

## Client Accounting Procedures

This policy covers Eddisons Commercial Holdings Ltd and all subsidiaries including Eddisons Commercial Limited, Eddisons Insurance Services Limited, Pugh & Co Limited, and Ernest Wilsons & Co Limited. Eddisons Commercial Limited also incorporates the following trading names: Remotzone, Eddisons Taylors, Eddisons CJM, Barker Storey Matthews, Croft Transport Planning and Design, Daniells Harrison, Budworth Hardcastle, HNG Chartered Surveyors and Fernie Graves.

Eddisons take our responsibilities for managing client money very seriously. Our client money procedures adhere to the RICS client money rules. In line with the Royal Institution of Chartered Surveyors (RICS) professional statement (Client money handling, effective from 1 January 2020), this document sets out the key procedures that apply:

### 1) Definition of client money

Client money comprises any currency that is held on behalf of our clients as part of the delivery of our services, excluding any amounts which are immediately due and payable on demand.

### 2) How and where client money is held

All client money is held in client bank accounts separate from all other monies. A client bank account is either a general clients' bank account, holding money belonging to one or more client, or a discrete bank account holding money belonging to a single client. The client money bank account includes the name of the firm and the word "client" to distinguish the account from an office or any other account. If it is a discrete account, the name of the client is also included in the account title.

Client money is held in an appropriate bank authorised by the Prudential Regulatory Authority (PRA) or the Financial Conduct Authority (FCA). Written confirmation from the bank of the client bank account operating conditions are held by the company. All client money is available on demand.

### 3) Access to funds being restricted to principals or senior employees

Access to client money accounts is restricted to specific individuals who possess an appropriate level of seniority and experience. Changes to approval permissions must be approved by a senior member of staff. All bank mandates are reviewed at least on an annual basis and approved by a senior member of staff.

### 4) Timescales for payment of cash and cheques into a client account

Electronic transfers of client money are made directly into a common account before being allocated to relevant discrete accounts. Where money is received by cheque, these are logged and recorded, before being banked on the day they are received. Cash payments are not accepted unless specifically necessitated by individual client requirements (e.g. car parking charges). All unidentified funds are reviewed as soon as possible and no later than 1 month from receipt at which time they will be allocated or returned.

## 5) Controls for authorisation of payments from a client account

A withdrawal from a client account can only be made in accordance with the bank mandate and the firms procedures and systems. Prior to any payment, checks are carried out on client ledger balances, taking into account other payments which may be in progress. Authorisation by appropriate individuals is obtained for an electronic payment to be made. By exception, payment by cheque can be approved by a principal. Where a non-principal is mandated to sign cheques or authorise electronic payments, adequate supervisory arrangements are in place. All payment requests have supporting evidence, which should be authorised and presented with the cheque for signing. Procedures exist to ensure that fees or other notifications of costs have been sent before or at the time of the transfer of costs is made. Segregation of duties in the client accounting function are in place to prevent data tampering within the payment process.

## 6) How interest and bank charges are handled

The client bank account is an interest bearing, instant access account and Eddisons will cover all transactional banking and account maintenance charges associated with the operation of such accounts. Eddisons is also entitled to retain any interest earned through the aggregation of various client accounts to offset general bank charges and administration costs associated with operating the client bank account in line with the Property Management Agreement or relevant Terms of Business or other client agreement.

## 7) Information about reconciliation of accounts and checking of reconciling items

Appropriate records are maintained for all common and discrete client bank accounts. Common accounts are reconciled on a daily basis between the cash book and the bank statement. On at least a monthly basis, a reconciliation between the cash book, bank statement and general ledger is performed for all common and discrete accounts, in line with RICS requirements.

## 8) What information will be provided to clients about monies held on their account and the frequency of any reports.

Reporting arrangements will be set out in relevant Property Management Agreement, relevant Terms of Business or other client agreement. All clients will be provided in writing with client bank account details, including arrangements for interest and charges.