

# Client Money Handling Procedures.

## 1. Purpose of this Document.

This document sets out the procedures adopted by Louis Taylor Ltd, a small/medium-sized firm of Chartered Surveyors based in Newcastle under Lyme, Staffordshire, for the handling of client money. The purpose of these procedures is to ensure that all client money is handled safely, transparently and in full compliance with:

- RICS Client Money Handling Professional Standard (UK).
- RICS Rules of Conduct.
- RICS Client Money Protection Scheme Rules (Surveying Services and/or Property Agents, as applicable).
- Relevant UK legislation including anti-money laundering regulations.

These procedures apply to all principals and employees who may handle or have responsibility for client money.

---

## 2. Definition of Client Money.

Client money is defined as money of any currency held or received by the firm on behalf of a client, which is not immediately due and payable to the firm for its own account. This includes, but is not limited to:

- Rents, service charges and ground rents.
- Retentions and stakeholder monies.
- Money held to pay contractors or third parties.
- Interest earned on client accounts (unless otherwise agreed).

Nb. Money received in advance for agreed surveying fees (other than property agency work in England) is treated as office money and is not client money.

---

## 3. Client Money Accounts.

### 3.1 Type of Accounts

Louis Taylor Ltd holds client money only in designated & regulated client bank accounts with UK-authorized banks or building societies.

All client accounts:

- Include the word “Client” in the account title.
- Are held in the name of the firm (or its wholly owned subsidiary, if applicable).
- Are kept entirely separate from office accounts.

Client money may be held in:

- A general client account (holding money for more than one client), and/or
- Discrete client accounts (held for individual clients or properties).

### **3.2 Bank Mandates and Control**

The firm retains exclusive control over all client money accounts. Bank mandates:

- Identify authorised signatories.
- Prevent set-off or combination with office accounts.
- Are reviewed whenever signatories change and on a regular basis.

Only principals or senior staff authorised by the principals may act as signatories.

---

## **4. Information Provided to Clients.**

Clients, on request, are provided with written confirmation of:

- Where and how their money will be held..
- The bank name and account type (general or discrete).
- Confirmation that the account is subject to RICS Client Money Protection, where applicable.
- How interest on client money is treated.
- How unidentified client money is handled.
- The firm’s right to deduct agreed fees (where applicable).

A copy of these Client Money Handling Procedures is available to clients on request.

---

## **5. Receipt of Client Money.**

### **5.1 Identification of Funds**

All monies received are promptly identified as either:

- Client money, or

- Office money.

This assessment is made immediately on receipt.

## 5.2 Banking of Client Money

- All client money is paid into the client account promptly and no later than seven days from receipt.
- Cash and cheques are kept secure prior to banking.
- Mixed receipts, when received, are initially paid into the client account, with the office element transferred out promptly.

Where cash is received, a duplicate receipt is issued and retained.

---

## 6. Payments from Client Accounts.

Payments from client accounts:

- Are made only for the purpose of that client's instruction.
- Require appropriate authorisation by an approved signatory.
- Are supported by invoices, contracts or written client instructions.

### 6.1 Payment of Fees

Before fees are transferred from a client account:

- An invoice or written notification is issued to the client, unless prior written authority has been provided.
- Transfers are made promptly once fees are due and payable.

### 6.2 Controls

- Sufficient funds must be available on the relevant client ledger before payment.
  - Direct debits or standing orders require written client consent.
  - Bank charges are only deducted from client accounts where expressly agreed.
- 

## 7. Accounting Records.

The firm maintains accurate and up-to-date accounting records including:

- A client cash book showing all receipts and payments.
- Individual client ledgers for each client.

- Bank statements for all client accounts.

Records are updated promptly and retained for a minimum of six years.

---

## **8. Client Account Reconciliations.**

- Client bank account reconciliations are carried out monthly (or quarterly where transaction volumes are low).
- Reconciliations compare:
  - Bank statement balances.
  - Cash book balances.
  - Total of individual client ledger balances.

Reconciliations are reviewed, signed and dated by a principal or senior staff member.

Any discrepancies are investigated and corrected immediately.

---

## **9. Unidentified Client Money.**

Where client money is received and the owner cannot be identified:

- Reasonable steps are taken to identify the client.
  - A record is maintained of all investigations.
  - If funds remain unidentified after three years, they are paid to a registered charity.
  - An indemnity is obtained from the charity in case a valid claim later arises.
- 

## **10. Anti-Money Laundering and Compliance.**

The firm complies with all applicable anti-money laundering, counter-terrorist financing and bribery legislation.

- Client due diligence is carried out as required.
- Client money accounts are not used as banking facilities.
- Any breach or suspected misappropriation of client money is:
  - Investigated immediately.
  - Recorded in writing.
  - Reported to RICS, insurers and affected clients where required.

## 11. Training and Responsibilities

- All staff handling client money receive appropriate training.
- Staff must follow these procedures at all times.
- Any concerns or suspected breaches must be reported immediately to a principal.

Whistleblowing to RICS is supported where concerns cannot be addressed internally.

---

## 12. Review of Procedures

These procedures are reviewed on a regular basis, and if there are changes to:

- RICS professional standards.
  - Legislation.
  - The firm's services or structure.
- 

**Approved by:** \_\_\_\_\_ *Graham Hulse BSc (Hons) MRICS* \_\_\_\_\_

**Position:** Managing Director

**Date:** \_\_\_\_\_ 7<sup>th</sup> March 2022 \_\_\_\_\_

**Reviewed:** 5<sup>th</sup> February 2026.