

**IN THE HIGH COURT OF JUSTICE**

**BUSINESS AND PROPERTY**  
**COURTS OF ENGLAND AND WALES**  
**Business List (Ch.D)**

**[2020] EWHC 2344 (Ch)**

Royal Courts of Justice  
Strand  
London WC2A 2LL

15 July 2020

B E F O R E:

**MR JUSTICE MILES**

B E T W E E N:

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**(1) THE LAW HOUSE LIMITED (IN ADMINISTRATION)**  
**(2) GREAT LAKES INSURANCE SE**

Claimants

- and -

**EILISH ELIZABETH ADAMS**

Defendant

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**MS H EVANS** appeared on behalf of the Claimant  
**MS A BRIGHT** appeared on behalf of the Defendant

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**JUDGMENT**  
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(Official Shorthand Writers to the Court)

**Mr Justice Miles:**

**Introduction**

1. This is the hearing of the claimant's application to commit the defendant to prison for contempt of court.
2. The application, which was issued in August 2019, first came before the court on 9 September 2019 when the defendant was given further time to allow her to purge her contempt. It came on for a second time on 22 October 2019 when it was adjourned to enable the defendant to adduce expert medical evidence about her ability to engage with the proceedings. On 12 December 2019 the defendant was given a further chance to obtain such medical evidence. The hearing was again adjourned in April 2020 because the Covid-19 pandemic made it difficult to arrange live hearings at that time.
3. The charges of contempt concern several separate orders of the High Court. The charges have been amended twice to include further charges since the application was issued in August 2019. They have been consolidated in a re-amended charge sheet.
4. The defendant stated through her solicitors on 13 July 2020 that she admitted all the charges particularised in the re-amended charge sheet and that her submissions would be restricted to mitigation and sentence.

**Factual background**

5. I turn to the background facts. I have adapted these from the summary contained in the claimant's skeleton argument, none of which was contested by the defendant's counsel. I have read the underlying documents and have satisfied myself of the accuracy of the summary. Some of the events concern clients of the firm in which the defendant previously practised as a solicitor and to preserve the clients' confidentiality I shall refer to them by coded initials.
6. In 2011 the defendant and Ms Venisha Shah set up a solicitor's practice called The Law House Limited, which is now the first claimant. They both became directors and were in effect partners. The firm is now in administration. It is insured by the second claimant, which is exposed the claims arising from the defendant's activities. Both claimants have issued proceedings against the defendant arising from the events outlined below. On 11 May 2020 the claimants obtained an order for an interim payment of £620,000 and costs.
7. As the two directors of the firm, Ms Shah and the defendant were authorised to give payment instructions in respect of its bank accounts. The firm, as a regulated solicitors' practice, was required to hold its client assets on trust, including under the Solicitors Accounts Rules 2011.
8. The defendant specialised in probate and the administration of trusts of estates.
9. The defendant became involved over time in several improper activities which she has since admitted.

