not a client account but in which you hold client money under rule 15.1(a) or rule 16.1(d), and any client money held by you in cash; and

(e) as at the same date prepare a listing of all the balances shown by the client ledger accounts of the liabilities to clients (and other persons, and trusts) and compare the total of those balances with the balance on the client cash account; and also

(f) prepare a reconciliation statement; this statement must show the cause of the difference, if any, shown by each of the above comparisons.

SRA Principles 2011

Principle 7 You must comply with your legal and regulatory obligations and deal with your regulators and ombudsmen in an open, timely and co-operative manner.

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