



# Letting and Property Management

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## Client Money Handling Procedures

AE Residential Ltd shall preserve the security of clients' money entrusted to its care in the course of its practice or business.

Our aim is to ensure that clients' money can be clearly linked to the clients to whom it belongs and is protected on their behalf at all times and in particular, in the following circumstances:

- Insolvency
- Misappropriation by any party
- Transfer of client money to another organisation

Should clients' money be misappropriated, we will inform our governing body, UKALA and where appropriate, the police and our insurers.

### General Controls

#### We Ensure:

- employees have clear segregation of duties and responsibilities and that a Principal or appropriately qualified individual oversees the client accounting function.
- that we employ competent and knowledgeable staff who are responsible for processing clients' money and who are familiar with UKALA Rules.
- that our accounting systems and client data are securely controlled and protected.
- that our computer systems are adequately protected for access, firewalls, backups and disaster recovery.
- there is adequate cover for holiday and long-term absence.
- Principals cannot and do not override controls surrounding the accounting systems.
- all departments and branches apply the same level of controls in relation to the client accounting function.

### Client Bank Accounts

#### We Ensure:

- that our clients' money is held in one or more client bank accounts separate from all other monies and that client money is available on demand.
- any client bank accounts are correctly titled to distinguish the accounts from an office or any other account.
- we have obtained written confirmation from the bank of the client account conditions.
- we advise clients in writing of the bank account details and agree the terms of the account handling, including arrangements for interest and charges.
- we have obtained written consent from our clients regarding retention of interest.

[Zoopla.co.uk](http://Zoopla.co.uk)

[www.aeresidential.co.uk](http://www.aeresidential.co.uk)

AE Residential Registered in England.

Registered No. 7907569



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# Client Accounting Systems and Controls

## We Ensure That:

- accounting records and systems are appropriate to the nature and volumes of client account transactions. We use a suitable software package to manage client money effectively.
- our systems provide details of all money received into and paid from all client accounts and show a running balance of all client money held in that account.
- our systems identify all receipts and payments to the client to which they relate; for example, by means of client ledgers showing cash balances held on behalf of clients at all times.
- accounting records are completed chronologically and promptly.
- the current balances at the total and client levels are always available.
- all ledgers have the client name and an appropriate description, e.g. the property address.
- overdrawn balances on client ledgers are prevented by the systems or controls in place and where they do occur are investigated and rectified immediately.
- adequate controls are in place over unidentified client money to ensure that such funds are kept securely. The clients are located and reimbursed as soon as possible. Such funds held for more than six years are donated to a registered charity.
- a central list of client bank accounts is maintained including dates of opening and closing accounts.
- we complete a 'three way' reconciliation at least once every month where clients' money is held in a general client account.
- reconciliations are reviewed and signed off by a Principal or an appropriate independent senior member of staff.
- client accounting records, including copies of reconciliations, are securely kept for at least six years plus the current year.

## Controls Over the Receipt of Client Money

### We Ensure That:

- only a Principal or appropriate staff independent of accounting staff open incoming post.
- procedures exist to ensure all clients' money is banked within three working days.
- all cash and cheques received by post or by hand are promptly recorded.
- a reconciliation is performed between money received by post and that day's banking.
- procedures exist to identify and distinguish between clients' and office money.
- mixed monies are initially paid into the client account and the office element paid in the office account when the receipt has cleared the bank.
- fees received in advance for professional work not yet billed are paid into a client account pending completion of the work.
- duplicate receipts are issued for cash received and controls over the physical security of cash are effective.
- unbanked client money receipts are kept secure.

## Controls Over the Payment of Client Money

### We Ensure That:

- checks are made to ensure that sufficient funds are held on behalf of the relevant client before payments are made.
- a copy of the bank mandate is held and is up to date.
- adequate authorisation and supervision procedures are in place for payments made by cheque, bank transfer and electronic methods.
- insurance and adequate Principal supervision is in place where payments are made by non-principals.
- all payment requests have supporting evidence and that documentation has been authorised in advance by a Principal or other appropriate person.
- blank cheques are not signed, and unused cheques are kept securely.
- effective controls are in place over the setting up of new supplier accounts on the system.
- cash payments are avoided.