

# R H O D I U M

## RH45 Limited - Client Money Handling Procedure

The purpose of this document is to set out RH45 Limited's Client Money Handling procedures, in particular the controls and procedures needed to observe best practice in the industry as per the RICS and ARMA consumer standards. Specific attention must be made to the RICS professional statement, Client Money Handling 1<sup>st</sup> edition, October 2019.

### Definition of Client Money:

Money of any currency (whether in the form of cash, cheque, draft or electronic transfer) that:

- A RICS-regulated firm holds for or receives on behalf of another person, including money held by a regulated firm as stakeholder and
- Is not immediately due and payable on demand to the RICS-regulated firm for its own account

Excluding fees paid in advance for professional work agreed to be performed, and clearly identifiable as such, unless the fees are for work undertaken as a property agent as defined by the Rules of the RICS Client Money Protection Scheme for Property Agents. *Source: Client Money Handling 1<sup>st</sup> edition, October 2019.*

### How and where client money is held

All client money held by RH45 Limited is banked into designated discrete bank accounts, in an account set up to hold client money for a single client. The name of the client is incorporated into the account name as is the term, 'client account' to comply with best practice.

The banking system currently used is NatWest's Bankline system.

### Access to funds

Staff have defined access to funds and the authorisation of payments in line with their individual roles and the set hierarch within the company;

- Credit control staff can view accounts, download statements and banking activity. Other restricted users can process intra-account transfers
- Standard users can set up external payments, as well as the above permissions
- **All** external payments require dual authorisation
- All payments >£200k require an additional third authorisation to be released from the bank

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## Timescales for receipting of cash and cheques into a client account

The team at RH45 Limited log all monies received on the day of receipt and where possible allocate to the appropriate client money accounts. All service charge monies are received directly into discrete client accounts.

All cheques are normally banked within two days of receipt, but not more than five working days.

Any unidentified funds received into the company's clearing account, primarily supplier refunds, are logged and maintained as part of a daily reconciliation. Once identified, these refunds are transferred into the individual discrete client accounts.

## Controls for authorisation of payments from a client account

A withdrawal from a client account, can only be made if;

- We have permission through contract or direct instruction from the client to do so
- All internal procedures have been followed in line with 'Access to Funds', set out above
- Sufficient supporting evidence is provided and checked, so the payment can be validly made

## How interest and bank charges are handled

RH45 Limited's discrete client accounts are interest bearing, instant access accounts. Transactional banking costs are paid for by the principle.

RH45 Limited has agreed with NatWest that an aggregated rate of interest is applied to all the client accounts. Interest is receipted directly into the individual discrete client accounts.

## Bank reconciliation procedures

All client bank accounts are reconciled daily. We do this by comparing balances between the bank statement and client ledger on our accounting software.

Daily banking is undertaken by treasury staff, with daily reconciliation worksheets being reviewed by a senior member of the accounting team.

## Providing information to clients about monies held on their accounts

As per the RICS Code, 3<sup>rd</sup> Edition, we provide in writing to all clients the details of account and banking institution in which their funds are held. In addition, for some larger clients, we provide further client money information i.e. balance and a review of their spend against budget on a quarterly basis.