

Legal Obligation Phase 1 (LOP1) (page 1)

OUR REF: DATE:

TITLE: INITIALS: SURNAME:

JURISDICTION:

POSTAL ADDRESS:

POSTAL CODE:

FAX: EMAIL:

Dear Sheriff

YOUR UNIQUE REFERENCE NUMBER(S):

SUBMISSION OF LEGAL OBLIGATIONS: SHERIFFS ACT, 1986 ACT 90 / 1986 AS AMENDED (The Act) FOR THE FINANCIAL YEAR 2017/2018

Please be reminded that the 1st phase of the legal obligations in terms of Section 19(1) and 23(1)(b) of the Act is now due for submission to the South African Board for Sheriffs, (hereinafter referred to as the SABFS) and the Fidelity Fund, respectively. The submission comprises of the following:

- Annual Levies Returns and payment of the prescribed levies;
- Audit Certificate (/ Magistrate Certificate plus certified 12 months' bank statements) and payment of interest to the Fidelity Fund, IT3(b) Income Tax Certificate and Bank Certificate; and a
- Unclaimed Trust Fund form.

The table below indicates which bank account MUST BE USED to transfer the Legal Obligations into. We encourage you to do internet banking transfers or deposits at the bank. DO NOT POST any cheques to the board. To ensure proper and speedy allocation of payments received from sheriffs, please use your unique reference numbers when making a deposit or EFT, **UNIQUE REFERENCE NUMBER**.

Statement of Levies (Form 16)

Please note the definition of "gross income" and "net income" respectively. Only the **actual expenses** - recovered by way of returns of service - should be deducted to determine net income. "**NET INCOME**" means gross income after deduction of the actual expenses incurred by the sheriff in respect of advertisements with regard to sales in execution and in respect of postage, telephone calls, control and possession of goods, tending of livestock, removal and storage of goods and the employment of a locksmith. The above expenses **MUST NOT EXCEED 20%** of the sheriff's gross income.

88 Loop Street, Cape Town. PO Box 15223, Vlaeberg 8018
Tel: 021 426 0577, Fax: 021 426 2598, E-mail: contact@sheriffs.org.za
www.sheriffs.org.za

South African Board for Sheriffs - Established Act 90 of 1986
Mrs C Mabuza (Chairperson), Adv H Mohamed, Mr A Murugan, Mr P Mogale, Mr L Mashapa,
Ms A Ralehlaka, Mr M Magida, Ms M Lephadi, Mr I Klynsmith, Ms K Sigenu, Mr A Nkhumise

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The Board reserves the right to request documentary proof of deductions.

Audit Report (Form 7)

In terms of Section 23(1)(b), all Sheriffs must cause their Trust account records for the period **1 March 2017 to 28 February 2018** to be audited by a **Registered Accountant and Auditor (RAA)**. Please **note** that in terms of the Act an auditor is defined as, "a person registered as an accountant and auditor in terms of the *Public Accountants and Auditors Act, 1991*".

The interest and bank charges should be the same as that reflected on the IT 3(b) certificate and the certificate indicating the bank charges. Should there however be a difference, a written explanation for the difference supported by documentation must be forwarded to the SABFS.

The Board reserves the right to request documentary proof for submissions made relating to the audit of your trust account.

Magistrate Certificate

In terms of Section 23(4), the board may on such conditions as it may determine, exempt a Sheriff from submitting an audit report. The Board has approved the following exceptions:

All sheriffs who handled less than 50 (Fifty) transactions on their trust account or who have received less than R50 000.00 (Fifty Thousand Rand) in their trust accounts for the period **1 March 2017 to 28 February 2018** do not need to have their trust accounts audited by an **RAA**. A certificate from their local magistrate certifying the amount of interest and bank charges levied must be submitted to the SABFS together with certified copies of the trust accounts' bank statements for the full period of the audit.

IT 3(b) Income Tax Certificate

This certificate should be requested from your bank for the period **1 March 2017 to 28 February 2018**.

Unclaimed Trust Monies in Trust Accounts

We request that all sheriffs declare all unclaimed trust monies in their trust accounts, to the Board. Please note that the submission of this information is compulsory for all Sheriffs. Should you have no unclaimed trust monies to declare, the form must still be completed and "nil" must be inserted in the total column.

	Type of Obligation	Form to be used	Due date	Payee
1.	Levy of 1.5% of the net income of a sheriff / acting sheriffs	Form 16 Regulation 6 of the Regulations relating to sheriffs, 1990 as amended by Regulation 9 of Regulation 31658 of 05 December 2008 and Regulations 34605 of 2011.	Due and payable on or before 31 July 2018 , in respect of the preceding financial year.	Transfer to: South African Board for Sheriffs (Acc No: 070614385, Code: 051001, Bankers: STANDARD BANK) <i>Correct deposit reference is your unique reference number; UNIQUE REFERENCE NUMBER</i>

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2.	Interest from Trust Account	<ul style="list-style-type: none"> • Form 7 for sheriffs with more than 50 transactions or sheriffs who handle more than R50 000.00 per annum in their trust account. • Magistrate Certificate for sheriffs who have both less than 50 transactions and R50 000.00 per annum in their trust accounts. Must be accompanied by certified copies of your 12 month bank statement. 	Due and payable within 150 days after the last day of February, i.e. 31 July 2018	Transfer to: Fidelity Fund for Sheriffs (Acc No: 070614407, Code: 051001, Bankers: STANDARD BANK) Correct deposit reference is your unique reference number; UNIQUE REFERENCE NUMBER
3.	Interest from Trust Account	IT 3(b) Income Tax Certificate from your Bank on interest accrued for the period 01 March 2017 to 28 February 2018 .	Due on or before 31 July 2018	N/A
4.	Declaration of unclaimed Trust Monies in Trust Account	Unclaimed Trust Funds Form must be used to declare unclaimed trust monies in your trust account.	Due on or before 31 July 2018	N/A
5	Updates for Sheriffs	These updates are for record purposes.	N/A	N/A

Please ensure that all completed forms are duly signed as failure to do so will render them invalid, and that only the above-mentioned prescribed forms are used. Please take note that the Act does not provide for extensions in terms of your submission. The forms are also available on our website www.sheriffs.org.za.

Should you chose to post the forms, please ensure that the above-mentioned forms are **sent to the SABFS via registered mail**. Should they be sent by ordinary mail and are subsequently lost in the post, we will presume that it was not sent.

The preferred method for submitting forms is via email or fax. **ALL SUBMISSIONS ARE TO BE SENT TO THE FOLLOWING EMAIL ADDRESS OR FAX NUMBER ONLY:**
Email: legalobligations@sheriffs.org.za
Fax: 086 531 6180

Should you require any further assistance or require clarity, please contact our office on 021 426 0577 and ask to speak to:

Mr Clement Heugh ext. 47.

Yours Sincerely



MRS P ROODT
ACTING EXECUTIVE MANAGER
 South African Board for Sheriffs