# Client Money Policy – Public Copy

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## The Policy

This document sets out how Gifford Dixon Limited (GD) control client money. Client money includes tenant deposits and any reserve funds.

GD follows RICS Client Money Handling, 1st Edition (dated 24th October 2019) and also RICS Client Money Protection Scheme Rules (dated 1st April 2019). Responsibilities are:

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| Managing Director | Financial governance over the Client bank accounts. |
| Property Managers | Communication of client account practices (Property Management). |
| Engaging Surveyor | Communication of client account practices (General Practice). |

RICS members participate in the RICS Client Money Protection Scheme (CMPS) which acts as a last resort compensation scheme for third parties. This is also an approved CMPS under the Client Money Protection Schemes for Property Agents Regulations 2018. A copy of the current membership certificate is available upon request.

## Designation of Bank Account

In accordance with RICS rules, GD hold a separate bank account for Client Money and Tenant Deposits. This account is clearly titled “external clients account”.

GD has exclusive control over this client account which is in the name of Gifford Dixon Limited. Access to funds is restricted to principals or senior employees. A summary of controls and reconciliation is provided below.

Bank charges are charged to GD Business Account.
Details are provided to Clients and Tenants on engagement.
The bank account is subject to review by a responsible official.

## Property Management (PM) Client Money

In accordance with RICS rules, clients are informed of the whereabouts of client money in an introductory letter.

Tenants are informed of the whereabouts of Tenant Deposits in an introductory letter.

Responsibility for communicating these rests with the Head of Property Management.

## Other Client Money

Any Client money received as a result of surveying activities should be avoided where possible in accordance with GD Anti Money Laundering Policy. Agency should never receive and distribute proceeds of sale. We should not be seen to be providing a bank deposit facility for clients.

As a last resort if received it must be deposited in the PM Client Money Account, never GD own account where the controls over that Bank account are the same as for PM.

The Client must be informed of the whereabouts of that money by the receiving surveyor.

## Unidentified funds

In line with RICS practice, any unidentified monies held in the holding account after 3 years and after best efforts to identify, will be donated to a registered charity.

## Account Review

A monthly audit of the bank accounts is performed, Including:

- Three-way reconciliation (cash book, bank statement and list of individual client balances). Old items are investigated.
- Review of balances to ensure none are overdrawn (system prevents this in any case).
- Review of holding account / unallocated receipts.

- Three-way reconciliation of Commercial Tenant Deposit ledgers (cash book, bank statement and list of individual tenant balances).

## General controls

GD ensure that:

- Employees have clear segregation of duties and responsibilities and that a Principal or appropriately qualified individual oversees the client accounting function.
- It employs competent and knowledgeable staff who are responsible for processing clients' money and who are familiar with RICS Rules.
- Accounting systems and client data are securely controlled and protected.
- Computer systems are adequately protected for access, firewalls, back-ups and disaster recovery.
- All areas of the business apply the same level of controls in relation to the client accounting function.

## Controls over the receipt of client money

GD ensures that:

- Only a Principal or appropriate staff independent of accounting staff open incoming post.
- Procedures exist to ensure all clients' money is banked within three working days.
- Cash payments are not accepted.
- 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 clients' and office money.

## Controls over the payment of client money

GD ensures that:

- Checks are made to ensure that sufficient funds are held on behalf of the relevant client before payments are made.
- 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 not made.

## Compliance

The firm will report any client misappropriation to the RICS and police and should keep records of reports made and any subsequent police advice or action. If the firm decides not to report the matter to the police a record of that decision and the reason for it should also be kept.