

Topic 2 - Financial institution account

A body corporate must have one or more accounts at a financial institution, such as a bank, building society or a credit union, kept solely in the name of the body corporate. An account opened after 4 March 2003 must only be opened with the consent of the body corporate (A. s151).

All money received by the body corporate for payment into the administrative and sinking funds must be paid into the account. All payments from the administrative or sinking fund must be made from the account (SM s146).

Who may operate the financial institution account(s)

The financial institution account may be operated by any of the following:

- at least 2 members of the committee authorised by the body corporate to operate the account (known as "authorised members");
- a body corporate manager or associate of the manager authorised by the body corporate to operate the account (A. s151).

If a body corporate manager's contract has ended, the body corporate can provide written notice of this to the financial institution, using the approved form (BCCM Form 2). After this notice has been given by the body corporate, the financial institution must not allow the body corporate manager to operate the account (A. s151).