

Client Money Handling Procedure

Definitions

Client

a member of the public which is a client of an [RICS](#) Registered Firm. A member of the public includes any person, firm, trust, body corporate or other organisation

Client Money

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

a) which a Registered Firm holds or receives for or from a Client, including money held by a Registered Firm as stakeholder; and

b) which is not immediately due and payable on demand to the Registered Firm for its own Account

but excluding for the purposes of this Scheme

a) money of any currency (whether in the form of cash, cheque, draft or electronic transfer) held by an RICS Registered Firm as TDS Deposits;

b) fees paid in advance for professional work agreed to be performed, and clearly identifiable as such. However, commissions or other pecuniary reward or other advantage received from anyone other than the Client which are not permitted by any relevant regulator to be received or retained by the Registered Firm, and for which the Registered Firm has to account to such Client, will be regarded as client money for the purposes of this Scheme and so will not be excluded by reason of this sub-paragraph.

Client Money Account

in respect of the Scheme, an account which:

a) does not contain any sums other than the whole or any part of client money paid into it, or such sums of money as may be necessary to replace any sum which by error has been withdrawn from the account, together with accrued interest on such amounts; and

b) includes in its title the word "client" or an appropriate abbreviation of that word, and whether such account is held in the name of the Registered Firm or a wholly owned subsidiary company of the Registered Firm that holds money in respect of the Registered Firm

The Firm or We

Dee Atkinson & Harrison as a "Scheme Member" and an "RICS Registered Firm"

Member or Scheme Member

a member of the Scheme

RICS Rules of Conduct

the RICS rules of conduct as determined by the RICS from time to time and any other applicable mandatory requirements set out by RICS, and any other specific and individual requirements notified to any particular RICS Registered Firm as appropriate

RICS

The Royal Institution of Chartered Surveyors

RICS Registered Firm

a firm which is registered with RICS for regulation and which is therefore subject to the RICS Rules of Conduct

Scheme

the "RICS Client Money Protection Scheme for Surveying Services"

Compliance

The whole of this document is to be taken as the Firm's written procedures for Handling Client Money in accordance with the RICS Rules of Conduct. These written procedures are set forth to ensure compliance with:

- The RICS Rules of Conduct for Firms
- The RICS Client Money Protection Scheme
- The Client Money Protection Schemes for Property Agents (Approval and Designation of Schemes) Regulations 2018
- Any other regulations and statutory requirements as necessary, and to maintain best practice.

Aims

A key aim of these written procedures is to ensure that client money is held in accordance with Rule 8 of the RICS Rules of Conduct, as follows:

Clients' money

8. A Firm shall preserve the security of clients' money entrusted to its care in the course of its practice or business.

Another central aim is to comply with the RICS Client Money Protection Scheme.

Handling of Client Money – written procedures

As a Member of the RICS Client Money Protection Scheme for Surveying Services, we adhere to the RICS Rules of Conduct for Firms, The RICS Client Money Protection Scheme, and any other regulations as necessary as follows by using the following procedures:

1.1

All Client Money is held in a Client Money Account with a bank or building society authorised by the Prudential Regulatory Authority (PRA), the Bank of England and the Financial Conduct Authority (the FCA) in England, Scotland, Wales and Northern Ireland.

1.2 As a Scheme Member, we:

- a) Maintain one or more Client Money Account's into which all Client Money is paid;
- b) Ensure that Client Money Account's are designated as such and easily distinguished from other accounts;
- c) Advise clients of Client Money to be held in a Client Money Account and notify Clients of details of that account;

d) Confirm in writing with the bank with which it holds a Client Money Account that the bank acknowledges that monies in the Client Money Account must not be combined with, or transferred to, any other account maintained by the firm, and the bank shall not be entitled to exercise any right of set up or counterclaim against money in that Client Money Account in respect of any sum owed to it in respect of any other account of the Member firm;

e) Keep records and accounts which show all dealings with Client Money, and demonstrate that all Client Money held by the Firm is held in a Client Money Account.

1.3 As regards handling Client Money, we:

a) Have and comply with written procedures for handling Client Money, which comply with any RICS requirement to which Rule 7.4 refers;

b) Publish our procedures for handling Client Money on our website;

c) Provide a copy of our procedures for handling Client Money to any person who may reasonably require a copy, free of charge;

d) Keep records and accounts that show all dealings with Client Money;

e) Repay any Client Money, including where feasible any interest earned, without delay if there is no longer any requirement to retain that money or the relevant client requests it; and

f) Hold and maintain professional indemnity insurance cover that is appropriate for the Member's size, income, type of work and the amount of Client Money held.

