

Client Money Handling Procedures

General

Client money is protected through the RICS client money protection scheme and is held in accordance with the RICS client money protection scheme rules.

Galbraith follows RICS mandatory and best practice guidelines as set out in *RICS, Client Money Handling, effective from 1 Jan 2020*.

Procedures are reviewed on a regular basis but no less than triannually.

Detailed procedures are available from the Head of Finance on request.

Client Money Handling Procedures

What is client money?

Client money relates to money of any currency, whether in the form of cash, cheque or electronic transfer, which is:

- Held or received on behalf of another person, including money held by a regulated firm as stakeholder.
- Is not immediately due and payable on demand.

Where do we hold client money?

Client money is held in one of the following:

- A discrete bank account – a Galbraith held bank account in the name of a single client
- A general client bank account – a Galbraith held bank account holding client money on behalf of more than one client

Galbraith also transacts on behalf of clients on client controlled bank accounts. These are not covered by the RICS client money protection scheme but we exercise the same controls and best practice procedures over such accounts as we do over Galbraith held discrete or general bank accounts.

How do we hold client money?

- We keep client monies separate from Galbraith's own monies at all times
- We hold all client money in a client money account over which Galbraith has exclusive control
- Monies are identifiable and immediately available
- Within a general clients' bank account, funds belonging to each client are recorded individually

- Monies are held in an appropriate UK banking institution, authorised by the relevant regulatory body
- We confirm the bank operating conditions to clients in writing

Where the client requests that money is held in an account accessible to the client and Galbraith, the bank account must be set up by the client and cannot be a discrete Galbraith held client account. This is a client controlled bank account, as referenced under *Where do we hold client money?* above.

Access to funds

- Signatories are at Partner level, with the exception of the Head of Finance
- New signatories to client money accounts must be approved at Partner level

Payments into a client account

- Galbraith does not accept cash on behalf of clients
- Cheques are logged on the day of receipt and banked within 3 working days of receipt
- Cheques are allocated to the appropriate client money account

Payments from a client account

- Each client's money is only used in relation to that client
- All payment requests must be accompanied by supporting evidence that has been checked and approved (this includes appropriately approved invoices and verified payee bank details)
- Segregation of duties in the client accounting function is in place to prevent unauthorised activity/data tampering within the payment process

Interest and bank charges

- Client bank accounts are interest bearing, instant access accounts
- Galbraith may charge the client transactional banking and account maintenance charges associated with the operation of a discrete client bank account
- Charges in respect of a general client account will be borne by Galbraith
- Interest earned on a discrete client bank account will be retained in that account
- Interest earned in respect of a general client account may be retained by Galbraith

Reconciliation of bank accounts

Bank accounts are reconciled on a monthly basis with segregation of duties in place.

Reconciling items are cleared as soon as possible but not more than 3 months from date of transaction.

Discrete and client controlled bank accounts

- Bank statement, system generated ledger and system generated list of dated reconciling items presented for review and sign off

General client accounts

- Bank statement, system generated bank balance and system generated individual client ledgers presented for review and sign off

Information provided to clients in respect of monies held on their account

Reporting is generally monthly but may follow a different timescale depending on the requirements agreed with the client.

Martin Cassels, Chief Executive Officer

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