

Property Management

CASHFAC SECTOR LITERATURE



Introduction

Technology plays a crucial role in managing the day-to-day cash management operations of property management professionals. Account records and systems need to be suited to the nature and volume of client account transactions, and regulated property management companies who hold client money need to separate client funds from all other cash.

At Cashfac we help property management companies manage their client money more effectively by implementing our virtual accounts solution. This involves automating manually intensive, spreadsheet-based processes across several key business areas including:

- Receipt and Reconciliation Management
- Payments
- Interest Capitalisation
- Bank Account Opening and Closing



5 Biggest Challenges of Cash Management



Client Funds Segregation

Property managers need to be able to separate client funds from all other cash, with additional separate accounts for service charge cash. To do this, many property managers have had to open and operate hundreds (and sometimes thousands!) of bank accounts, all with onerous, manual account opening processes.



Three-Way Reconciliation

This involves reconciling cash book balances to bank statements and to individual client ledger balances with evidence of review and sign off. Using laborious spreadsheets leads to inaccurate and slow receipt allocation, difficulties in managing unidentified receipts, inability to return cash-to-sender for unmatched items and resourcing to match peak workload times.



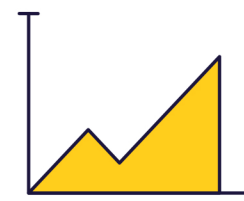
Controlling Client Money Payments

Property managers must ensure enough funds are held on behalf of their client before payments are made so that client ledger balances never become overdrawn, with adequate control over payment authorisation.



Segregation of Duties

The need to ensure that there is adequate control across different personnel, departments and locations as part of a consistent operating rhythm.

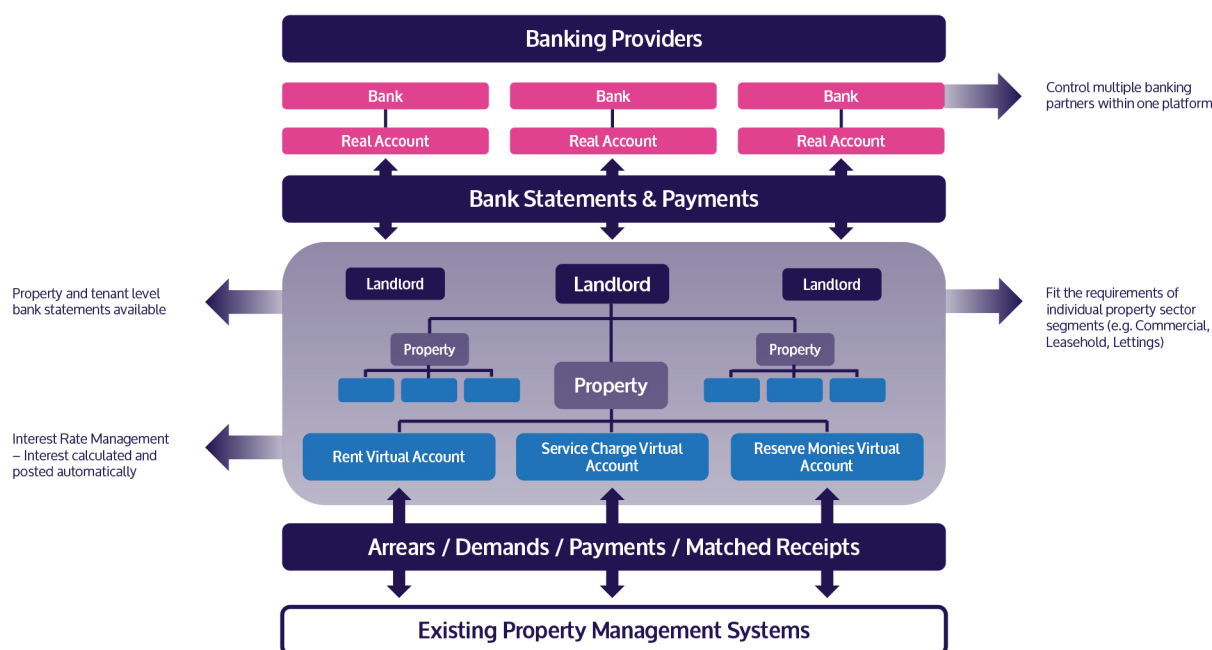


Increased Inefficiencies

Costly mistakes and productivity inefficiencies from having minimal to no automation of data transfer across key systems for payments, interest capitalisation and receipts.

