

LEGAL PRACTITIONERS' FIDELITY FUND

APPLICATION FOR REFUND OF BANK CHARGES AND AUDIT FEES FOR THE FINANCIAL PERIOD ENDED ON:

Please read the following important notes before completing the form.

1. This form must be used for claims in respect of financial periods ending after 1 March 2024.
2. The Board of the Legal Practitioners' Fidelity Fund (Fund) has resolved that practitioners may deduct recoverable bank charges (as determined by the Fund) incurred on Section 86(2) and (3) trust accounts from interest earned on Section 86 trust accounts as provided for in Section 86(5) of the Legal Practice Act No. 28 of 2014 (that is, trust interest earned on Section 86(2) and (3), as well as 5% of trust interest earned on Section 86(4) trust investments). This is subject to practitioners' compliances with the requirements of Section 86 of the Act and the LPC Rules.
3. Recoverable bank charges explained under point 2 above, can only be offset against gross trust interest earned in the same financial year.
4. Trust interest, after deducting recoverable of bank charges explained under point 2 above, must be paid over to the Fund in accordance with LPC Rules. Alternatively, practitioners may prefer to pay over the gross interest earned on Section 86(2) and (3) trust accounts and claim a refund later according to the formula set out below. The practitioner's business account should incur the shortfall/excess bank charges, in instances where recoverable bank charges exceeds trust interest.
5. Practitioners please note – The formula provides an incentive to maximise returns from the trust balances under your control.
6. The application for a refund must be made by not later than the end of the calendar year after that in which the financial year in question ends, failing which such application will not be considered, except in exceptional cases (these exceptional cases must be motivated/approved by the Legal Practice Council)

COMPLETED FORMS TO BE SUBMITTED TO THE PROVINCIAL OFFICES OF THE LEGAL PRACTICE COUNCIL

Name of firm:.....

Postal or DOCEX address:

Contact person..... E-mail address:

Telephone number:..... Fax:

CALCULATION OF REFUND – FOR COMPLETION BY PRACTITIONER FIRM:

A Interest on trust moneys				
	Trust interest from Section 86(2)	Trust interest from Section 86(3)	5% of trust interest earned from Section 86(4) trust investments	Total
i) Gross interest	R	R	R	R
ii) Less: recoverable bank charges deducted from trust interest	R	R	N/A	R
iii) Net interest earned on trust moneys paid to the Fund during the financial period in respect of which the claim is made ((i) minus (ii)) (only total amount required)				R
B Recoverable bank charges on trust current banking accounts				
	Trust interest from Section 86(2)	Trust interest from Section 86(3)	5% of trust interest earned from Section 86(4) trust investments	Total
iv) Actual recoverable bank charges incurred and paid by the practitioner (include VAT if the practitioner is not a registered VAT vendor)	R	R	N/A	R
C Audit fees in respect of trust audit				
v) Actual audit fees, excluding VAT (attach invoice) (claim VAT from Receiver of Revenue. If not a registered VAT vendor, VAT may be included provided proof or letter from the auditor confirming that the practitioner is not registered for VAT is attached)				R
D Payee account details for receipt of electronic payments (business account)				
vi) Account name		vii) Name of Bank and Branch		
viii) Bank code		ix) Business account number		

CALCULATION OF REFUND – FOR COMPLETION BY LEGAL PRACTICE COUNCIL:

E Refundable bank charges on trust current banking account		
x) Actual recoverable bank charges – refer to (iv) above	R	
xi) Balance of bank charges refundable to the practitioner (recoverable) – ((x) minus (ii)) (limited to total net trust interest paid to the LPFF)		R
F Refundable accountants fees in respect of trust audit		
xii) 20% of ((i) minus (x)), subject to a minimum of R4 500 per firm	R	
xiii) Audit fees claimed from Fund (the smaller of (v) and (xii))		R
xiv) TOTAL AMOUNT REFUNDABLE TO THE PRACTITIONER (RECOVERABLE) – ((xi) plus (xii))		R

CERTIFICATE BY APPLICANT

I hereby certify that I regard the audit fees in (v) above to be fair and reasonable and that same relates to the audit of the firm’s trust account only. I further certify that the information contained in A, B, C and D above is correct.

.....
 FULL NAMES OF THE LEGAL PRACTITIONER / DIRECTOR / PARTNER

.....
 SIGNATURE OF THE LEGAL PRACTITIONER / DIRECTOR / PARTNER
(electronic signature NOT accepted. Print document and sign) DATE

A REGISTERED AUDITOR IS REQUIRED TO CONDUCT AGREED-UPON PROCEDURES ON THIS APPLICATION FOR REFUND OF BANK CHARGES AND AUDIT FEES FORM

A registered auditor appointed for purposes of conducting a reasonable assurance engagement on trust banking accounts, must conduct Agreed-Upon Procedures on the Application for Refund of Bank Charges and Audit Fees as required in terms of the LPFF Directive issued on 19 October 2023.

The completed Application for a Refund of Bank Charges and Audit Fees Form must be submitted to the relevant Provincial Legal Practice Council together with the Agreed-Upon Procedures Report issued by the registered auditor referred to above.

The application for refund of bank charges and audit fees form is supported by the Agreed-Upon Procedures Report signed off by the registered auditor on:

.....
 DATE

LEGAL PRACTICE COUNCIL APPROVAL AND RECOMMENDATION

Payment of the contribution in (xiv) above is recommended

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 DATE FOR: LEGAL PRACTICE COUNCIL

FOR LEGAL PRACTITIONERS’ FIDELITY FUND USE ONLY

Reference number Payment batch number
 Date Total refunded R