Donations to charity

In the event that Dee Atkinson & Harrison receive surplus client money in a client account, we follow best practice and enact the following procedures:

1. Ensure that all efforts are made to trace the clients or owners of the money;
2. Hold the surplus money in a client suspense ledger;
3. Hold surplus money for at least three years.

If, after three years, the client or owner of the money has not been found and no true claimants to the money have come forward, in accordance with RICS guidance, it will be donated to a registered charity. A receipt will be obtained for this transaction so should a true claimant come forward to collect the money it can be made available to them. We will request that the receiving charity should offer an indemnity to enable the Firm to recover a donation in the event of a claim.

If all efforts to trace the clients or owners of the money fails, and after following the above procedures, Dee Atkinson & Harrison will donate the amount to a RICS' approved charity.

General Controls

Dee Atkinson & Harrison ensure that:

- Employees have clear segregation of duties and responsibilities and that a Principal or appropriately qualified individual oversees the client accounting function;
- Access to funds is restricted to principles or senior employees;
- It employs competent and knowledgeable staff who are responsible for processing clients' money and who are familiar with RICS Rules;

- Controls are in place for authorisation of payments from the Client Accounts by a principle of the firm.
- Accounting systems and client data are securely controlled and protected;
- Computer systems are adequately protected for access, firewalls, back-ups and disaster recovery;
- There is adequate cover for holiday and long-term absence;
- Principals cannot and do not override controls surrounding the accounting system;
- All areas of the business apply the same level of controls in relation to the client accounting function.

Client Bank Accounts

Dee Atkinson & Harrison ensure that:

- We hold clients' money in one or more client bank accounts separate from all other monies. All client accounts are non-interest bearing and do not incur bank charges.
- Client money is available on demand and paid to clients promptly after being reconciled and processed through the client accounting software. Clients will be paid and notified of payment in accordance with the frequency of payment s received or following any other prior instruction agreed;
- The bank account is correctly titled to include the name of the Firm and the word "client" to distinguish the account from an office or any other account. If it is a discrete account, the name of the client is included in the account title;
- We advise clients in writing of the bank account details (account name and name and address of the bank) and agree the terms of the account handling, including arrangements for interest and charges;

Client Accounting Systems and Controls

Dee Atkinson & Harrison ensure that:

- Accounting records and systems are appropriate to the nature and volumes of client account transactions;
- Systems provide details of all money received into and paid from all client accounts and show a running balance of all client money held in that account;
- Systems identify all receipts and payments to the client to which they relate; for example by means of client ledgers showing cash balances held on behalf of clients at all times;
- Accounting records are completed chronologically and promptly;
- All ledgers have the client name and an appropriate description, e.g. the property address;
- Overdrawn balances on client ledgers are prevented by the systems or controls in place and where they do occur are investigated and rectified immediately;
- Adequate controls are in place over unidentified client money to ensure that such funds are kept securely. The client should be located and reimbursed as soon as

possible. Such funds held for more than six years may be donated to a registered charity;

- A central list of client bank accounts is maintained including dates of opening and closing of accounts;

For discrete accounts the monthly reconciliations should agree the cash book or system balances to bank statement balances and include a full list of:

- Dated unpresented cheques;
- Dated outstanding deposits;
- Details of any other reconciling items;
- System reports supporting reconciliation figures as appropriate.

Reconciliations should not include regularly occurring adjustments or reconciling items more than three months old, except for unpresented cheques which should be no more than six months old.

- Reconciliations are reviewed and signed off by a Principal or an appropriate independent senior member of staff;
- Client accounting records, including copies of reconciliations, are securely kept for at least three years plus the current year.

Controls over the receipt of client money

The Firm ensures that:

- Only a Principal or appropriate senior member of staff open incoming post;
- Procedures exist to ensure all clients' money is banked within three working days;
- All cash and cheques received by post or by hand are promptly recorded;
- A reconciliation is performed between money received by post and that day's banking;
- Procedures exist to identify and distinguish between clients' and the Firm's money;
- If received, mixed monies are initially paid into a client account and the office element paid to the office account when the receipt has cleared the bank;
- Unbanked client money receipts are kept securely in a locked safe.

Controls over the payment of client money

The Firm ensures that:

- Checks are made to ensure that sufficient funds are held on behalf of the relevant client before payments are made;
- A copy of the bank mandate is held and is up to date;
- Adequate authorisation and supervision procedures are in place for payments made by cheque, bank transfer and electronic methods;
- All payment requests have supporting evidence and that documentation has been authorised in advance by a Principal or other appropriate person;
- Blank cheques are not signed, and unused cheques are kept securely;

- Effective controls are in place over the setting up of new supplier accounts on the system;
- Cash payments are avoided.