The Solution

Cashfac's robust, rule-based double entry bookkeeping approach to the management and control of client money ensures that there is no amalgamation of funds between company and client money. As the example schematic indicates, by establishing virtual accounts at property, client and sub-ledger level, specific sources of cash e.g. rent, service charge, reserve/sinking funds etc. can be clearly ring fenced and controlled.



Key Features

Automation of Receivables: Through continuous reconciled views and automatic creation of accounting entries to your general ledger systems. Using existing unique property references and/or lease, tenant IDs and based on the profile of the firm's receipts, the solution is configured to maximise the matching of receipts to expectations at tenant and property level, with defined processes for overpayments, unidentified income and one payment for many invoices.

Integration Options: Designed to simplify data transfer processes across different systems to include APIs.

Streamlined Account Opening & Closing: Through fully functioning virtual accounts that offer all the features of real bank accounts such as interest rate management and statements, all within a self-service virtual banking model.

Comprehensive Reporting: Options such as matched and unmatched receipts, forecasting and visibility and transparency at a management level through dashboards at individual role level.

Segregation and Control: Consistent and clear operating rhythm that can be fully audited, providing day to day oversight and control.

Multi-Bank Connectivity: Facilitates a 'plug and play' banking partner model through one or more pooled accounts supported by any number of virtual accounts.

Benefits

Released Resource: The automation of reconciliation processes frees up resources across peak volume periods (e.g. quarter end) by ensuring that the cash room are only presented with reconciliation "exceptions" for action each morning.

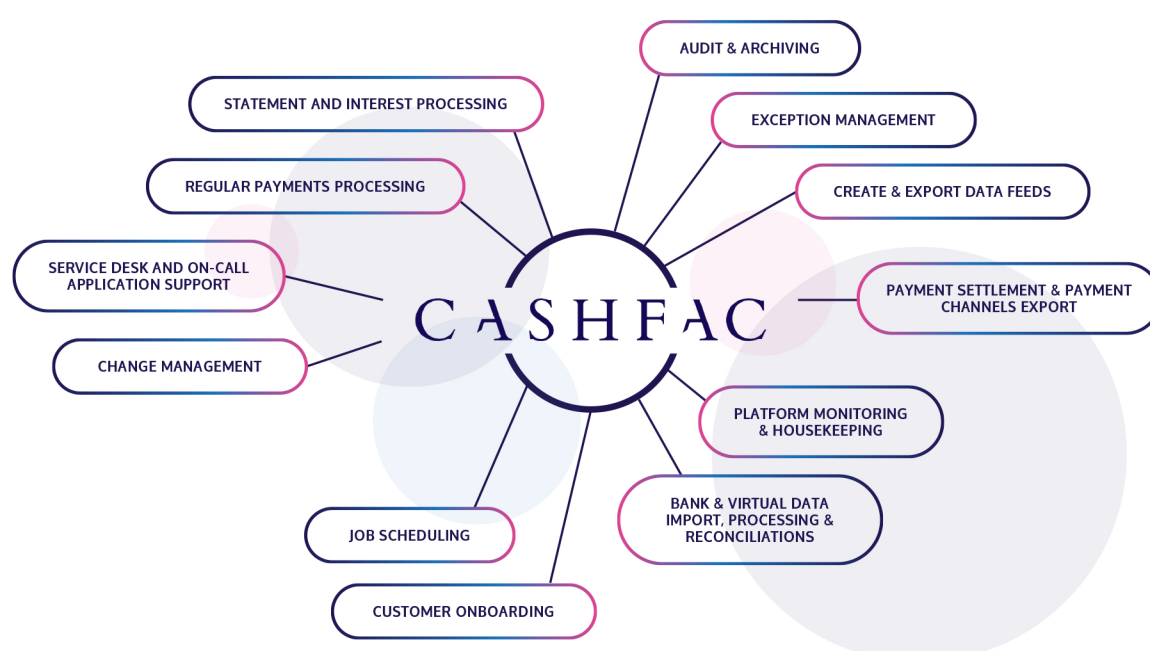
Quicker Onboarding: Real-time opening of virtual accounts allows quicker on-boarding of new customers to improve service.

