

Handling of Client Monies

At RMG, we understand that safeguarding client funds is fundamental to maintaining trust and confidence. This document lays out what we do to ensure all monies entrusted to us are managed responsibly, securely and in line with applicable standards, including The Property Institute's Consumer Charter.

1 Receipts - How we Handle Your Payments

All payments received from customers, quoting the reference provided on the demand, are allocated to the customer account the next working day. If a payment cannot be identified, we allow sufficient time for the customer to contact us and resolve the issue. Where this does not happen, we issue instructions to the bank to return the funds to the original payee, ensuring no monies remain unallocated.

2 Payments – Secure and Accurate Payment of Contractors

Payments from client accounts are made to contractors for the maintenance and upkeep of your building and communal areas.

To maintain accuracy and accountability:

- All invoices undergo thorough checks before approval.
- There is a separation of duties between those authorising invoices and those arranging and processing payments.
- We hold leasehold service charge funds on trust on behalf of our clients in line with Section 42 of the Landlord and Tenant Act 1987.
- Client funds are held in bank accounts with a separate financial institution to that of RMG's own accounts, providing an additional layer of assurance.
- RMG's management fees are processed under the same stringent controls applied to all third-party contractors.

3 Transparency – Visibility of Financial Activity

We believe in openness regarding how your service charge money is managed. Each year, we help ensure our clients provide you with information showing:

- What your money has been spent on.
- The balances held in your account at year end.
- The financial institution where your funds are kept and the bank account names.
- Any interest earned on these monies during the year.

This information is included within your service charge accounts.

4 Controls – Robust Management of Client Funds

To maintain accuracy and control, we carry out regular reconciliations of all client bank accounts. Funds are held in ring-fenced accounts with The Lloyds Banking Group. This ensures your money is never mixed with funds from other developments and remains protected.

We operate strict internal controls to prevent errors and ensure compliance with industry standards and comply with the TPI charter requirements of an independent annual audit of the handling of client monies.