

Written procedure for handling client money

Where we hold money

We maintain a general client account, a number of discrete client accounts for larger landlord clients, and a tenant deposit client account. Unless you have been notified to the contrary in your Terms, we will hold your funds in the RCS Client Account.

General terms

We do not earn commission for the provision of management services, including the placement of services such as insurance.

We will receive any interest payments from the client account but will be responsible for the costs of administering the client account.

Our procedures allow only for the company principal to access accounts and make transfer of funds.

We are authorised to make payments of outgoings on the clients and tenants' behalf, to ensure administration of the investment, including but not limited to, payment of utility service costs, payments into service charge accounts, discharge of day to day repair work.

Process for payments from client accounts

We maintain and review our client account balance at seven day intervals. We will account to clients during the first and third weeks of the month but no more than once per month at our discretion.

We pay the balance of rent funds due for the accounting period, less our fees and any expenditure made on the clients behalf.

We ensure that the cash book (client account running balance) is up to date for the relevant client account and that the client ledge (client rent accounts) are up to date for the relevant client to ensure that there are sufficient funds available to make payments to and on behalf of the client.

Holding back client money

We will always obtain instructions from you to hold back client money, unless it is for a pre-agreed purpose, such as for payment of insurance premium, utility service costs, payments into service charge accounts, discharge of day to day repair work. The pre-authorised payment and amounts are outlined in our Terms.

If funds are held on behalf of a client for a specific purpose and that purpose is concluded or becomes inactive, then we will confirm instructions with the client to retain funds against alternative expenditure streams / projects or to repay the balance.

Payment of fees

In accordance with our Terms, you have authorised us to deduct our fees as set out in the Terms, at the point we account rent funds to you, or in the event that we are hold back funds in accordance with instructions.

Verification of payment request

Our procedures include requirements for all payment requests to have supporting evidence that has been checked and authorised. We will therefore reference each payment by landlord, property, and instruction issued prior to making payments.

In the event of error

Money that has been paid into the client account in error will be withdrawn or transferred from the client account promptly on discovery and accounted correctly.

We maintain a Client Account Events Log in which we record any errors in the accounting process occur. The errors will be reviewed by the Principal and, if these are considered a breach of RICS regulation, then RICS and the relevant client will be informed.

In the event of unidentified funds

We maintain an Unidentified Funds Log in which we record any funds that we cannot reconcile to an individual client.

We will review our reconciliation process in the Cash Book and Client Ledger to identify if a corresponding payment or surplus is due to or shown for a particular client.

Any unaccounted balance identified by our account reconciliation process will be paid to our designated charity. If such balances are subsequently identified, then it will be our responsibility to refund these.