Accurate Interest Processing: A faster and more accurate payment of interest at client level independent to that paid by the bank at firm level in respect of pooled client balances

Improved Productivity: By eliminating manual processes such as re-keying payments, cash book tick-off for receipts, interest posting and account opening.

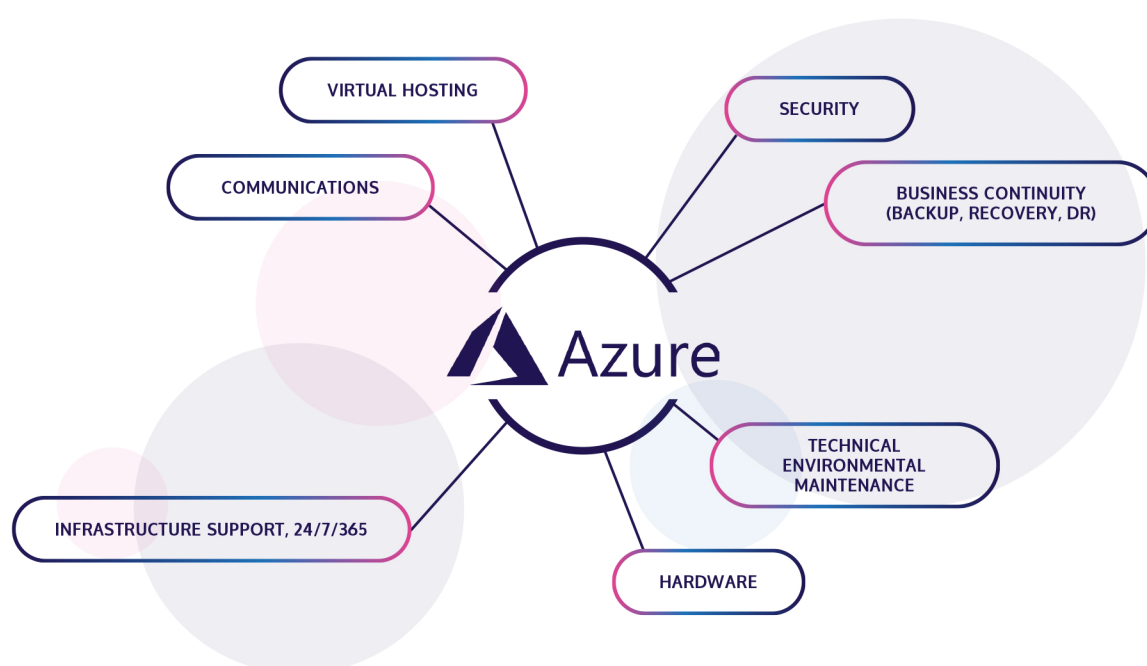
Managed Services

Cashfac Managed Service offers a single point of contact for all support issues, removing the need for employing dedicated customer staff to operate the virtual banking platform and thereby minimising change management and specialist training.



Hosted Services

Cashfac hosts the service via Microsoft Azure infrastructure and manages the entire release and upgrade process, including platform testing before release, and will assist you with your own testing. Our deep knowledge of our product and a detailed understanding of the features that have been enhanced in each release, combined with proximity to the development team, ensure this process is executed with accuracy, knowledge and expediency.



For product information, to request a demonstration or to speak to us about your business needs, please contact us at www.cashfac.com/contact



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