10. First, she forged a number of grants of probate (orders of the court).
11. Secondly, she engaged in teeming and lading between estates, i.e., using the assets of one estate to pay or meet the liabilities of another. In order to make payments to the recipients and cover up what she was doing the defendant created false entries in The Law House's ledgers and payment request documents known as e-chits.
12. Thirdly, she deliberately overcharged for the firm's work and used the bills as a method to reduce to zero the funds held on a client account for an estate rather than paying those funds to the beneficiaries.
13. Fourthly, she misappropriated funds from certain estates for her own benefit.
14. Ms Shah says that she first had concerns about the defendant's conduct in late August 2018 when the Solicitors Regulatory Authority, prompted by complaints from two clients of the firm, visited the offices. This led to the appointment by the firm of external solicitors, DAC Beachcroft ("DACB") and a forensic accountant, who began to assist with investigations. The defendant admitted at first that she had forged one or two grants of probate, but very much downplayed her wrongdoing. As the investigation progressed the solicitors and accountant uncovered far more widespread teeming and lading, overcharging of fees and further forged grants of probate.
15. In October 2018, the defendant paid sums of about £370,000 to Ms Shah and The Law House's accountant in respect of over-billing and the potential costs of a potential administration of The Law House. The firm, in fact, entered administration on 7 December 2018.
16. Also in October 2018, the claimants became aware that the defendant had wrongly spent £4,600 odd from the G estate to buy jewellery for herself. When challenged, the defendant repaid that sum.
17. By late 2018 the defendant was largely avoiding contact with DACB. She did not turn up to meetings that had been arranged and failed to respond to her own solicitor's (JMW's) attempts to contact her. She provided some information, but only sporadically and piecemeal.
18. The estates affected by the defendant's activities were advised to obtain independent advice. Most instructed a specialist probate firm, Wilsons Solicitors. In May 2019 Wilsons notified DACB of a suspected diversion of funds from the G estate, then believed to be about £220,000.
19. Prompted by this, the claimants and DACB discovered, first, that assets had been diverted from the G estate to an account held at Lloyds bank, Weston-Super-Mare ("the Lloyds WSM account"), and, secondly, that there had been a payment of some £43,000 from the F estate to a numbered National Savings and Investment Account ("the NIS account").
20. At a meeting on 13 June 2019, DACB asked the defendant about these things. She did not admit that the Lloyds WSM account or the NSI account were hers. DACB urged the defendant to co-operate but during June and July 2019 she continued to avoid contact with them or, indeed, with her own solicitors.

21. On 27 July 2019 the claimants issued proceedings alleging that the defendant had misappropriated assets including, most significantly, diverting £403,000-odd from the G estate to the Lloyds WSM account, and procuring the payment of £43,000 from the F estate to the NSI account. There were also other alleged misappropriations. The claimants compiled a table listing twelve impugned transactions, including the two I have just identified.
22. The claimants applied for proprietary protective relief. On 30 July 2019 Barling J granted an injunction, ("the Barling J order") which froze the Lloyds WSM account and the NSI account. The order also required the defendant to provide "to the best of her ability" information and documentation, and an affidavit, about the payments to these two accounts and about the other ten impugned transactions listed in the table. The application was made on notice to the defendant, but she did not attend the hearing. The order, containing a penal notice, was served by being posted through the letter box of her house and by e-mail.
23. The following day, 31 July 2019, the defendant spoke to Ms Shah from abroad, where she was on holiday. She said that she was aware of the order and volunteered that if she did not comply with it she would potentially find herself in prison. She also volunteered that she was aware of the deadline under the order for the provision of the information.
24. The deadline for the defendant to provide the information and the affidavit required by the Barling J order was 8 August 2019. The defendant did not comply with the deadline. She remained on holiday. She did not engage with her solicitors, JMW, who informed the claimants that they were unable to obtain instructions. The claimants applied on 13 August 2019 to commit the defendant to prison.
25. On 22 August 2019, the defendant belatedly provided an affidavit, supported by no documentation, purporting to comply with the Barling J order. She admitted that she was the holder of the Lloyds WSM account. She gave some limited information about what had become of the £403,000-odd paid into the account, saying that some £150,000 had been used to acquire The Law House's offices, and that she could not rule out having benefited personally without access to the bank statements, which she did not have. She gave the impression in the affidavit that she believed that the balance of the money had probably been paid to The Law House Limited or its clients one way or another. She did not disclose the identity of the holder of the NSI account and said she had no recollection of paying £43,000 from the F estate. She gave very limited information about the other ten transactions listed in the table attached to the Barling J order.
26. The committal application came before Arnold J on 9 September 2019. In the run-up to that hearing the claimants applied for Norwich Pharmacal relief against various banks and NSI to fill the gaps left by the defendant's affidavit, including seeking the bank statements for the Lloyds WSM account and for information about the identity of the holder of the NSI account. That application was served on the defendant before the hearing. The claimants also sought an order against the defendant requiring her to provide further information once the documents from the respondent banks and NSI were forthcoming.

