

## **GILES WHEELER-BENNETT CLIENT MONEY HANDLING SYSTEMS**

### **Client Monies**

Giles Wheeler-Bennett Limited (GWB) has three Client Accounts at Barclays Bank available for client use, the names and definitions of which are set out below:

Rent Account - for use by clients for whom GWB collects rent either on a regular basis or a one-off basis.

Client Account - for use by clients for whom GWB collects any other monies other than rent.

Deposit Account - for the safe holding of deposits on behalf of tenants under Assured Shorthold Tenancies and which are registered with the Tenancy Deposit Scheme (TDS).

Care is taken that no one client has more than £50,000 in their name but this has never yet happened.

All bank accounts are reconciled monthly.

### **New Tenants & Receipts of Money**

Bank references and credit checks are usually undertaken for all new Assured Shorthold Tenancy tenants and most rents are arranged to be paid by standing order into the Rent Account.

For those rents which are paid by cheque and any other monies received on behalf of clients, the cheques are paid into the appropriate account on the same day of receipt with the appropriate reference stated on the paying-in book detailing as appropriate the client, tenant, property and the reason for the payment where required.

Cash is avoided where possible but if a cash payment is made by a tenant a written receipt is given. All bank notes will be checked for their authenticity using a special marker pen.

The post is opened daily by one of the Directors and any cheques are immediately entered into the paying-in book for banking that day.

### **Payments**

Monies are held in the clients' accounts for varying lengths of time and as agreed with the client. Regular rents received into the Rent Account are accounted to clients on a quarterly basis at the end of each calendar quarter. This also coincides with the main agricultural rent payment dates of Lady Day (25 March) and Michaelmas (29 September).

Some monies may be paid out on behalf of clients during the calendar quarter on items such as boiler services, minor repairs/leaks, etc and as agreed with the client.

At any time when payments are made on behalf of clients or to clients, the balance in their account is checked to ensure there are sufficient monies available to make such payments on their behalf.

Giles Wheeler-Bennett employs an external accounts' clerk who processes all receipts and payments on the Key Landmark Property & Accounts software approximately every two weeks so that the client information is kept up-to-date.

## **Quarterly Rent Accounts**

When completing rent accounts for clients for whom rent is regularly collected, an individual rent statement is prepared for each tenant and landlord using the Key Software reporting functions and then a separate schedule is prepared for the relevant landlord (client) to account for all the monies received during the previous quarter and showing the rents due and any arrears. These statements are then used to prepare the invoices sent to clients which state the total monies collected and which then deduct the agreed GWB commission and VAT and any other outgoings (ie, invoices paid on behalf of clients) to leave a final cheque to balance figure due to the client. A cheque is then written to the client for this sum and forwarded with the relevant paperwork. Electronic payments are made to clients and/or other parties where this has been specifically requested.

Copies of all paperwork are kept on the clients' accounting files and copies of any invoices on the relevant management file for the property.

Once the rent monies have been paid out to the clients, any commission due to GWB is transferred from the Rent Account to the Office Account with a separate file and record maintained for these transactions.

## **One-off Payments Received on Behalf of Clients**

One-off payments are sometimes received on behalf of clients and these are placed into the Client Account. These payments are non-rental payments and would typically be compensation monies paid to a client from say Southern Electric or Portsmouth Water as a result of a disturbance claim and would normally include an element of GWB fees.

The monies would be received in total into the account via a cheque and the client's share paid out to them as soon as monies have cleared. The GWB fees would then be transferred from the Client Account to the Office Account again with a separate file and written transaction recorded. All supporting paperwork is retained in the relevant management files for the client.

Occasionally some tenants request that the firm hold monies on their behalf for the payment of rent due to clients and these monies would also be retained in the Client Account. Again the paperwork and the relevant management files would reflect this and the subsequent transactions.

## **Deposits**

Deposits which are collected from tenants who have Assured Shorthold Tenancies and which are held on behalf of them for their landlords (clients) are registered with the Tenancy Deposit Scheme and held in a separate Tenancy Deposit Account. These deposits are held throughout the duration of the tenancy and returned to the tenant(s) at the end of the tenancy without the payment of interest subject to the tenants fulfilling their obligations and requirements under the said tenancy and in accordance with the Tenancy Deposit Scheme.

## **Rental Arrears**

Rents paid by tenants are checked quarterly when completing the Quarterly Rent Accounts and for new tenants the rents are initially checked after each expected payment to ensure that the correct payments have been made and are on time. The payment of some rents is requested by written demand and the receipt of the rent following the demand is verified.

Any tenants which are known to be persistently bad payers (ie: always in arrears or late in payment) have a close eye kept on them and their accounts are checked monthly to ensure the

necessary action can be taken swiftly. If any tenant is late in paying rent, an initial letter is written to notify them of the over-sight and request a prompt settlement. If this letter is ignored, this is followed up by a telephone call to discuss the matter with them and find out the reason for the non-payment of rent with appropriate action taken to sort out any problems and arrange for the payment of the arrears. If the arrears continue to build, then discussions are held with both landlord (client) and tenant and if necessary legal action taken to pursue the debt.

### **Permanent Files**

Copies of the GWB Terms of Business are forwarded to all new clients.

Details of tenants' bank accounts and clients' consent to hold monies are held with other records in a permanent Client file which can be updated when required and these records are held in accordance with the General Data Protection Regulation requirements. The firm also ensures that it complies with the Money Laundering Regulations when dealing with any existing and new clients and a copy of the firm's policies under the Money Laundering Regulations are available separately.

### **Account Verification**

The Rent Account/Client Account and Deposit Account are regularly checked by the firm's accounts' clerk to ensure that they are kept up-to-date and bank reconciliations are undertaken on a regular basis with a secondary check undertaken by one of the Directors on at least a monthly basis.

### **Electronic Payments**

Electronic payments will be made to clients, tenants and other third parties if requested. However, account information will not be accepted by email alone. For the prevention of fraud, it is the firm's policy to confirm the relevant bank account details with the payee by two methods if initially sent by email which will either be verification by telephone, by text message, by letter or by a pdf attachment on headed paper.