Client Money Handling Procedure

Letting Agency: Goodge Property Services Limited

Date: 1/3/2025

SCHEME MEMBERSHIP: Royal Institute of Chartered Surveyors (RICS)

1. Introduction

This document outlines the procedures followed by Goodge Property Services Limited for handling client money. We are committed to ensuring the security and proper handling of all funds entrusted to us by our clients, both landlords and tenants.

2. Client Money Definition

For the purpose of this procedure, "client money" refers to any funds received from or on behalf of a client, including but not limited to:

- Rent payments.
- Service charges
- Security deposits
- Late fees
- Other charges related to the lease agreement.

3. Client Money Accounts

- In accordance with UK regulations, we maintain one or more segregated client money accounts at a reputable bank or building society authorised by the Financial Conduct Authority (FCA).
- These accounts are designated solely for holding client money and are clearly distinguishable from any other accounts we hold.
- We have written confirmation from the bank acknowledging that client money cannot be combined with or transferred to any other company account. Additionally, the bank cannot exercise any right of set-off or counterclaim against the client money for any debts owed by the company.

4. Record Keeping and Transparency

- We maintain comprehensive and accurate records of all client money transactions. These records include:
  - Client account details
  - Receipts and invoices
  - Bank statements.
- These records are kept for a minimum of 6 years, as required by regulations.
- Our procedures for handling client money are published on our website for easy access by all clients and interested parties. We also provide a free copy of these procedures to anyone who requests one.
- We ensure that our accounting systems and client data are securely controlled and protected. Computer systems are adequately protected for access, firewalls, back-ups and disaster recovery.

5. Receipt and Banking of Client Money

- We will provide clear instructions to clients on the acceptable methods of payment (e.g. bank transfer)
- All client money received will be promptly recorded in our accounting system, with clear identification of the client and purpose of the payment.

- All client money received will be deposited into the designated client money account(s) no later than the next business day after receipt.
- Daily reconciliations will be performed to ensure all received funds are deposited and accounted for.

6. Disbursement of Client Money

- Client money will only be disbursed in accordance with written instructions from the authorised signatory(ies) of the relevant account(ies).
- Disbursements will be made only to authorised parties, such as landlords, contractors for repairs authorised by the landlord.
- All disbursements will be supported by proper documentation and recorded in our accounting system.

7. Client Statements

- Landlords and tenants will receive regular statements detailing all transactions related to their account, including deposits, disbursements, and current balance.

8. Staff Training

- All staff members who handle client money will be trained on these procedures to ensure a consistent and compliant approach.

9. Client Money Protection

- We hold and maintain Professional Indemnity Insurance cover that is appropriate for the size of our company, income, type of work undertaken, and the amount of client money held. This insurance protects clients in the unlikely event of a financial loss due to our negligence.

10. Review

These procedures will be reviewed annually or as required by any legislative changes or best practice developments.

11. Contact Information

For any queries regarding client money handling, please contact:

- Name: Tim Goodge
- Title: Director
- Email: tim@goodgepropertyservices.co.uk
- Phone: 07855 885454

By following these procedures, Goodge Property Services Limited strives to ensure the utmost security, transparency, and accountability in handling all client money entrusted to us.