27. On working day before the hearing, the defendant instructed counsel. The night before the hearing the defendant made various admissions of contempt in her barrister's skeleton argument. The skeleton argument contended that the 22 August 2019 affidavit was "evidence of the defendant's - admittedly belated - engagement with the Court and of her sincerity in seeking now to fully purge her contempt by proper compliance".
28. The defendant applied to adjourn the committal hearing on the grounds that she intended to comply properly with orders of the court and that the claimants were seeking Norwich Pharmacal relief.
29. On 9 September 2019 Arnold J made two orders. The first was a grant of Norwich Pharmacal relief against various banks and NSI. The second was against the defendant personally. It imposed further requirements on her to provide information. The order, ("the Arnold J order") was endorsed with a penal notice. The judge adjourned the committal application.
30. The claimants duly received further information in response to the Norwich Pharmacal order. This revealed that the defendant was the holder of the NSI account (a fact she had not disclosed in her affidavit). As to the WSM account, the bank statements showed that, after the credit of some £403,000 into the Lloyds account, the defendant had used it in a number of ways which were at odds with the account given her affidavit, including by paying money into (a) her own investment account at St James's Place (a fund manager) and into the NSI account, or (b) spending it on herself (including for membership of networking organisations), on travel, and more than £60,000 for building works at her house in Chiswick. The total amount transferred to investments or spent for her benefit was over £140,000 (though I note here that the claimants accept that some or all of the money paid to St James's Place or the NSI account may later have been recycled back to The Law House).
31. On 11 September 2019 JMW formally went on the record for the defendant (having previously acted for her but without going on the record in the action). The claimant sent JMW the information they had obtained pursuant to the Norwich Pharmacal orders on 18 September 2019. This triggered a requirement in the Arnold J order for the defendant to provide further information by 23 September 2019, followed by an affidavit on 28 September 2019. Despite what her counsel had said in his skeleton about the defendant's wish to comply and intention to co-operate, the defendant failed to comply with these deadlines and failed even to maintain contact with her own solicitors.
32. Meanwhile, the claimants were still trying to piece together what had happened to the client funds. The claimants tried to engage with the defendant in order to avoid the need for a further costly hearing relating to information or freezing remedies.
33. On 18 September 2019 they sent the defendant a draft order and invited her to agree to various banks releasing further documents and information. The draft order would also have required her to give undertakings as to the use of her own assets. By this stage the claimants had become aware that there was minimal money left in the Lloyds WSM account or the NSI account. The defendant did not respond to this draft order and was, again, out of contact with her own solicitors.

34. On 30 September 2019 the defendant's solicitors stated that they anticipated making an application to come off the record.
35. On 1 October 2019 the claimants applied for further Norwich Pharmacal orders against third parties, and for a freezing injunction relating to the defendant's own assets. The application came before Nugee J on 8 October 2019. The day before the hearing the defendant informed her solicitors that she was unwell. However, she produced no evidence of ill health (despite having been informed at the hearing before Arnold J that any claim of illness would need to be supported by proper evidence).
36. The hearing before Nugee J went ahead in her absence. On 8 October Nugee J made an order ("the Nugee J order") by which he: (a) granted a further Norwich Pharmacal relief against Lloyds bank, NSI and St James's Place, (b) imposed a freezing injunction in respect of the defendant's own assets, and (c) required the defendant to provide information about her own assets and her use of various of her own and The Law House's bank accounts. Again, this order was endorsed with a penal notice.
37. The Nugee J order was served on the defendant on 9 October 2019. She was required to provide the required information about her own assets and her use of various bank accounts by 14 October 2019. She should also have served her affidavit and supporting documents by 16 October 2019. She did not do so.
38. The adjourned committal hearing came before Trower J on 22 October 2019. He adjourned the hearing because JMW had come off the record shortly before the hearing and because the defendant said that she wanted to adduce expert medical evidence about her ability to engage with the proceedings. Trower J also made an order requiring the defendant to provide a list of her assets exceeding £500, including her bank accounts, savings, and investments ("the Trower J order").
39. On 25 October 2019 JMW passed on some limited information from the defendant about her assets. She said at that stage that they she had two ISAs (worth approximately £7,000 each) and a pension with USS (merged from NHS Pensions). The defendant did not reveal the names of her ISA providers or give accurate information about the balance of one of those ISAs, which, as it emerged later, was held with Jupiter Unit Trust Manager Limited ("Jupiter"), or disclose another pension she had with Standard Life (see further below). DACB asked for further information about the assets but the defendant, again, failed to answer.
40. There was a further hearing of the committal application before Trower J on 12 December 2019. The defendant applied for a third adjournment of the committal proceedings and repeated her desire to rely on expert medical evidence (which she had not obtained by then). Trower J reluctantly granted another adjournment to allow the defendant to obtain such evidence and required the defendant to provide yet further information about her ISAs, bank accounts and pension arrangements, ("the second Trower J order").
41. On 13 December 2019 JMW provided the information needed by the claimants to identify the ISA providers. The defendant through her solicitors asserted that the balance in the Jupiter ISA account was nil and provided a copy of an ISA statement which appeared to support this. What the defendant did not say was that Jupiter had previously given her a cheque for the then balance in the account, which the defendant

