



## MASON OWEN & PARTNERS LIMITED

### CLIENT MONEY HANDLING POLICY

#### 1. INTRODUCTION

- 1.1 This policy sets out Mason Owen & Partners Limited (**Mason Owen**)’s written procedures relating to the handling of client money and is designed to ensure that we maintain best practice in our handling of client money and comply with:-
- (a) RICS Rules of Conduct for Firms (in particular Rule 8 which states that *“a Firm shall preserve the security of client’s money entrusted to its care in the course of its practice or business”*);
  - (b) RICS client money handling professional standard;
  - (c) RICS Client Money Protection Scheme for Property Agents;
  - (d) Client Money Protection Schemes for Property Agents (Approval and Designation of Schemes) Regulations 2018.
- 1.2 This Policy is published on our website and a copy can be obtained from our offices. For queries or further information please contact Mark Williams, Director [mark.williams@masonowen.com](mailto:mark.williams@masonowen.com).
- 1.3 This Policy was last updated 19<sup>th</sup> August 2024.

#### 2. CLIENT MONEY AND CLIENT MONEY ACCOUNTS

- 2.1 The RICS Client Money Protection Scheme Rules define **Client Money** as money of any currency (whether in the form of cash, cheque, draft or electronic transfer) which a Registered Firm holds or receives for or from a Client, including money held by a Registered Firm as stakeholder; and which is not immediately due and payable on demand to the Registered Firm for its own account (excluding money held as TDS Deposits and fees paid in advance for professional work agreed to be performed, and clearly identifiable as such).
- 2.2 We maintain one or more Client Money Accounts (defined by the RICS Money Protection Scheme Rules as an account which only contains Client Money and includes the word “client” or an appropriate abbreviation in the title) with a bank or building society authorised by the Prudential Regulatory Authority (**PRA**), the Bank of England and the Financial Conduct Authority (the **FCA**). Our Client Money Accounts are designated as such and easily distinguished from our other accounts and all Client Money is paid into a Client Money Account.
- 2.3 We hold written acknowledgement from each bank with which we hold a Client Money Account that:-
- (a) monies in the Client Money Account must not be combined with, or transferred to, any other account maintained by Mason Owen; and
  - (b) the bank shall not be entitled to exercise any right of set up or counterclaim against money in that Client Money Account in respect of any sum owed to it in respect of any of Mason Owen’s other accounts.
- 2.4 We
- (a) advise clients that Client Money will be held in a Client Money Account and provide details of that account, including information relating to interest and charges;
  - (b) keep records and accounts which show all dealings with Client Money and demonstrate that all Client Money held by Mason Owen is held in a Client Money Account.
  - (c) repay any Client Money, including where feasible any interest earned, without delay if there is no longer any requirement to retain that money or the relevant client requests it; and
  - (d) hold and maintain professional indemnity insurance cover that is appropriate for our size, income, type of work and the amount of Client Money held.

#### 3. GENERAL CONTROLS

- 3.1 We ensure that:

- (a) our computer systems, accounting systems and client data are adequately protected for access, firewalls, back-ups and disaster recovery;
- (b) we employ competent and knowledgeable staff who are responsible for processing clients' money are who are familiar with RICS Rules and will ensure adequate cover for holiday and long-term absence;
- (c) our employees have clear segregation of duties and responsibilities;
- (d) a Principal or appropriately qualified individual oversees the client accounting function but Principals cannot and do not override controls surrounding the accounting system;
- (e) all areas of the business apply the same level of controls in relation to the client accounting function.

#### **4. RECEIPT AND PAYMENT OF CLIENT MONEY**

##### **4.1 Receipt of Client Money** We ensure that:

- (a) only a Principal or appropriate staff independent of accounting staff open incoming post;
- (b) procedures exist to ensure all clients' money is banked within three working days;
- (c) all cash and cheques received by post or by hand are promptly recorded;
- (d) procedures exist to identify and distinguish between clients' and the Firm's money;
- (e) if received, mixed monies are initially paid into a Client Money Account and the office element paid to our office account when the receipt has cleared;
- (f) unbanked Client Money receipts are kept securely in a locked cabinet.

##### **4.2 Payment of Client Money** We ensure that:

- (a) checks are made to ensure that sufficient funds are held on behalf of the relevant client before payments are made;
- (b) a copy of the bank mandate is held and is up to date;
- (c) adequate authorisation and supervision procedures are in place for payments made by cheque, bank transfer and electronic methods;
- (d) all payment requests have supporting evidence and that documentation has been authorised in advance by an appropriate person;
- (e) blank cheques are not signed, and unused cheques are kept securely;
- (f) effective controls are in place over the setting up of new supplier accounts on the system;
- (g) cash payments are avoided.

#### **5. CLIENT ACCOUNTING SYSTEMS AND CONTROLS**

##### **5.1** We ensure that:

- (a) accounting records and systems are appropriate to the nature and volumes of client account transactions;
- (b) a central list of client bank accounts is maintained;
- (c) systems
  - (i) 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; and
  - (ii) 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;
- (d) accounting records are completed chronologically and promptly;
- (e) all ledgers have the client name and an appropriate description, e.g. the property address;
- (f) overdrawn balances on client ledgers are prevented by the systems or controls in place and where they do occur are investigated and rectified immediately; and
- (g) adequate controls are in place over unidentified client money to ensure that such funds are kept securely and the client located and reimbursed where practicable. Funds which have been held for more than six years may be donated to a registered charity.

- 5.2 For discrete accounts the monthly reconciliations should agree with the cash book or system balances to bank statement balances and include a full list of:
- (a) dated unpresented cheques;
  - (b) dated outstanding deposits;
  - (c) details of any other reconciling items;
  - (d) system reports supporting reconciliation figures as appropriate;
- 5.3 Reconciliations:-
- (a) should not include regularly occurring adjustments or reconciling items more than three months old, except for unpresented cheques which should be no more than six months old; and
  - (b) are reviewed and signed off by a Principal or an appropriate independent senior member of staff.
- 5.4 Client accounting records, including copies of reconciliations, are securely kept for at least six years plus the current year.

## **6. THIRD PARTY TRANSACTION SERVICE PROVIDERS**

- 6.1 Where we use a third-party transaction service provider (**TPTSP**) such as go-cardless we shall:-
- (a) ensure our contract with the TPTSP;
    - (i) enables us to comply with our ongoing obligations in relation to Client Money;
    - (ii) requires the TPTSP to apply appropriate safeguards and controls in relation to the transactions covered by the contract; and
    - (iii) requires the TPTSP to maintain appropriate insurance cover in respect of its obligations under the contract;
  - (b) provide written details to the relevant client including how the TPTSP operates, how the movement of funds will take place, any associated fees, charges, commissions or interest and these are calculated and taken; and
  - (c) maintain appropriate records to reflect all transactions effected using the TPTSP.