

CLIENT MONEY HANDLING PROCEDURE

July 2020

Definition of client money	Client money relates to money of any currency, whether in the form of cash, cheque or electronic transfer, which is: Held or received on behalf of another person, including money held by a regulated firm as a stakeholder which is not immediately due and payable on demand.
How and where client money is held	As part of the Royal Institution of Chartered Surveyors (RICS) professional statement (Client money handling, effective from 1 January 2020), and internal due diligence, client money held or received by David Charles Property Consultants Ltd is either banked into a general clients' bank account, a designated discrete account or in limited instances, held in a client controlled bank account. A general clients' bank account is a Client Bank Account which holds pooled client money belonging to more than one client. A discrete bank account is a Client-named bank account which holds client money belonging to a single client. Client monies are held separately from David Charles Property Consultants own monies, so are easily identifiable. Within the general clients' bank account, each client's money is recorded in individual client ledgers to maintain segregation of funds. 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 (FCA) in England, Scotland, Northern Ireland and Wales.
Access to Funds	Signatories are either a Director, Chartered Surveyor or senior employee with a minimum of 5 years prior employment. Only a Director who is also a Chartered Surveyor of the firm can authorise new signatories to client money accounts.
Controls for authorisation of payments from a client account	A payment from a client account can only be made after a specific authority has been approved by a signatory in accordance with the bank mandate and the firm's procedures and systems. Payments over £1,000 require duplicate authorisation. All payment requests must be accompanied by supporting evidence that has been checked and authorised. Segregation of duties in the client accounting function is in place to prevent data tampering within the payment process. Procedures are in place to ensure all client's money received to the office are banked within 3 working days, all 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 client's and office money; cash payments are not accepted. Checks are made to ensure that sufficient funds are held on behalf of the client before payments are made.
How interest and bank charges are handled	A designated discrete account is interest bearing, in most cases with instant access, save where written authority has been received from the client to deposit monies in time restricted access accounts. Bank charges if applicable in respect of designated discrete accounts are payable by the client. A general client's bank account is interest-bearing with instant access. Transaction charges are payable by David Charles Property Consultants who are entitled to receive interest on this account and is offset against charges.
Reconciliation of accounts	Bank accounts are reconciled on a monthly basis, using a three way reconciliation between the bank, general ledger and individual client ledgers, as required by the RICS. All reconciliations are checked, signed off and dated.
Information provided to clients about monies held on their account	Reporting and frequency requirements are agreed with the client.