had not cashed or banked. On the same day, 13 December 2019, the defendant asked Jupiter to make out a new cheque in her favour of the amount of her account, being £14,450.23, the cheque was provided to her by Jupiter on or about 17 December 2019. The claimants only found out about these events later.

42. The defendant's disclosures in this regard (which she was required to provide under the Court's orders) were highly misleading. She represented through her solicitors that the Jupiter ISA was valueless, but on the same day asked Jupiter for a cheque in her own favour for £14,450. She later paid that money into a personal bank account which she also had not disclosed.
43. Returning to the chronology, on 17 December 2019 the defendant, through JMW, provided some further information about the USS pension and revealed for the first time the existence of a second pension with Standard Life.
44. On 8 February 2020 Dr Haddock, a consultant psychiatrist, produced a report stating that the defendant was suffering from depression and had significant anxiety symptoms. At [4.1] he summarised his views as follows:

"It is my opinion that Ms Adams suffers from a mental disorder characterised by symptoms of both anxiety and depression. Given the effect upon her current circumstances, it is my view that this disorder is of at least moderate and possibly of a severe degree. I am not aware of any evidence pointing to any other psychiatric disorders. However, I do note that the significant childhood trauma/adverse childhood experiences will have certainly acted as a pre-disposing factor with regards to late development of psychiatric disorders. Additionally, there are suggestions that Ms Adams experiences symptoms related to significant shame in relation to her actions and again this is likely to be exacerbated by her experiences of being repeatedly shamed by her mother during childhood. Ms Adams has developed, particularly, avoidant coping strategies with regard to her current procedures, although at interview was able to acknowledge that this is not helpful."

45. Dr Haddock stated that in his view that the defendant was capable of providing instructions to her solicitors.
46. On 6 March 2020 the defendant paid the cheque from Jupiter into an account held by her at Metro Bank (which she had not disclosed). She then, in March and April 2020, transferred from that account £11,500-odd to her sister and brother-in-law, Mr and Mrs Hill, and spent various amounts at Marks and Spencer, pubs and other shops. The claimants did not know about this spending until later. It was prohibited by the freezing order.
47. In early April 2020 JMW told DACB that they were without instructions.
48. On 22 April 2020, the committal application was adjourned at the claimant's request because of the impact of the Covid-19 pandemic on live court hearings. In early May 2020 JMW told DACB that they were back in contact with the defendant.

49. On 5 May 2020, the defendant made an application to vary the freezing order as regards the payment of legal fees. Her witness statement exhibited the Metro Bank statement, which showed her receipt of the Jupiter cheque and the later payments from the account. DACB wrote to the defendant complaining about breaches of the freezing order.
50. The claimants also complained to Jupiter, which has agreed to reimburse the claimants in the amount of £14,450-odd that they paid to the defendant.

