

Client Money Handling Procedures

Compliance

This document is to be taken as the Company's written procedure for Handling Client Money.

These written procedures are set out to ensure compliance with:

- The Property Ombudsman Code of Practice
- Client Money Protection Scheme (CMPS) Conduct and Membership Rules
- The Client Money Protection Schemes for Property Agents (Approval and Designation of Schemes) Regulations 2018 and
- Any other regulations and statutory requirements as necessary, and to maintain the best practice

Handling of Client Money Written Procedures

As a member CMPS and The Property Ombudsman Service, we adhere to the Rules of Conduct and any other regulations as necessary by adhering to the following procedures:

- All Client Money is held in a Client Money Account with an authorised bank or building society
- We maintain one or more Client Money Account(s) into which all Client Money is paid
- We ensure that Client Money Account(s) are designated as such and are easily distinguished from other accounts
- We keep records and accounts that show all dealings with Client Money and demonstrate that all Client Money held by the Company is held in a Client Money Account
- RICS Client Money Protection scheme details and certificate are available on the CBGA website
- We can provide a copy of our procedures for handling Client Money to any person who may reasonably require a copy
- We keep records, accounts and bank reconciliations that show all dealings with Client Money
- We repay any Client Money without delay if there is no longer any requirement to retain that money
- We hold and maintain Professional Indemnity insurance cover that is appropriate for the Company's size, income, type of work and the amount of Client Money held

General Controls

CBGA ensure that:

- Employees have clear segregation of duties and responsibilities and that a Principal or appropriately qualified individual oversees the client accounting function
- We employ competent and knowledgeable staff who are responsible for processing clients' money and who are familiar with Client Accounting rules
- Accounting systems and client data are securely protected and secured
- 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 override controls surrounding the accounting system and
- All areas of the business apply the same level of controls in relation to the client accounting function.

Client Bank Accounts

CBGA ensure that:

- We hold clients' money in one or more client bank accounts separate from all other monies
- Client money is available on demand
- The bank account is correctly titled to include the name of the Company and the word "client" to distinguish the account from an office or any other account

Client Accounting Systems and Controls

CBGA ensure that:

- Accounting records and systems are appropriate to the nature 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 within the 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
- Accounting records are completed chronologically and monthly
- 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. 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
- A reconciliation is completed monthly
- 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 six years plus the current year.

Controls over the payment of Client Money

CBGA ensure 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 mandates are held and are up to date
- Adequate authorisation and supervision procedures are in place for payments made by bank transfers
- All payment requests have supporting evidence, and that documentation has been authorised in advance by a Principal or other appropriate person
- Effective controls are in place over the setting up of new supplier accounts on the system
- Cash payments are not accepted

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