

Client Money Handling Procedures

SHP VALUERS LIMITED shall preserve the security of clients' money entrusted to its care in the course of its practice or business.

Our aim is to ensure that clients' money can be clearly linked to the clients to whom it belongs and is protected on their behalf at all times and in particular, in the following circumstances:

- Insolvency
- Misappropriation by any party
- Transfer of client money to another organisation

Should clients' money be misappropriated, the firm will inform our governing body, the Royal Institution of Chartered Surveyors RICS and, where appropriate, the police and our insurers.

General controls

We ensure:

- employees have clear segregation of duties and responsibilities and that a Principal or appropriately qualified individual oversees the client accounting function.
- that we employ competent and knowledgeable staff who are responsible for processing clients' money and who are familiar with RICS Rules.
- that our accounting systems and client data are securely controlled and protected.
- that our computer systems are adequately protected for access, firewalls, backups and disaster recovery.
- there is adequate cover for holiday and long term absence.
- Principals cannot and do not override controls surrounding the accounting systems.
- all departments apply the same level of controls in relation to the client accounting function.

Client bank accounts

We ensure:

- that our clients' money is held in a clients bank account separate from all other monies and that client money is available on demand.
- any client bank accounts are correctly titled to distinguish the accounts from an office or any other account.
- we have obtained written confirmation from the bank of the client account conditions.
- we advise clients of the bank account details and agree the terms of the account handling, including arrangements for interest and charges.

Client accounting systems and controls

We ensure that:

- accounting records and systems are appropriate to the nature and volumes of client account transactions.
- our system 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.
- our system identifies 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.
- accounting records are completed chronologically and promptly.
- the current balances at the total and client levels are always available.
- overdrawn balances on client ledgers are prevented by the system or controls in place and where they do occur are investigated and rectified immediately.
- adequate controls are in place over unidentified client money to ensure that such funds are kept securely. The clients are located and reimbursed as soon as possible.
- a list of client bank accounts is maintained
- reconciliations are reviewed and signed off by a Principal or an appropriate independent senior member of staff.
- client accounting records, including copies of reconciliations, are securely kept for at least six years plus the current year.
- take prompt action to attempt to identify the owner of any unidentified client money received and pay this from a client money account to a registered charity where the owner cannot be identified after three years from receipt and all avenues of investigation have been exhausted. Obtain a receipt and an indemnity for all client money paid to a registered charity that would reimburse the firm for payment of the monies if a beneficiary is subsequently identified.

Controls over the receipt of client money

We ensure that:

- only a Principal or appropriate staff open incoming post.
- procedures exist to ensure all clients' money is banked within three working days.
- all cash and cheques received by post or by hand are promptly recorded.
- procedures exist to identify and distinguish between clients' and office money.
- mixed monies are initially paid into the client account and the office element paid in the office account when the receipt has cleared the bank.
- fees received in advance for professional work not yet billed are paid into a client account pending completion of the work.
- unbanked client money receipts are kept secure.
- if we receive client money but cannot identify the client, we have a procedure to ensure unidentified funds are reviewed as soon as possible and no later than one month from receipt.

Controls over the payment of client money

We ensure that:

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

Whistleblowing policy (confidential reporting)

'Whistleblowing' means the reporting by employees of suspected misconduct, illegal acts or failure to act. The Policy is to encourage employees and others who have serious concerns about any aspect of our work to come forward and voice those concerns.

SHP Valuers Limited operates a robust Whistleblowing policy to ensure any suspected misconduct, illegal acts or failure to act must be reported to a Principal who will act in confidence to the employee reporting the matter. This provides an extra level of security and department discipline over clients money.

RICS Certified

This is to certify that SHP VALUERS LIMITED is a member of the RICS Client Money Protection Scheme. See our RICS Client Money Protection Certificate on our website at <https://www.shpvaluers.co.uk/farms-and-estate-management/>