**The contempts alleged and now admitted**

51. The re-amended charge sheet alleges that the defendant acted in contempt of court in the following respects:

“(1) The Defendant failed to comply adequately with paragraphs 6 and 7 of the Barling J Order by:

- (a) Failing to comply with the deadlines in the order;
- (b) Failing to annexe any documentation to the affidavit she belatedly served on 22 August 2019;
- (c) Failing to take adequate steps (whether deliberately or otherwise) to locate or (insofar as she did not already have them) obtain copies of the bank accounts for the Lloyds WSM Account or any other of her bank accounts;
- (d) Failing to give truthful information about the use of the funds diverted from the G estate to the Lloyds WSM account and in particular (i) the payment of such sums to investments in the Defendant’s name at St James’ Place and/or NSI (ii) the use of such sums on a construction project at 5 Arlington Gardens (iii) the use of such sums for a women’s business networking organisation (iv) the use of such sums for travel money and personal effects on holiday.
- (e) Falsely asserting that the money diverted from the G estate to the Lloyds WSM account was transferred to the Law House client account or used to meet liabilities to the Law House’s clients;
- (f) Failing to give truthful information about the diversion of client funds on the F estate to an NSI investment in the Defendant’s own name or to declare that she was the holder of the said investment;
- (g) Failing to provide full and proper details (i) as to the use of the funds diverted from the G estate to the Lloyds WSM Account, (ii) whether any other client funds (including any sums from the F NSI certificates) were diverted to the Lloyds WSM Account and (iii) whether she has benefited personally from client funds.

(2) Yet further or alternatively the Defendant failed to take any steps at all (or any timely or adequate steps) to comply with paras 4 and 5 of the order of Arnold J.



(3) Yet further or alternatively the Defendant failed to take any steps at all (or any timely or adequate steps) to comply with paras 15 and 16 of the freezing injunction of Nugee J dated 8 October 2019.

(4) Yet further or alternatively the Defendant failed to take any steps to comply with paras 12 and 13 of the freezing injunction of Nugee J dated 8 October 2019 prior to giving the information contained in JMW's email of 25 October 2019, her submissions through counsel on 12 December 2019 and/or JMW's email of 13 December 2019 (which information was untrue and/or inadequate as set out at charges (6) and (7) below)

(5) Yet further or alternatively, the Defendant breached paras 7 and/or 9.d. of the freezing injunction of Nugee J dated 8 October 2019 by:

(a) Causing Jupiter Asset Management ("Jupiter") to make out a cheque ("the Jupiter cheque") in her favour in the sum or approximate sum of £14,450.23 on or around 13 December 2009 (or at any other date after 8 October 2019);

(b) Opening a bank account at Metro Bank with sort code 23-05-80 and account number 37613908 ("the Metro Account") and/or failing to reveal the existence of the Metro Account;

(c) Paying (or causing to be paid) the Jupiter cheque into the Metro Account on or around 6 March 2020;

(d) Using the funds paid into the Metro Account from Jupiter as follows:

(i) To pay £11,000 to Mr and Mrs MJ Hill on or around 12 March 2020;

(ii) To spend £192.60 at Marks & Spencer on 17 March 2020;

(iii) To spend £15.20 in "the Pack Horse" (believed to be a public house) on or around 18 March 2020;

(iv) To spend £77.65 in "The Bluebell Peterborough" (believed to be a public house) on or around 18 March 2020;

(v) To spend £82.10 in Matalan on or around 19 March 2020;

(vi) To spend £400 on in "Terry Wright Cycles" on or around 3 April 2020;

(vii) To pay a further £500 to Mr and Mrs MJ Hill on or around 6 April 2020;

(viii) To spend £25.99 and £53.90 at Amazon on or around 14 April 2020;

(ix) To make repeated purchases in "One Stop" in Peterborough between 20 March 2020 and 29 April 2020;

(e) Failing to take any or any adequate steps to recoup any of the money paid to Mr and Mrs MJ Hill (believed to be the sister and brother-in-law of the Defendant);

(6) Yet further or alternatively the Defendant acted in breach of para 3 of the order of Trower J dated 22 October 2019 by failing to:

(a) Provide correct details about the balance of her two ISAs;

(b) Provide adequate details to enable the ISA providers to be identified until 13 December 2019;

(c) Provide any details of her pension held at Standard Life (until 17 December 2019).

(7) Yet further or alternatively the Defendant acted in breach of para. 2 and 3 of the order of the order of Trower J dated 12 December 2019 by:

(a) Informing the Claimants on 13 December 2019, via her solicitors, that the balance in the Jupiter ISA was nil (and provided a document purporting to evidence this) when the Defendant either already knew or came to discover on or around the same day that the Jupiter ISA had a positive balance;

(b) Failing to inform the Claimants at any stage prior to 5 May 2020 that the balance of the Jupiter account was or had been £14,450.23.”

