

propertymark

**Mr Charanjit Khangura MARLA,
MNAEA
Director,
Chan Khangura Limited t/a Whitegates**

Disciplinary Tribunal Decision

March 2023

Disciplinary Tribunal Decision

Member:	Mr Charanjit Khangura MARLA, MNAEA
Position:	Director
Company/Employer:	Chan Khangura Limited t/a Whitegates
Address:	6 Cherry Tree Centre, Huddersfield, HD1 2ET
Complainant:	Propertymark
Reference:	Y0001553
Date:	30 March 2023

A. INTRODUCTION

A Disciplinary Tribunal of Propertymark Limited was convened on 30 March 2023 to consider the case against Mr Charanjit Khangura.

The panel members were Mr Jim Atkins PPNAEA (Honoured) (member panellist acting as the Chairperson for the Tribunal), Mrs Wendy Younge MARLA, MNAEA (member panellist) and Mr Clive Wood (lay panellist).

The presenting Case Officer for Propertymark was Mr Ali Haider.

Mr Khangura attended the hearing via Zoom, accompanied by his accountant, Mr Craig Stratford.

The hearing took place in private and was recorded.

B. ALLEGATIONS

The Tribunal considered the allegations set out in the case summary sent to Mr Khangura.

It was alleged that Mr Khangura had acted in contravention of the requirements of the following Propertymark Conduct and Membership Rules.

1.7. Access to, or availability of, Client Money

A member must ensure that, at all times, all Client Money is held in Client Bank Accounts and is available on demand to Clients without undue delay or penalty. (For the avoidance of doubt, Client Money must not be placed or held in off-shore accounts or fixed/variable rate term bonds or similar funds or arrangements, unless the bank or building society

falls within the definitions in **1.2**, funds are available on demand and any penalty for withdrawal is paid by the member's firm.)

Note: Any penalty for withdrawal of Client Money must be limited to interest earned.

1.15. Timing of banking

1.15.1 A member's firm must bank all receipts of Client Money into an appropriate Client bank account within a maximum of two working days from the day on which it was received.

1.15.2. All payments out of a Client bank account should be made promptly, and within not more than 1 calendar month of becoming due.

1.18. Record keeping (firms using a CASP; see also 1.3.2)

Each member's firm must keep detailed accounting records, using a bookkeeping system that is adequately designed and operated. Such records need to record:

1.18.1. All Clients' Money received, held, or paid out by the firm.

1.18.2. The amounts, dates, names, property addresses, reference numbers and other relevant details to identify individual transactions.

1.18.3. Any other money dealt with through a Client bank account, attributable to individual Clients.

1.18.4. An individual Client's balance of monies held, and a balance of all Clients' Money held.

1.19. Books of record

All dealings referred to in clauses **1.18.1** to **1.18.4** above shall be recorded as appropriate, either:

1.19.1. In a Clients' cash book, or in a Client's column of a cash book; or

1.19.2. In a journal recording transfers from the ledger account of one Client to that of another.

1.19.3. And, in either case, additionally in a Clients' ledger or in a Client's column of a ledger.

1.20. Supporting documentation

Records must include a list of all persons for whom a member's firm is or has been holding Clients' Money, reconciliation documents, and a list of all the bank and building society account(s) in which the money is held and must include counterfoils or duplicate copies of all receipts issued in respect of Clients' Money received, which shall contain the particulars required to be shown in the accounts.

1.23. Reconciliation(s) – format and frequency

1.23.1. Every member's firm shall:

- (a) Ensure all monies due to member firm are removed prior to final reconciliations being undertaken.
- (b) At least once every two calendar months (and within no later than ten weeks of a previous reconciliation), reconcile the balance on their Client's cash book(s):
 - (i) With the balance in their Client bank account(s) using the bank/building society statement(s); and
 - (ii) With the total of each Client's balance in the Clients' ledger; and
- (c) Ensure that such documents necessary to support the reconciliation so produced have been kept safe, complete, and readily available in the cash book or other appropriate place.

1.23.2. All such reconciliations should be checked and signed by the PPD member of the company, or by such person formally appointed by the PPD, who shall not be the person responsible for the preparation of such reconciliation. (This could be a member of staff of the appointed reporting Accountant, provided this is conducted within ten working days of the reconciliation.)

1.23.3. Reconciliations must be stored so as to be readily available at audit or inspection, in accordance with **1.21**.

13. General duty to uphold high standards of ethical and professional behaviour

13.1. No member shall do any act (whether in business or otherwise) which:

- 13.1.1. Involves dishonesty, deceitful behaviour, or misrepresentation; and/or
- 13.1.2. Involves other unprofessional practice or practice that is unfair to members of the public; and/or
- 13.1.3. In any other way brings Propertymark or any of its divisions or subsidiaries into disrepute.

21. Continuing Professional Development (CPD)

21.1. CPD is mandatory for all ARLA, ARLA Inventories, NAEA, NAEA Commercial and NAVA members except for Affiliate, Deferred, Retired grade members.

21.2. Members are required to undertake at least twelve hours' CPD activity per year. At least four of the twelve hours must be obtained by attendance at relevant educational events and up to eight hours by relevant private study (except for those studying for Propertymark Qualifications relevant to their specialism). All CPD should be relevant to the membership specialism and/or relevant to business needs.

21.3. The CPD year runs from 1 January to 31 December and the twelve hours should be submitted by 31 January of the following year, listing the learning outcomes.

21.4. CPD must be provided annually for membership to continue.

21.5. If members belong to more than one division, they are required to submit twelve hours' CPD for each division demonstrating a relevant learning outcome.

Mr Khangura entered a plea denying the alleged breaches of Rules 1.7, 1.15, 1.18, 1.19, 1.20, 1.23 and 13 but admitted a breach of Rule 21.

After consideration of the evidence presented and submissions by the parties, the Tribunal announced the following findings:

C. DECISION

Rule 1.7	-	Not Proven
Rule 1.15	-	Not Proven
Rule 1.18	-	Not Proven
Rule 1.19	-	Not Proven
Rule 1.20	-	Not Proven
Rule 1.23	-	Proven
Rule 13	-	Not Proven
Rule 21	-	Admitted

D. SANCTIONS

Rule 1.23	-	£300
Rule 21	-	£200

In addition, the costs of this hearing of £588.75 were imposed against Mr Khangura in favour of Propertymark.

E. PUBLICATION

The outcome of the case fell within the Propertymark publication policy.

F. CLOSING STATEMENT

The Tribunal made the following statement:

“Mr Khangura, we are pleased that you attended today’s Tribunal online. It greatly assisted us in a full understanding. Whilst a number of alleged breaches were not proven, we strongly feel that the transfer of funds from Whitegates Brighthouse’s client account should have been managed more diligently. We trust that a client account transfer on any future acquisition will comply with our Rules. In connection with CPD, it is noted that you recorded CPD in 2011 but have failed to record since. The association repeatedly reminds members in regular email bulletins that CPD not only has to be carried out, but it also has to be recorded.”