



## Client Money Handling Policy

Bax Thomas French Ltd (trading as BTF Partnership) ("BTF") recognises the importance of ensuring that they comply with their professional requirements and that client funds are properly protected. The objectives of this policy are to ensure that client's money is kept safe and money accounts are used for appropriate purposes only.

This policy will be reviewed annually or following significant regulatory changes.

### **Persons Applicable**

This policy applies to:

- All employees (permanent, temporary, and agency staff)
- All Directors and Consultants engaged in business for and with BTF

### **What is 'Client Money'?**

Money of any currency (whether in the form of cash, cheque, draft or electronic transfer) that:

- BTF holds for or receives on behalf of another person, including money held by a regulated firm as stakeholder and
- Is not immediately due and payable on demand to BTF for its own account

Examples of client money include (but is not limited to):

- Rents
- Deposits
- Service Charge funds
- Reserve funds
- Insurance premiums
- Any funds not belonging to BTF for services rendered but which BTF is responsible for holding in trust.

### **Money Protection Scheme Rules**

BTF are registered with:

- RICS Client Money Protection Scheme for Surveying Services
- RICS Money Protection Scheme for Property Agents

All procedures and scheme rules for the above must be followed and adhered to.

### **Holding Clients Money**

All client money is held in an account over which BTF have exclusive control. All employees that have sight of or control over such accounts are duly recorded. The list of signatories for the account is updated following staffing changes or reviewed every three years, whichever is the sooner. Any review to the list of signatories will be signed off by a Director.

No BTF office money is held in a client account. In exceptional situations where a receipt of mixed monies (e.g. being client money and BTF money for services provided) is awaiting part transfer to BTF Office Account, the transfer of part must be signed off by a Director and member of the accounts team.

Any client accounts are correctly named with either client name or property address to easily distinguish them from BTF Office accounts and must state that they are a 'client account'.



All moneys held in client accounts are immediately available, even at the sacrifice of interest, unless other arrangements are in the best interests of the client and the client has given express instructions in writing to the contrary.

If a client has given instructions to hold monies in a high interest account with penalties for instant access, penalties are only paid out of the client account if the client has provided specific informed consent and this will not result in an overdrawn balance – otherwise the bank will be instructed that penalties for withdrawal are to be applied to the BTF Office account.

A copy of the bank's operating conditions is kept in writing along with acknowledgement from the bank that monies in a client account will not be combined with or transferred to any other account maintained by BTF. The bank is not entitled to exercise any set-off or counterclaim against money in that client account for any sum owed to it for any other account of BTF.

If a client requests that money is held in an account to which the client and BTF have joint access, this account is to be set up by the client.

### **Interest and Commissions**

All client accounts are interest bearing. Any interest earned on client money in the following two bank accounts will be retained by Bax Thomas French Ltd and transferred to the firm account as an administration fee excluding instances where a lease stipulates specific action to be taken in reference to any interest accrued on deposit funds held:

- i) Bax Thomas French General Client Account
- ii) Bax Thomas French Deposit Client Account

Any interest earned on client monies collected and held in other individual client accounts will remain due to the client, unless otherwise agreed separately.

Any commission fees payable in accordance with agreed terms of business will be disclosed to the client and noted within the statements provided.

### **Informing Clients**

BTF will provide the following information to clients:

- Confirmation that client money will be held in a client money account, including bank account details, that BTF has exclusive control over
- Advice to clients who pay fees in advance for surveying services (but not property agent services in England) that this money is not covered by the Client Money Protection scheme.
- Disclosure of all commissions earned by BTF while managing the clients property
- Confirmation on how unidentified funds will be dealt with
- A copy of BTFs Client Money Handling Policy which contains details of the above

### **Receipts of Client Money**

In no circumstances should cash deposits be made into a Client Account.

All client money received is to be paid into the correct client money account promptly (being no later than 7 days after receipt). In circumstances where mixed monies are received, this is to be paid into the client account and then the correct part transferred into the BTF Office Account following a BTF invoice being raised and two signatures to sign off for transfer (being a member of the accounts team and a Director).



If a client gives instructions to hold only part of a payment then the whole payment is to be placed into a client account before transferring the relevant part out promptly, a copy of the clients instructions to be retained for record.

