



Australian College of Professionals, Level 10 99 York Street, Sydney, 2000
www.acop.edu.au enquires@acop.edu.au 1300 88 48 10

UPCOMING CPD COURSES

Sydney

Sales or Prop Mgmt

Thurs 22nd Nov

Castle Hill

Strata

Wed 28th Nov

Castle Hill

Sales or Prop Mgmt

Thurs 6th Dec

Gosford

Sales & Prop Mgmt

Wed 12th Dec

Castle Hill

Comm Sales & Leasing

Thurs 13th Dec

Sydney

Sales or Prop Mgmt

Thurs 20th Dec

2013

Sydney

Sales or Prop Mgmt

Thurs 17th Jan

Proper Supervision

Every time an agent misuses trust money, the reputation of our profession is dragged through the dirt. This is bad news for all agents, which is why we were sad to see a prominent Eastern Suburbs real estate agent disqualified until 2021 last week for a shocking secret dealing with a convicted drug trafficker.

The licence of the former Eastern Suburbs real estate agent, was cancelled last week, and NSW Fair Trading has disqualified him from being involved in the direction, management or conduct of a real estate business until 9 September 2021. In September 2011, the Agent pleaded guilty in the Sydney District Court to dealing in the proceeds of crime and was sentenced to one year and nine months imprisonment. The Court suspended his sentence and he was released on a good behaviour bond until 8 June 2013.

The original incident unfolded on March 12, 2008, when Maroubra drug dealer Wayne Cleveland turned up at Cranbrook College with \$40,000 in cash. He had come to pay his kids' school fees. Big mistake.

The school, alarmed at the sight of so much money, declined to accept the full amount owing, taking just \$15,000. They told Cleveland that they might have to report the transaction to authorities because it was more than \$10,000.

In a state of panic, Cleveland phoned his mate, Glenn Farah, the then chief executive officer of NG Farah. Cleveland proceeded to give Farah a detailed recount what had just happened. Little did they know the Australian Federal Police were listening in on every word, as Cleveland was at the time the chief suspect in a Sydney Airport cocaine syndicate. Laughing down the phone, Farah told his friend that it was "one of the most stupidest things you have ever done". But Farah's next move was equally stupid.

In return for cash, a number of cheques were drawn on a Macquarie Bank account in the name of Glenn Farah Real Estate. Some were used to pay the Cranbrook fees, some were deposited into Cleveland's bank account. On September 20 2009, Cleveland and others were arrested and charged with

Our 2013 calendar is now available!

[Download](#) our 2013 Calendar.

**UPCOMING
CERTIFICATE OF
REGISTRATION**

COURSES

Sydney CBD
Mon 19th – Wed 21st Nov

Castle Hill
(Dist Ed + Weekend tutorial)
Sat 1st – Sun 2nd Dec

Castle Hill
Mon 3rd – Wed 5th Dec

Newcastle
(Dist Ed + 1 day tutorial)
Tues 11th Dec

Sydney CBD
Mon 17th – Wed 19th Dec

2013

Sydney CBD
Mon 14th – Wed 16th Jan

Gosford
(Dist Ed + 1 day tutorial)
Tues 22nd Jan

Liverpool
(Dist Ed + Weekend tutorial)
Sat 2nd – Sun 3rd Feb

Castle Hill
Mon 4th – Wed 6th Feb

Sydney CBD
Mon 18th – Wed 20th Feb

Castle Hill
Mon 4th – Wed 6th Mar

conspiracy to import cocaine. The next day the federal police raided Farah Real Estate in Marine Parade, Maroubra, and Farah was later charged with laundering a total of \$46,500 for Cleveland and his family using the cheques and electronic transfers.

This type of case is precisely why section 32 of the *Property, Stock and Business Agents Act 2002* establishes a duty for licensees to *properly supervise their business*. Section 32(4) allows NSW Fair Trading to issue guidelines as to what constitutes the proper supervision of the business of a licensee. These supervision guidelines have been in circulation since 2005, so you should be well and truly familiar with them. But, in case you need a refresher, here are the key guidelines in relation to the receipt of trust money:

1. A licensee must have written procedures instructing employees of the agency as to their duties in regard to daily or next day banking practices of the agency with respect to the receipt of trust money. The licensee must be able to provide details of the process which the licensee uses to ensure employees comply with the procedures.
2. A licensee must have written procedures requiring the licensee to conduct a review of trust account cash flow on a monthly basis. The review must include a process which shows that the amounts banked to the trust account have been verified using the financial institution's records as source documents.
3. Where any of the above requirements stipulate the preparation and use of a set of documented procedures, a checklist, or a review system; the licensee must be able to produce this documentation to an authorised officer in accordance with the provision of section 105 of the Act. The licensee must also be able to produce information demonstrating the regular use and maintenance of the required documentation within the agency.

It seems very timely as NSW Fair Trading inspectors are implementing a blitz on Sydney agents (as noted in the Sunday Telegraph on 11 November 2012), that all agents, and in particular Licensees-In-Charge, ensure that they are following the supervision guidelines in all requirements, but particularly in relation to the operation and management of your trust account.

Till next time,

Wishing you every success in your business ventures,

Rosy Sullivan

Director and College Principal

We close for Christmas from Thursday December 20th and re-open on Monday January 7th 2013.

UPCOMING CPD

2 HOUR BREAKFAST SEMINARS

Full 12 points!!

Parramatta

Sales and Prop Mgmt

Fri 23rd Nov

Castle Hill

Sales and Prop Mgmt

Tues 27th Nov

Sydney

Sales and Prop Mgmt

Wed 5th Dec

Bankstown

Sales and Prop Mgmt

Fri 14th Dec

2013

Sydney

Strata

Fri 18th Jan

Parramatta

Sales and Prop Mgmt

Tues 22nd Jan

Castle Hill

Sales and Prop Mgmt

Wed 30th Jan

Penrith

Sales and Prop Mgmt

Fri 1st Feb

From our office.....

We have had a few changes around the office over the past fortnight, which is making for interesting stories from all concerned:

- Kelly Attenborough is back from a two week cruise – sporting a new tan and a very relaxed attitude
- Megan Sullivan is back from ten days in Thailand – also with a healthy tan and lots of new clothing
- Bruce Horton is back from his tour of the U.S.A. with his exciting tales of completing Route 66
- Simon Taylor, who has just completed the HSC, has commenced working in the production of training materials for students – so a huge welcome to Simon
- John Roberts is off on five weeks “holiday” from the College to be a roadie for the Wiggles in their farewell tour – so good luck to our College’s own Red Wiggle

[Download](#) our 2013 calendar now.

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