



Holding Client Money Procedure

Purpose

The purpose of this procedure is to outline the guidelines and processes for holding client money at Vickery Holman in compliance with RICS regulations. This ensures transparency, security, and accountability in handling client funds.

Scope

This procedure applies to all employees at Vickery Holman involved in handling client funds, including property managers, accountants, and administrative staff.

Responsibilities

Property Managers: Responsible for collecting and managing client funds related to property transactions.

Accountants: Responsible for recording and reconciling client funds in accordance with accounting principles and RICS regulations.

Administrative Staff: Responsible for assisting in the documentation and filing related to client funds.

Client Money Handling Process

a. Receipt of Funds

- Client funds are received either electronically or via cheque.
- Upon receipt, the details of the funds, including the client's name, amount, and purpose, are recorded in the accounting system immediately.
- Any accompanying documentation, such as invoices or receipts, is securely stored and associated with the respective client's account.
- Unidentified funds received are fully investigated and if still unallocated will be held within a suspense ledger. A record is kept of all unidentified funds and the steps we have taken to allocate it, including trying to repay it. After a minimum of 3 years unidentified funds will be paid to a registered charity and an indemnity will be obtained from the charity.
- Cheques are paid into the bank account within 3 days of receipt.

b. Segregation of Funds

- Client funds are segregated from Vickery Holman's own funds and maintained in designated client accounts.
- Separate ledgers are maintained for each client to ensure clarity and accountability.
- Separate bank accounts are set up where necessary for each client to ensure clarity and accountability ie where service charge balances are held over a period of time.
- Access to funds is restricted to principals or senior employees.

c. Recording and Reconciliation

- Accountants are responsible for maintaining accurate records of client funds in the accounting system.
- Regular reconciliations are conducted to ensure that the balances in the accounting system match the balances in the client accounts.
- Discrepancies, if any, are promptly investigated and rectified.

d. Interest or Charges on Client Money

- Client accounts are not subject to bank charges.
- Client funds held for a significant period may accrue interest as per RICS regulations.



- Any interest earned on client funds is credited to the respective client's account in accordance with applicable laws and regulations.
- Funds held within the General Account will not attract bank interest.

e. Client Money Returns

- Client funds are disbursed as per the terms of the relevant agreements or transactions.
- All disbursements are documented and approved by authorised personnel.
- Any unused or remaining client funds are returned promptly to the client upon completion of the transaction or as per the client's instructions.

f. Reporting

- Regular reports on client funds are prepared and provided to clients as required by RICS regulations.
- These reports include details of funds received, disbursed, and remaining balances.

Compliance and Monitoring

- Compliance with this procedure is regularly monitored by designated compliance officers.
- Any non-compliance or discrepancies are investigated promptly, and corrective actions are taken to ensure adherence to RICS regulations.

Training and Awareness

- All employees involved in handling client funds receive training on this procedure and relevant RICS regulations.
- Regular refresher training sessions are conducted to ensure awareness and understanding of updated regulations.

Documentation and Record Keeping

- All documentation related to client funds, including receipts, invoices, and transaction records, is maintained in accordance with regulatory requirements.
- Records are retained for the prescribed period as per RICS regulations and local laws.

Review and Updates

- This procedure is periodically reviewed to ensure its effectiveness and compliance with evolving RICS regulations.
- Updates are made as necessary to reflect changes in regulations or internal processes.

Approval

- This procedure is approved by Justin Armstrong to ensure its implementation and adherence across Vickery Holman.
- All monies are held in Barclays accounts, Plymouth Group of Branches.

References:

RICS Regulations and Guidance on Handling Client Money

Relevant local laws and regulations governing the handling of client funds.

By following this procedure, Vickery Holman ensures the secure and compliant handling of client money in accordance with RICS regulations. Compliance with this procedure safeguards the interests of clients and upholds the integrity of the firm's financial operations.