

POLICY AND PROCEDURES FOR CLIENT BANK RECONCILIATIONS

Document title:	Policy and Procedures for Client Bank Reconciliations	Document No:	2
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Related documents:	<ul style="list-style-type: none"> • Money Laundering Policy and Procedures • Policy and Procedures for Payments out of a Client Bank Account – Supplier Bank Details • Policy and Procedures for Direct Debits out of Client Bank Accounts • Policy and Procedures for Payments out of a Client Bank Account 		

Introduction

The firm is obliged to have written procedures on the handling of client and firm money in order to comply with RICS regulations and the provisions of our PI policy. The firm also wishes to ensure that there is a culture of best practice in the handling of client and firm money throughout the firm. These procedures deal with client bank reconciliations. There are separate procedures for the expenditure of client and firm money.

The procedure covers the following types of client bank account:

1. Accounts that Galbraith operates on behalf of a single client, either:
 - o Those over which we have exclusive control (referred to internally as discrete or exclusive client bank accounts)
 - o Those over which we do not have exclusive control (for example, the client is also a signatory; and referred to internally as non-discrete bank accounts)
2. Accounts that Galbraith operates on behalf of multiple clients (referred to as pooled client accounts)

Procedure

Procedure in respect of 1:-

- Reconcile on a monthly basis
- Reconcile as close to the month end as possible, preferably within a week but in all cases, no later than six weeks after the date of the previous reconciliation
- The bank statement, cash book balance (i.e. accounting system trial balance), and list of reconciling items should be presented to a senior member of staff for review and sign off
- Senior member of staff to be Supervisor, Rural Client Accounting Manager, Head of Finance, or a Partner
- Sign off to include signature and date; please note that the guidelines have been updated to include electronic signatures or an email confirming review as evidence of review and sign off
- Unpresented cheques and outstanding receipts to be dated on the reconciliation
- Reconciling item should be cleared ASAP and should not be more than 3 months old, although unpresented cheques may be up to 6 months old

Procedure in respect of 2:-

As above but to include a full list of client ledger balances (with total) that ties in with relevant balance. This must be available for inspection if required and should be kept with the bank reconciliation.

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Errors

Where bank reconciliation errors are identified these should be brought to the attention of a Supervisor, Rural Client Accounting Manager, Head of Finance, or a Partner and rectified immediately.

Recurring error should be reported to the Head of Finance or a Partner. This would include:

- Errors occurring repeatedly in respect of one client
- The same error occurring across a range of clients

Auditing

This procedure will be subjected to both internal and external auditing on a regular basis and will also form part of any RICS finance audit. Non-compliance by a member of staff may be dealt with as a disciplinary matter.

Review

This procedure will be reviewed at appropriate intervals.

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