52. I am satisfied that the procedural steps for bringing this application, including as to service of the various orders and the inclusion of penal notices in them, to which I have referred above, has been complied with.

53. As I have already explained, on 13 July 2020 the defendant's solicitors informed the claimants that the defendant now admitted all of these charges.

54. I have read the evidence in support of the application. I am satisfied, so as to be sure to the criminal standard, that each of the charges is established and I make findings to that effect.

### **The appropriate sanction**

55. That leaves the question of the appropriate sanction.

56. The power to sentence for civil contempt of court derives from the court's inherent jurisdiction and is subject to section 14(1) of the Contempt of Court Act 1981.

57. Imposing a prison sentence is a measure of last resort.

58. Section 14(1) of the Contempt of Court Act 1981 provides for a maximum sentence of two years' imprisonment for a sentence passed on any one occasion regardless of how many counts of contempt are in issue.

59. Section 258 of the Criminal Justice Act 2003 specifies that a person is entitled to unconditional release upon serving half the sentence.

60. A fine has no statutory limit: see section 14(2) of the Contempt of Court Act 1981. If a fine is an appropriate punishment, it is wrong to impose a custodial sentence because the contemnor could not pay the fine: see Re M (Contact Order) [2005] 2 FLR 1006.
61. In Asia Islamic Trade Finance Fund Limited v Drum Risk Management Limited [2015] EWHC 3748 (Comm) Popplewell J reviewed the authorities (including a number of Court of Appeal cases) and provided the following helpful summary at [7] (which I shall adopt and apply):

“(1) In contempt cases the object of the penalty is to punish conduct in defiance of the court's order as well as serving a coercive function by holding out the threat of future punishment as a means of securing the protection which the injunction is primarily there to achieve.

(2) In all cases it is necessary to consider (a) whether committal to prison is necessary; (b) what is the shortest time necessary for such imprisonment; (c) whether a sentence of imprisonment can be suspended; and (d) that the maximum sentence which can be imposed on any one occasion is two years.

(3) A breach of a freezing order, and of the disclosure provisions which attach to a freezing order is an attack on the administration of justice which usually merits an immediate sentence of imprisonment of a not insubstantial amount.

(4) Where there is a continuing breach the court should consider imposing a long sentence, possibly even a maximum of two years, in order to encourage future cooperation by the contemnors.

(5) In the case of a continuing breach, the court may see fit to indicate (a) what portion of the sentence should be served in any event as punishment for past breaches; and (b) what portion of a sentence the court might consider remitting in the event of prompt and full compliance thereafter. Any such indication would be persuasive but not binding upon a future court. If it does so, the court will keep in mind that the shorter the punitive element of the sentence, the greater the incentive for the contemnor to comply by disclosing the information required. On the other hand, there is also a public interest in requiring contemnors to serve a proper sentence for past non-compliance with court orders, even if those contemnors are in continuing breach. The punitive element of the sentence both punishes the contemnors and deters others from disregarding court orders.

(6) The factors which may make the contempt more or less serious include those identified by Lawrence Collins J as he then was, at para.13 of the Crystal Mews case, namely:

(a) whether the claimant has been prejudiced by virtue of the contempt and whether the prejudice is capable of remedy;

(b) the extent to which the contemnor has acted under pressure;

- (c) whether the breach of the order was deliberate or unintentional;
  - (d) the degree of culpability;
  - (e) whether the contemnor has been placed in breach of the order by reason of the conduct of others;
  - (f) whether the contemnor appreciates the seriousness of the deliberate breach;
  - (g) whether the contemnor has co-operated;
- to which I would add:
- (h) whether there has been any acceptance of responsibility, any apology, any remorse or any reasonable excuse put forward.”

