

Client Money Handling Procedure

This Procedure sets out the standards by which McCarthy & Stone Rental Properties Ltd handle and process Client Money

Definitions

Client means a member of the public who is a Client of the Company. A member of the public includes any person, company, trust, corporate body or other organisation

Client Money means money of any currency (whether in the form of cash, cheque, draft or electronic transfer) which a) the Company holds or receives for or from a Client, including money held by the Company as stakeholder or b) which is not immediately due and payable on demand to the Company for its own account but excluding c) fees paid for professional work agreed to be performed, and clearly identifiable as such

Client Money Account means an account which a) does not contain any sums other than the whole or part of client money paid into it, or such sums of money as may be necessary to replace any sums which by error has been withdrawn from the account, together with accrued interest on such amounts and b) includes in its title the word "client" or an appropriate abbreviation of that word,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 Company or a wholly owned subsidiary of the Company that holds money in respect of the Company

Company McCarthy & Stone Rental Properties Ltd

Procedure Rules

- All Client Money is held in a Client Money Account with an authorised bank
- 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 have confirmed in writing to the bank holding the 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 Company, and the bank shall not be entitled to exercise any right of set off or counterclaim against the money in that Client Money Account in respect of any sum owed to it in respect of any other account of the Company
- We keep records and accounts which show all dealings with Client Money and demonstrate that all Client Money held by the Company is held in a Client Money Account
- We publish our procedures for handling Client Money on our website
- We provide a copy of our procedures for handling Client Money to any Client who may reasonably request a copy
- We keep records of accounts 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 to the Company's size, income, type of work and the amount of Client Money held
- We hold and maintain Client Money Protection insurance cover that is appropriate to the Company's size, income, type of work and the amount of Client Money held

Procedure Controls

We will 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 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

Procedure Bank Accounts

We will 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
- We have obtained written consent if the Company is to retain interest

Procedure Accounting Systems and Controls

We will 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
- The current balances at the total and client levels are always available
- All ledgers have the client name and an appropriate description eg 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

- A reconciliation is completed at least once every month where clients' money is held in a general client account. This is produced as a formal statement, and any unresolved differences or adjustments are fully investigated and explained. Any errors identified in the reconciliation are promptly rectified
- 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

Procedure Receipt and Payment of Client Money

We will ensure that:

- All clients' money will be banked within two working days
- All clients' money received is recorded promptly
- 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 a new supplier accounts on the system
- Cash receipts will not be accepted and cash payments are not made

Procedure Donations to Charity

In the event that we are in receipt of surplus money in a client account, we will ensure that:

- We make all efforts possible to trace the clients or owners of the money
- We hold the surplus money in a client expenses account
- We will hold the surplus money for at least six years

If, after six years, the client or owner of the money has not been found and no true claimant to the money has come forward it may be donated to a registered charity.

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CLIENT MONEY PROTECTION

This is to certify that

McCarthy & Stone Rental Properties Limited

trading as

McCarthy & Stone Rental Properties Limited

is part of the Propertymark Client Money Protection scheme

Main Scheme Member

Scheme Ref: C0133235

Valid to

18 March 2021

Please note there is a £50,000 individual claim limit and an annual aggregate limit. See propertymark.co.uk for further details and exclusions.

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