Compliance Statement – Handling Client Money

It is a requirement of the RICS that we publish written procedures to explain how we handle client money and provide our clients with a copy of the procedures on request. We have recently updated our procedures and attach a copy for your records

We hold all client money in a clients' account which is in Smiths name on behalf of the client and therefore accounted for separately from the firm's money. The allocation of all monies coming into designated (specific account for landlord) or undesignated (General Clients account) are recorded in our property management system where each individual Landlord has their own account connected to the properties and tenants we manage.

Reconciliations are performed twice a month between the Bank and the property system. Any reconciling items are explained and allocated within 3 months or arising if possible. All reconciliations are reviewed monthly by a director of the firm.

Access to the Client Bank Accounts is restricted to the Property accountant, Managing Director and Finance Director. There is a two-tier authorisation process in place for all payments with one of the Directors being the second level approval.

Monies are mostly received by bank transfer but where we do receive cash or cheques they are paid into the Bank within 3 working days of receipt. Allocation of all monies shown on the bank statements is posted in the property management system at least every other working day.

Bank interest received into designated bank accounts is kept by the Landlord and will show on the quarterly statement provided. On the Undesignated account the interest accrued is transferred to Smiths own office account as it is not possible to allocate. Likewise, Smiths pay any bank charges on the undesignated accounts whereas charges on designated accounts are paid by the individual landlords.

Landlord Statements are prepared and sent on at least a quarterly basis (and where requested monthly). Requests for any accounting information can be obtained at any time on request.