

CLIENT MONEY HANDLING PROCEDURE

What is Client Money?

Client money is money of any currency (whether in the form of cash, cheque, draft or electronic transfer) that is:

- held or received by GSC Grays on behalf of another person, including money held by GSC Grays as stakeholder, and
- not immediately due and payable on demand to GSC Grays for our own account.

How and Where Does GSC Grays Hold Client Money?

GSC Grays holds client money separately from its own money. In accordance with the Royal Institution of Chartered Surveyors (RICS) professional statement (Client Money Handling, 1st edition, October 2019; effective from 1st January 2020), GSC Grays holds client money in general clients' bank accounts or designated discrete accounts over which GSC Grays has exclusive control, or in a client-controlled bank account. All client accounts are easily identifiable and the funds immediately available.

A general client money account holds client money belonging to more than one client. Records of all payments and receipts relating to a client are recorded in a separate ledger to ensure segregation of funds and a running balance for each client.

A discrete client money account holds client money belonging to a single client.

Tenants' deposits are paid initially into a general clients' account, then once cleared funds are received, they are registered with and transferred to the Deposit Protection Service (DPS) within five working days.

Client money is held with an appropriate banking institution regulated as follows:

- In the UK by the Prudential Regulatory Authority (PRA), the Bank of England and the Financial Conduct Authority (FCA)
- In Jersey by the Jersey Financial Services Commission
- In Guernsey by the Guernsey Financial Services Commission, and
- On the Isle of Man by the Isle of Man Financial Services Authority.

As a RICS-regulated firm, GSC Grays is registered with both the RICS Client Money Protection Scheme for Surveying Services and the RICS Client Money Protection Scheme for Property Agents schemes.

Access to Funds

Each client account held with the banking institution is governed by a bank mandate that states the rights and obligations of GSC Grays and includes the name of authorised signatories to the account. Authorised signatories for GSC Grays' client accounts are Board or departmental directors, and only principal Board directors can authorise new signatories to an account.

Timescales for Payment of Cash into a Client Account

All cheques received by post and any cash receipts are logged and banked on the date of receipt wherever possible, and in any case, not more than seven days from receipt, and allocated to the appropriate client account.

GSC Grays attempts to identify the owner of any unidentified client money as soon as possible. Where the owner cannot be identified after a period of three years from receipt and all avenues of investigation have been exhausted, the money will be paid from the client money account to a registered charity. GSC Grays will obtain from the charity a receipt and an indemnity to reimburse us should a beneficiary subsequently be identified.

Controls for the Authorisation of Payments from a Client Account

All payments from client money accounts are made to or on behalf of a client and with the client's written instructions or as specified in the management agreement with the client. No payments can be made without the required authorisation and must be made in accordance with GSC Grays' procedures.

GSC Grays will withdraw payments for fees only after the submission of an invoice to the client, unless the client has given written authorisation for the deduction of agreed fees without prior notification.

How Interest and Bank Charges are Handled

General clients' bank accounts are instant access accounts and may be interest bearing. GSC Grays reserves the right to retain any interest earned through the aggregation of various client accounts to offset general bank charges and administration costs associated with the accounts.

Reconciliation of Accounts

Client bank accounts are reconciled on a monthly basis using cashbooks, client account ledgers and bank statements, and are reviewed and approved by the managing agent or director responsible for the client.

Providing Information to Clients about Money Held on their Account

Reporting requirements are agreed with the client at the outset and are documented in our Terms of Business and/or management agreement with the client.

For further information, please contact accounts@gscgrays.co.uk