

Pearce & Co is an RICS regulated firm which provides client money protection. As part of our responsibilities, we are required to set out what is considered client money and how we look after it. We are sending you this document as part of our obligations under the professional statement "Client Money Handling" 1st edition October 2019.

Pearce & Co (Chertsey) Ltd Client Money Handling Procedures.

What is Client Money?

Client Money is money of any currency (whether cash, cheque, draft, or electronic transfer) that is:

- held or received by us on behalf of another person (for example rent or service charge or insurance payments), or
- funds not immediately due and payable to us (for example invoices to us paid when work has not yet been completed)

How and where does Pearce & Co hold Client Money?

We hold client money separately from our own money and in accordance with the RICS professional statement Client Money Handling, 1st edition, October 2019.

We hold client money in general clients' bank accounts or designated discrete accounts over which we have exclusive control. All client accounts are easily identifiable and the funds immediately available.

Our main client account is held at Metro Bank, Two Rivers Retail Park, Staines TW18 4DP. This is referred to as Pearce & Co Main Client Account number 26009375. This holds client money belonging to more than one client.

Records of all payments and receipts relating to a client are recorded in a separate ledger on our management system to ensure segregation of funds and a running balance for each client.

A discrete client money account holds client money belonging to a single client. These include the name of the client in the title. Each account includes the word client allowing it to be easily recognisable.

Residential tenants' deposits are paid into the main client account on tenancy start, registered with the TDS, and transferred to a client account specifically holding residential deposits within five working days. Where a landlord holds a tenant deposit this is transferred to the landlord in 5 working days.

Client money is held with an appropriate banking institution (Metro Bank) who is regulated by the Prudential Regulatory Authority (PRA), the Bank of England and the Financial Conduct Authority (FCA). We obtain confirmation of the bank operating conditions. As an RICS-regulated firm, we are registered with the RICS Client Money Protection Scheme.

Access to funds

Each client account held with the banking institution is governed by a bank mandate that restricts access to principals or senior employees who have an appropriate responsibility and operational need for access.

All payments require dual authorisation.

Timescales for payment of cash into a Client Account.

All cheques received by post and any cash receipts are logged and banked within one week but as soon after the date of receipt as possible. Cash is stored in a safe prior to banking.

Transfers of client money are made to the general client account and where required transferred to discrete client accounts where necessary.

We are registered with HMRC for Anti Money laundering supervision and do not accept cash payments of more than £10,000 euros (circa £8.5K). If a cash payment is to be made, we may need to make enquiries to identify the source of funds prior to accepting.

Unidentified Funds.

We attempt to identify the owner of any unidentified client money received by us as soon as possible. Where the owner cannot be identified after a period of three years from receipt and all avenues of investigation have been exhausted, the money will be paid from the client money account to a registered charity. We ensure an indemnity to reimburse the funds should a beneficiary subsequently be identified.

Controls on payments from a Client Account.

All payments from client accounts are made to or on behalf of a client and with the client's written instructions or as specified in the management agreement with the client. (i.e. to their lender).

Payments for fees are made in line with the management agreement at the time of remitting funds to the client unless the client has given authorisation for the payment of agreed fees in a different way.

Payments cannot be made from the client account unless there are adequate funds for that client.

Contractor payments are approved by a property manager, payment set up by the financial controller and then authorised by a director following a unique log in.

During periods of holiday absence, the 2-stage payment process remains with a director setting up payments and a further director authorising these.

How interest and bank Charges are handled.

General clients' bank accounts are instant access accounts and may be interest bearing. We reserve the right to retain any interest earned through the aggregation of client accounts to offset general bank charges and administration costs associated with the accounts. Discrete Accounts are credited with interest at the relevant account rate and interval.

Reconciliation of accounts

The main client account is reconciled daily. Discrete accounts are reconciled monthly or quarterly.

Providing information to Clients about money.

Reporting requirements are agreed with the client at the outset and are documented in our Terms of Business or management agreement with the client.

In the event client money is incorrectly allocated or paid into an office account we will take prompt action to address the shortfall by making a payment to the client account. In the event client money is misappropriated, we will take prompt action to inform the RICS.

Complaints

We have a complaint handling procedure for both consumers and companies in line with RICS rules of Conduct.

Any questions?

Please get in touch at stenhall@pearceco.co.uk or robjamieson@pearceco.co.uk

Revised January 2023.