

Legat Owen Client Money Handling Procedures

The purpose of this document is to set out Legat Owen Limited's Client Money Handling procedures. Legat Owen's internal controls and procedures, set out below, have been designed and implemented to follow best practice and RICS Regulations. This document should be read in conjunction with the RICS Professional Standards and Guidance UK, Client Money Handling, 1st Edition.

Client Bank Accounts

All client money is held in either a designated discrete client bank account, a designated general client account (where we hold both client money and tenant service charge money for one client) or a general client bank account with Barclays Bank PLC. We do not operate any client accounts that hold both Legat Owen and client monies.

Within our banking agreements the terms and operating conditions of each client account that is opened is documented.

How Interest and Bank Charges are handled

Our Client Accounts are non –interest bearing accounts and do not attract bank charges.

Controls over the Receipt of Client Money

The Property Management Accounts Team at Legat Owen, log all monies received by electronic transfer on the next working day of receipt, where possible, and allocate to the appropriate client and tenant ledgers. Any cheques received are logged on to the cheque receipt form held in the respective office and a photocopy taken of the cheque. Cheques are banked as soon as possible, but within three working days at the latest and kept securely whilst awaiting banking.

Any Unidentified funds are investigated on the day of receipt, with Funds being placed in suspense until they can be identified or returned. Unidentified funds are regularly reviewed, with the target of resolving within a month. Where the owner cannot be identified after three years from receipt and all avenues have been exhausted the money will be paid over to a registered charity.

Controls over the Payment of Client Money

Legat Owen staff have defined access to funds based on their individual roles which are set out in the banking mandates and system access and approval controls. These are as per below;

- Property Account Managers have the ability to view bank statements and upload payments for approval to the banking portal.
- The respective Property Surveyors approve supplier invoices prior to payment on Re-leased, Legat Owen's Property Management system.
- Directors of Legat Owen who are specified on the bank mandate are responsible for performing the authorisation of the payment on the banking portal. Two Directors are required for payments of £5000 and over, and one for payments under £5000.

Bank Reconciliations

Bank reconciliations are performed on a monthly basis on all accounts. As per the RICS regulations we perform a three-way reconciliation between the bank statement, general ledger and individual ledger cashbooks.

All bank reconciliations are reviewed by a Director of the Property Management Department.

Providing information to clients about monies held on their accounts

As part of our management contract with our clients, we set out details of the bank account that their money is held in and the frequency with which we will provide client statements and transfer of client monies. This is either undertaken on a monthly or quarterly basis dependent upon the client requirements.

Approved by

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Director - Property Management

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