

# **Andrew Nyamayaro**

## **Solicitor**

### **536995**

[Agreement Date: 25 March 2024](#)

## **Decision - Agreement**

Outcome: Regulatory settlement agreement

Outcome date: 25 March 2024

Published date: 26 March 2024

## **Firm details**

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

Name: Tann Law Solicitors Ltd

Address(es): 4 Manor Terrace, Coventry, CV1 2NU

Firm ID: 632516

## **Outcome details**

This outcome was reached by agreement.

### **Decision details**

#### **1. Agreed outcome**

1.1 Andrew Nyamayaro (Mr Nyamayaro) a solicitor and manager of Tann Law Solicitors Ltd. (the firm), agrees to the following outcome to the investigation of his conduct by the Solicitors Regulation Authority (SRA):

- a. he is fined £1980
- b. to the publication of this agreement
- c. he will pay the costs of the investigation of £675

#### **2. Summary of Facts**

2.1 Mr Nyamayaro is the sole owner and manager of Tann Law Solicitors (the firm).

2.2 On 30 September 2022 the firm's reporting accountants submitted two Qualified Accountants Reports covering the periods 1 April 2020 to

31 March 2021 and 1 April 2021 to 31 March 2022. The reports identified breaches of the SRA Accounts Rules (the rules).

2.3 The SRA investigated the reported breaches and conducted an onsite inspection. This identified the firm had failed to maintain proper books of account. In particular, the firm had failed to maintain a cashbook and failed to record all receipt of client funds into the client bank account on a client ledger. The firm had a debit balance on a client suspense ledger which could not at first be explained, had a cash shortage which could not at first be explained, had made incorrect client to office bank account transfers and had not undertaken client account reconciliations prior to the appointment of their current bookkeepers.

2.4 At his interview on 29 March 2023, Mr Nyamayaro agreed that he had not understood and fulfilled his duties as the Compliance Officer for Finance and Administration (COFA) from when the firm first operated a client account in November 2018, until he engaged bookkeepers and accountants in November 2019.

2.5 During the SRA's investigation the firm corrected the client to office account transfers and replaced the cash shortage.

2.6 The firm's books are now in compliance with our rules.

### **3. Admissions**

3.1 Mr Nyamayaro admits breaching the following rules:

- a. Outcome 7.2 of SRA Handbook 2011 - you have effective systems and controls in place to achieve and comply with all the Principles, rules and outcomes and other requirements of the Handbook, where applicable.
- b. Solicitors Accounts Rules 2011 Rule 2 - you must comply with the Principles set out in the Handbook and the outcomes in Chapter 7 of the SRA Code of Conduct in relation to the effective financial management of the firm, and in particular must:
  - (a) keep other people's money separate from money belonging to you or your firm;
  - (e) establish and maintain proper accounting systems and proper internal controls over those systems, to ensure compliance with the rules;
  - (f) keep proper accounting records to show accurately the position with regard to the money held for each client and trust.

### **4. Why a fine is an appropriate outcome**



4.1 The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its standards or requirements.

4.2 When considering the appropriate sanctions and controls in this matter, the SRA has taken into account the admissions made by Mr Nyamayaro and the following mitigation which he has put forward:

- a. He took steps to remedy the breach and prevent similar breaches arising in the future. These included engaging experienced bookkeepers to bring the firm's accounts in to order; employing experienced accountants; repaying the shortfall in the client ledger from his own funds; and arranging training for himself and the firm's staff.
- b. Once the SRA began its investigation, he made early and full admissions of the breaches which were identified.
- c. The firm's books are now compliant with our accounts rules.

4.3 The SRA considers that a fine is the appropriate outcome because:

- a. The conduct had the potential to cause significant harm.
- b. Mr Nyamayaro had direct control of and responsibility for his conduct which led to the breaches.
- c. The breaches were rectified and remedial action taken, but the conduct persisted longer than was reasonable.
- d. Proper record keeping for the holding of client money goes to the core of the SRA's regulatory role and public interest purpose. Firms hold client funds as custodians, and up to date and accurate accounting records ensure that the firm can properly account to clients.

4.4 A fine is appropriate to maintain professional standards and uphold public confidence in the solicitors' profession and in legal services provided by authorised persons because it fulfils the purpose of deterring the firm or individual and others from similar behaviour in future. A financial penalty therefore meets the requirements of rule 4.1 of the Regulatory and Disciplinary Procedure Rules.

## **5. Amount of the fine**

5.1 The amount of the fine has been calculated in line with the SRA's published guidance on its approach to setting an appropriate financial penalty (the Guidance).

5.2 Having regard to the Guidance, the SRA and Mr Nyamayaro agree that the nature of the misconduct was more serious because the conduct continued for a long time. Mr Nyamayaro acknowledged he did not understand or fulfil his duties as COFA over a significant period. The role of the COFA is essential in protecting clients and the public from the risks of poor financial governance in relation to their money once it has been



given to the firm. Clients were exposed to inadequate safeguards for their money throughout this time. The Guidance gives this type of misconduct a score of three.

5.3 The SRA considers that the impact of the misconduct was low because no client money was taken or lost. No cases have been identified as having been delayed or affected by the poor financial controls. The nature of the work the firm undertakes means the firm does not have large sums of client money exposed to risk whilst moving through the firm's systems. The Guidance gives this level of impact a score of two.

5.4 The nature and impact scores add up to five. The Guidance recommends a broad penalty bracket of between 5% and 11% of annual gross income.

5.5 In deciding the level of fine within this bracket, the SRA has considered the mitigation at paragraph 4.2 above which Mr Nyamayaro has put forward, alongside the aggravating factors at paragraph 4.3.

5.6 The SRA considers a basic penalty of £2,478.50 to be appropriate.

5.7 The SRA considers that the basic penalty should be reduced by 20% to £1980. This reduction reflects Mr Nyamayaro's cooperation, his rectification of the issues, and his admissions in relation to the conduct.

5.8 The information Mr Nyamayaro provided during the course of the investigation shows that he has continued to implement the changes and the firm is now managing its accounts appropriately.

5.9 Mr Nyamayaro has not made any financial gain or received any other benefit as a result of his conduct. Therefore, no adjustment is necessary to remove this, and the amount of the fine is £1980.

## **6. Publication**

6.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. Mr Nyamayaro agrees to the publication of this agreement.

## **7. Acting in a way which is inconsistent with this agreement**

7.1 Mr Nyamayaro agrees that he will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

7.2 If Mr Nyamayaro denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which is subject to this agreement may be considered further by the SRA. That may result in a disciplinary outcome or a referral to the Solicitors Disciplinary Tribunal on the original facts and allegations.

7.3 Denying the admissions made or acting in a way which is inconsistent with this agreement may also constitute a separate breach of principles 2 and 5 of the Principles and paragraph 7.3 of the Code of Conduct for Solicitors, RELs and RFLs.

## **8. Costs**

8.1 Mr Nyamayaro agrees to pay the costs of the SRA's investigation in the sum of £675. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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