Client Money Handling Procedure

Definition of Client Money

- Any monies (whether cheque, or electronic transfer) held or received by Metrus on behalf of our clients
- Excluding amounts which are immediately due and payable on demand.
- As part of the Royal Institute of Chartered Surveyors (RICS) professional statement (Client money handling effective from 1st January 2020) and internal due diligence, Client money held by Metrus is banked into a general clients' bank account or, a designated discrete account.
- A general client's bank account is a Client Bank Account which holds pooled client money belonging to more than one client
- A discrete Bank Account is a Client Named Bank Account which holds funds belonging to a single client.
- All client money held is available on demand.
- All Landlord and tenant monies are kept separate details of where funds are held can be found within the Management Agreement, Tenancy Agreement
- All Client Money accounts are solely used for Client Money and do not include office monies (Metrus funds relating to own business)

Where Client Money is held

- Client money is held with an appropriate banking institution regulated by the Prudential Regulatory Authority (PRA) The Bank of England and the Financial Conduct Authority (FCA)

Access to Funds

- Signatories are at Director level only, Only a principal of the firm can authorise new signatories to the client money accounts

Timescales for payment of Cash into a Client Account

- All cheques received by post are logged and banked on the day of receipt, where possible and allocated to the appropriate client money account.
- All unidentified funds are reviewed as soon as possible and either allocated or returned

Payments from Client Account Controls

- Withdrawal from a client account is only made after a funds check is carried out on our system
- We hold an appropriate mandate that lists all the authorised signatories that can either sign cheques or approve payment electronically.
- All payments are subject to relevant approval and supporting documentation. Segregation of duties in the client accounting function is in place to prevent data tampering with the payment process
- New Suppliers set up on the accounting system require authorised documentation before the supplier can be set up.
- Any New Suppliers or any changes to Supplier payment information is validated by the treasury team by contacting and verbally confirming the bank details with an independent individual not named on the Registration Form. Bank details are also validated using our internet banking product.

Controls over Receipt of Client Money

- Bank Statements are imported via Cash Management System daily for the preceding day receipts. The receipts are matched by the system to identify monies received.
- Treasury team check and post the receipts to the property management accounting system. On completion of receipting the system Auto Bank Transfer report is produced which is synched with our banking products to allow the auto upload to the bank of all funds received.
- A daily bank reconciliation is carried out.
- Where cheques are received these are banked on the day of receipt or the next working day depending on the time received by the team. Cheques banked are logged in a folder and a copy is saved for our records.

Handling of Interest and Bank Charges

- The Client Bank Account is an interest bearing ,instant access account and Mertus will cover transactional banking and account maintenance charges associated with the operation of such an account. Metrus is entitled to retain any interest earned through the aggregation of various client accounts to offset the general bank charges and administration costs associated with operating the Client Bank Account, as per a signed Property Management Agreement, Tenancy Agreement or Specific Terms of Business
- Discrete Accounts are credited with interest at the agreed rate and interval but will also be subject to bank charges

Reconciliation of Accounts

- The General Account is reconciled daily with the cash book and the bank statement by a member of the treasury team.
- Individual Client Accounts are reconciled on a monthly basis.
- Bank Accounts are reconciled on a monthly basis, using a three way reconciliation process between the bank, individual cash books and general ledger as required by RICS.

Reporting and frequency documents are agreed and documented with the client and provided in line with the agreement.