### **Unidentified Funds**

Should any unidentified money be received then prompt attempts should be made, and duly recorded, to identify the owner of this. Following three years from receipt, if all avenues of investigation have been exhausted to identify the correct owner then this is to be paid from a client account to a registered charity with a receipt for payment being requested. BTF will obtain an indemnity for all client money paid to a registered charity that would reimburse BTF for payment of the monies if a beneficiary is subsequently identified.

### **Payments from Client Accounts**

Any payment made from a client account must only be for the purpose of that client's matters and following instructions in writing either from the client or the duly appointed BTF employee who has written authority from the client. Sufficient funds must be held for the relevant client before making any payments on their behalf.

Written permission must be obtained from the client, or a BTF employee acting with due written authority, before any direct debits or standing orders are set up from a client money account. Written permission must also be obtained before bank costs are recharged to a client money account. Should a monetary limit be given for BTF to authorise any payments (being standing orders, direct debits or bank transfer for invoice payments) on behalf of a client without expressed written authority then this limit will be agreed within the Terms of Business for that client.

If a BTF fee is due, unless the client has given written authorisation for deduction of agreed fees without prior notification, BTF must send an invoice or other written notification of the costs incurred, to the client before withdrawing money from a client money account for payment of BTF Fees, a transfer from the client account to the BTF Office account must then be made promptly.

If there is no longer a valid reason to retain funds and any further payments (e.g. refunds received) then this is to be paid to the client immediately.

If money has been paid into a client account in error (e.g. rent paid into a deposit account) then this should be withdrawn and transferred to the correct account promptly on discovery. The transfer and reason for should be duly recorded.

Amendments to any current suppliers/client account bank details or addition of any new suppliers/client bank account details will need to be signed off by a Director and phone verification completed and duly recorded. Instructions to amend bank account payment details cannot be received via email without additional due verification.

Payment from one client account must **never** be paid to cover another client's balance.

### **Accounting Records and Controls**

Clear records are to be kept that show all dealings with client money and that can demonstrate that all client money held is done so in a separate designated client account.

A separate statement for each client is to be kept and circulated to that client on a regular basis. Statements should be circulated to the member of staff instructed by the client to act on their behalf.

Any receipts, payments and balances are to be duly recorded and may be called upon for internal spot inspections.

Client accounts are to be reconciled with the following regularity:



Type of Account	To be reconciled
Rent collection accounts	Monthly
Service Charge collection accounts	Monthly
Tenant Deposit accounts	Quarterly

Reconciliations are signed off by a Director with all relevant supporting information being available for review.

Discrete Client Accounts are subject to two-way reconciliation and the General Client Account is subject to three-way reconciliation

**Third Party Transaction Service**

BTF do not currently employ a third party transaction service.

**Overdrawn Balances**

Overdrawn balances are to be prevented and, if these do occur, the matter should be investigated immediately and rectified. Should an account become overdrawn then the Director that is instructed by this client should be notified immediately.

**Instances of Non-Compliance or Irregularities**

All members of staff will be duly trained in accordance with BTF’s Anti-Money Laundering policy and should ensure that the relevant legislation is considered when taking receipt of client’s money. Any member of staff not acting in accordance with this legislation may be subject to disciplinary proceedings.

Should a discrepancy be located in relation to a client account then this matter is to be immediately reported to the Director instructed by that client or, if applicable, the Managing Director. Any breach of requirements will be investigated and remedied promptly on discovery, including the replacement of any money improperly withheld or withdrawn from a client account.

All breaches of the mandatory requirements will be recorded in writing and consideration of whether to inform RICS and any client affected by the breach will be duly given.

The Managing Director is to be notified immediately if client money is misappropriated by any person and they will then inform RICS, the client, and BTF insurers.

BTF’s whistleblower policy can be referred to should an employee suspect another member of staff is acting in an inappropriate manner with client’s money or the managing thereof.

**Continued Training**

Any member of staff handling client’s money or instructing matters relating directly to the withdrawal from a client account will receive regular documented training to ensure that they are familiar with BTF’s control procedures, policies and RICS Standards.

Document Review	Date
Laura Nesfield (Director)	27 <sup>th</sup> February 2026