62. In relation to the second of these points the Court of Appeal recently re-emphasised in McKendrick v FCA [2019] EWCA Civ 524 that a sentence of imprisonment should only be imposed if nothing other than a custodial sentence is justified. I have more widely followed the guidance given by the Court of Appeal in that case when considering the appropriate sentence.
63. I also take into account the possible impact of the Covid-19 pandemic on an immediate custodial sentence. The significance of the pandemic is that the impact of an immediate custodial sentence is likely to be heavier and all the more burdensome because of conditions of detention, lack of visits and anxiety: see Manning (Christopher) v R [2020] 4 WLUK 414.
64. I turn then to consider the seriousness of the admitted breaches, including aggravating and mitigating factors.
65. The defendant has breached five separate orders of the court. She knew of the various orders and their requirements. A breach of a freezing order and of the disclosure provisions which attach to a freezing order is an attack on the administration of justice which usually merits an immediate sentence of a not insubstantial amount. The orders were not difficult to understand and the defendant as a solicitor would have had no difficulty in doing so.
66. The court has repeatedly emphasised the importance of proprietary injunctions and freezing orders as a way of holding the balance between parties to litigation and has also stressed the fact that ancillary disclosure orders must be complied with in order to render such injunctions effective. A material breach of any order of this kind is serious.
67. The defendant was, until she was recently struck off the rolls, a solicitor and therefore an officer of the court. The court expects solicitors to act with integrity and, more specifically, requires that any order against a solicitor will be followed and complied with scrupulously.
68. There is no doubt to my mind that the defendant understood the orders and the consequences of failing to comply with them. The orders were all endorsed with penal

notices and she, indeed, volunteered from the outset that she understood that she could be imprisoned for contempt.

69. The defendant has consistently missed the deadlines in the orders for the provision of information. She was casual in relation even to the first order of Barling J. Instead of returning to deal with it, she remained on holiday. She failed completely to provide the information required by the Nugee J order. The claimant had to apply for further disclosure orders from Trower J. The defendant has treated deadlines as optional rather than compulsory. It would undermine the potency of such disclosure orders if respondents were able to decide when to comply with them.
70. This is, moreover, not merely a case of a respondent failing to provide information within time. Where the defendant has provided information in response to disclosure orders, she has on some occasions provided limited and misleading information which has later been shown to be false as the claimants have gathered more material.
71. She did not, for instance, disclose in the affidavit of 22 August 2019 that payments of some £140,000 had been made from the Lloyds WSM account into her own investment accounts or for her own personal benefit. In that affidavit she also said that she did not know the identity of the holder of the NSI account, when, as later emerged, it was her own account. A further example is that in December 2019 she gave seriously misleading information about the value of the Jupiter ISA in the way that I have already explained. These cannot be excused as inadvertent errors. Hence, this is not merely a case of a defendant ignoring or avoiding orders of the court. I conclude, so as to be sure, that she deliberately provided false information to seek to put the claimants off the trail.
72. I am also satisfied (to the same criminal standard) that the defendant deliberately misled the claimants about the Jupiter ISA in order to enable her to procure payment to herself of the sum of £14,450. She did this in order to hide the money which she then paid into her own bank account and spent in breach of the freezing order made by Nugee J. These are very serious, serial, breaches of the Court's orders.
73. The claimants have been prejudiced by the defendant's breaches of the orders. The defendant has put the claimants to the trouble and expense of having to apply to the court to obtain information from third parties, even when she was in a position to tell them what they needed to know and had been ordered to provide that very information.
74. This is well illustrated by the application to Arnold J in September 2019. The claimants applied for an order against NSI (as an innocent third party) to provide details about the holder of the NSI account. The defendant had already given misleading evidence about this in her affidavit and it would then have been a simple matter for her to come clean and tell the claimants that it was her own account instead of requiring them to go to the trouble and expense of obtaining an order from the court and waiting to obtain the information from NSI.
75. More generally, part of the purpose of the orders of Barling J and some of the later orders was to enable the claimants to seek to piece together what had happened to the firm's clients' assets. Had the defendant complied, the claimant's task would have been easier, faster, and cheaper.

