CLIENT MONEY HANDLING PROCEDURE

Our Policy

The whole of this document sets out Newton LDP's procedures for Handling Client Money which is in accordance with the RICS Client Money Handling Professional Statement (1st Edition) and the RICS Rules of Conduct, safeguarding client funds and maintaining transparency.

What is Client Money?

Client money includes any currency held or received by Newton LDP on behalf of another person (whether cash, cheque, draft or electronic transfer) as part of the delivery of our services.

Where is Client Money Held?

All client money held or received by Newton LDP is maintained in one or more designated Client Money Accounts with a UK authorised bank which is regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA).

The type of account will be either.

a. General Client money account – where client money is pooled, belonging to more than one client of the firm
b. Discrete Client money account – where money is held for a single client in a client named bank account. The name of the client will be incorporated into the account name

Within the general clients' bank account, each client's money is recorded in individual client ledgers to maintain segregation of funds. All money is easily identifiable and is available immediately.

Who has access to the Money?

All client money bank mandates are subject to review and sign off by senior management at Newton LDP. Staff members have access based on their individual roles, system access and approval controls to ensure business continuity.

How will the account operate?

All client money received by post or electronic transfer will be logged with the accounts team on the day of receipt, where possible and allocate to the appropriate client ledgers.

All cheques are banked promptly, usually within 1 week of receipt.

All accounts will be reconciled monthly as a minimum, identifying any unidentified funds which will be investigated as soon as possible. If it is not possible to identify what the money relates to it will be returned to the sender within 1 months of receipt.

Who has authorisation of client money?

Any payment requests must be accompanied by supporting evidence which has been checked and authorised. Payments of Client monies will be authorised by two senior staff members, ensuring sufficient funds are available before processing. Only Directors of the business have access to authorise payments on the client bank accounts

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How is Interest dealt with?

Client money held by Newton LDP general client account are interest bearing. The account maintenance and transactional banking costs are paid for by Newton LDP. Newton LDP will retain the interest earned on general clients' accounts which will offset the account maintenance and transactional banking costs.

How will records be maintained and audited?

Newton LDP appoint competent and knowledgeable staff to handle client money using the accounting systems maintained by Newton LDP. There are regular internal audits and an annual review of procedures.

We will retain copies of client money bank account statements, copies of reconciliations and supporting documents relevant to the transactions in the client money accounts for at least six years.

Our specific terms of engagement or management agreement state what should happen to client funds including reporting frequency throughout the duration the instruction.