Residual balance Template Form

This form should be completed by the person responsible for deciding how to deal with the residual balance in question.

Client and matter

|  |  |
| --- | --- |
| Name of client (if known) |  |
| Client reference (if known) |  |
| Matter reference (if known) |  |
| Fee earner (if known) |  |
| Description of matter to which residual balance relates (if known) |  |
| Is file available to be checked? | ☐ Yes  ☐ No  ☐ Not known |

Money held

|  |  |
| --- | --- |
| Amount or residual balance | £ |
| How long have funds been held (if known)? |  |
| Is the money held in a client account? | ☐ Yes [*state name of client account*]  ☐ No  ☐ Not known |

Methods used to trace the client/rightful owner

*Tick* those which have been attempted and state outcome. You are not expected to tick every box in the table below for every residual balance. You must take reasonable steps to return the money to the rightful owner. This will depend on (i) the age of the residual balance (ii) the amount of the residual balance (iii) whether you have access to the client’s most up to date contact details and (iv) if not, the costs associated with tracing your client.

| **Method used to trace rightful owner** | **Outcome (if applicable)** |
| --- | --- |
| ☐ Written to all known addresses |  |
| ☐ Emailed all known email addresses |  |
| ☐ Checked online telephone directory |  |
| ☐ Telephoned all known numbers |  |
| ☐ Sent texts to known mobile numbers |  |
| ☐ Checked client file for third parties via which we may be able to contact the rightful owner, eg family, employer, bank, executors  It is very important to avoid breaching confidentiality if contacting third parties |  |
| ☐ Made use of social media  It is very important to avoid breaching confidentiality if using social media. |  |
| ☐ Undertaken internet searches |  |
| ☐ Checked electoral roll |  |
| ☐ Used Department for Work and Pensions letter forwarding service |  |
| ☐ Searched Companies House |  |
| ☐ Searched Probate Registry |  |
| ☐ Advertised in newspaper |  |
| ☐ Instructed enquiry agent |  |
| ☐ Any other actions |  |

Decision

Tick one box

| **Decision** | **Additional information** |
| --- | --- |
| ☐ Further steps required to locate rightful owner | [State what further steps are required] |
| ☐ Dissolved/struck off company—dealing with balance as bona vacantia | [State what steps have been taken and whether any further action is required] |
| ☐ Pay balance to charity (residual balance of £500 or less only, where SRA conditions have been met—see note below this table) | [State name of charity]  [State charity number]  Will the charity provide a receipt?  ☐ Yes  ☐ No  ☐ Not required (state why)  Will the charity provide an indemnity?  ☐ Yes  ☐ No  ☐ Not required (state why) |
| ☐ Seek SRA’s authority to withdraw and pay out residual balance | [State why this is considered to be necessary]  [State what you will be seeking the SRA’s authority to do, eg pay the money to charity]  [State next steps] |

You may pay a residual balance to charity of your choice where the following conditions apply:

—the residual balance is £500 or less on any one client matter;

—you have taken reasonable steps to return the money to the rightful owner (see section *3*);

—you record the steps taken to return the money to the rightful owner and retain those records, together with all relevant documentation for at least six years

—you keep appropriate accounting records (the SRA indicates what type of records should be kept); and

—you do not deduct from the residual balance any costs incurred in attempting to trace or communicate with the rightful owner

Date and person responsible

|  |  |
| --- | --- |
| Name of person completing this form |  |
| Date |  |