76. On the other hand, it does not appear that the breaches of the orders have, in the events which have happened, led to substantial shortfalls in the recovery of assets. The payments out of the Lloyds WSM account and the NSI account appear to have occurred before the proprietary injunctions were imposed. As to the Jupiter monies, Jupiter has agreed to reimburse the claimants. Nor was there any evidence before me of substantial undisclosed assets, or reason to think that there are any such assets.
77. There is no evidence of any pressure on the defendant from any other person in relation to her responses to the court's orders. Nobody else can be held responsible for the breaches.
78. The defendant has not been co-operative. Far from it. The orders of the Court required her to provide information which would assist the claimants both in locating and protecting assets and in unravelling the muddled state in which she left the affairs of the various estates for which she had acted as a solicitor.
79. The defendant through counsel has expressed her remorse and sorrow about what has happened and has apologised to the court. I have no doubt that the defendant very much regrets the position she is now in but her expression of remorse has to be seen in the light of the defendant's statements, also made through counsel at the hearing before Arnold J in September 2019, that she was remorseful and that the penny had dropped.
80. Those statements ring hollow in the light of later events. Even at the time of the hearing before Arnold J she failed to correct the misleading impression she had given in her affidavit about the Lloyds WSM account and the NSI account. Thereafter, she failed to comply with several subsequent orders of the court both in relation to information and the use of assets after they were frozen by the order of Nugee J. She only admitted her contempts on the eve of this hearing. I, therefore, approach her current expression of remorse with some scepticism.
81. Her admissions have saved some court time but being so late in the day this merits only a small reduction, of less than a month, in any custodial sentence that might otherwise be appropriate.
82. As to mitigation, I accept that the defendant has no criminal record and I take this into account, but the appeal to good character must be tempered by two things. First, as the Court of Appeal pointed out in Templeton Insurance v Thomas [2013] EWCA Civ 3, previous good character provides limited assistance where breaches of freezing orders are in issue. Secondly, the defendant's reliance on her character has also to be viewed against a background of the misappropriations and other misconduct that she has now admitted occurred at the time when she was a director of The Law House. That included forgery of court orders, teeming and lading, overcharging and misappropriation of assets by a solicitor from her own clients.
83. The defendant relies on the report of Dr Haddock and his conclusions that the defendant has been suffering from depression, anxiety, and avoidance strategies. That cannot be a full excuse, particularly in the light of the deliberate and continuing nature of the breaches. It certainly cannot excuse or explain the fact that the defendant paid money away from the Jupiter ISA account or that she provided misleading information in that regard to put the claimants off the scent. This cannot be viewed as an avoidance strategy or as the defendant burying her head in the sand. Nevertheless, the evidence

goes some way to my mind in helping to explain why the defendant has so consistently failed to comply with the disclosure orders and I take it into account.

84. I also take account of the fact that the defendant has no experience of prison and that imprisonment will be particularly hard for her. Her psychological condition is likely to make prison very difficult. This is especially so given the impact of the Covid-19 pandemic on prison conditions. I have already referred to the effect of the pandemic on conditions in prisons above.
85. I also make allowance for her sorry current position. She has been struck off the rolls as a solicitor, she is financially ruined, and her marriage appears to be at an end. She is liable to the claimants, for the interim payment and costs. She will also have to bear the costs of this application.
86. I have considered with great care whether a fine would be a sufficient penalty. As I have said, a custodial sentence should only be imposed as a last resort.
87. I have come to the conclusion that the defendant has committed very serious contempts and has a high degree of culpability. Breaches of freezing orders usually attract a custodial sentence and nothing that was said in mitigation takes this case, to my mind, outside that norm. I do not consider this is a case where a fine would be sufficient to mark the seriousness of the contempts and the defendant's culpability for them. I consider that a custodial sentence is required.
88. As to the length of the sentence, I have carefully weighed all the factors set out above and come to the conclusion that the minimum sentence commensurate with the established contempt is 8 months' imprisonment.
89. I next consider whether the sentence should be suspended. I do not consider that it should be. I take into account that this is not a case where a sentence is imposed to seek to compel further performance by a recalcitrant respondent, but, for all the reasons I have already given, there have been very serious, culpable and repeated breaches of orders of the court by a solicitor who understood the importance of compliance with orders of the court. I must therefore make an unsuspended order for imprisonment for 8 months.
90. The defendant shall be entitled to unconditional release after serving half the sentence by virtue of section 258 of the Criminal Justice Act 2003.