

Opening balances

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OPENING BALANCES BUTTON

The *Opening Balances* button on the building card is used to enter the opening balance details when you first enter a building on PropertyIQ. If you are taking over the management of a building from another managing agent, or if the building has been self-managed previously, here is where you would enter all the details from the documents they have provided. You should have available:

- Balance sheet
- Income and expenditure report
- Lot positions
- If applicable, a cheque from the outgoing managing party for the balance that *matches* the balance sheet total.

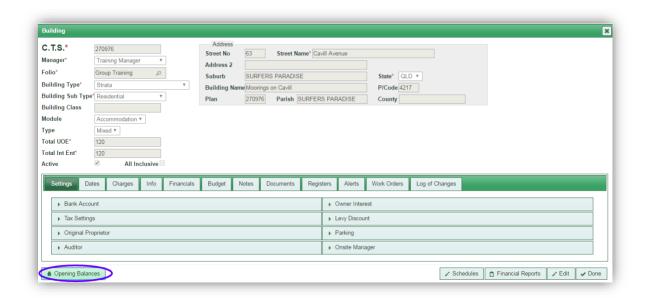
You may be taking on a building part way through its financial year, so it is important to enter the information and reflect the financial position of the building as at the date shown on the documents you have received.

You should seek advice from your accountant on any matters relating to allocation and other accounting functions.

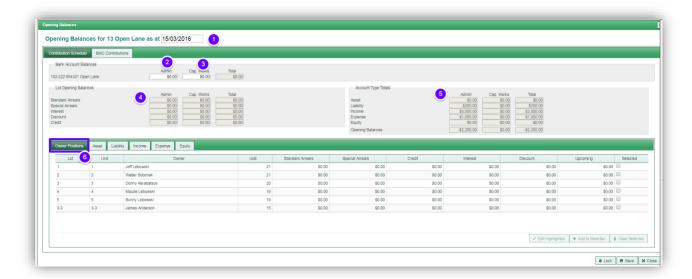
Capital works/sinking/reserve/maintenance fund – different names are given to the funds set aside for major works, depending on which State or Territory you are in:

Queensland – Sinking Fund
New South Wales – Capital Works Fund
South Australia – Sinking Fund
Western Australia – Reserve Fund
ACT – Sinking Fund
Tasmania – Maintenance Fund
Victoria – Maintenance Fund

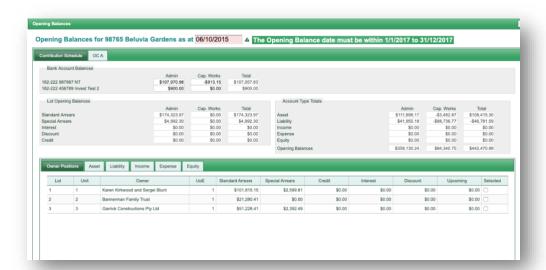
You can see the Opening Balances button whenever you are viewing a building card. Click on the button to get started.



- 1. Enter the date of the opening balance. If entering from documents received from another party, this is the date shown on their documents. Make sure this date is within the building's current financial year the date you entered in the building card info tab
- 2. This should be left as zero if you have just opened a new bank account for the building
- 3. This should be left as zero if you have just opened a new bank account for the building
- 4. The lot owner positions details show here
- 5. The account type totals show here
- 6. The lot owner tab is the default. To enter the opening financial positions of each lot owner, double click on each lot owner in turn.



If you try to enter opening balances with a date outside the current financial year, you'll see this error and won't be able to proceed.



LOT OWNER POSITIONS TAB

Highlight the lot owner you want to work with by clicking on their name and then double click to start entering their details

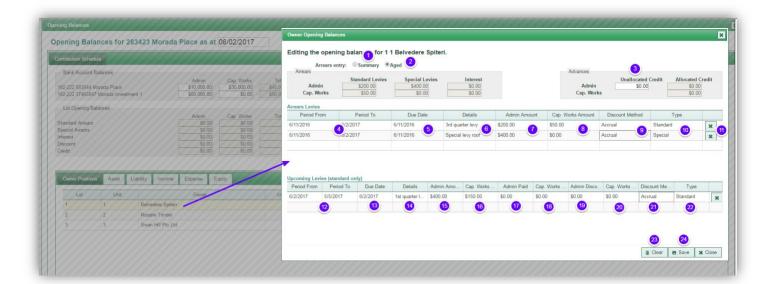
If you notice that a few lot owners have the same amounts overdue, it is often because they have the same UOE (or UOL in Vic). Click the UOE column heading to sort by UOE to group them together to speed up the process.

- 1. Click to choose between entering *Summary* or *Aged* information. Only use the summary option if you don't have much detail available. If you use summary mode, PropertyIQ will automatically create levies that show as due on the day prior to your opening balance date.
- 2. If you ticked the *Aged* option, you will be able to enter full owner position details including the date the levies/fees were originally due
- 3. If the lot owner has paid in advance enter the amount here. This is the recommended method of entering details for lot owners paid in advance
- 4. Arrears levies Enter the From and To dates that the levy relates to
- 5. Enter the date the levy was originally due
- 6. Enter details of the levy
- 7. Enter the amount owed to the administration fund
- 8. Enter the amount owed to capital works/sinking/reserve/maintenance funds
- 9. Discount method you can choose between Cash or Accrual
- 10. Select the type of levy from the dropdown list. The options are: Standard, Special, Interest, Gas, Water, Electricity
- 11. You can click on the cross to clear that line if you have made an error
- 12. Upcoming Levies You can only enter standard levies in the upcoming section enter the *From* and *To* date for the levy period

If you are taking over the management of the building from another party, you can either enter the details of upcoming standard levies here or you can use the special levies function later and generate standard levies from there. This will save data entry time.

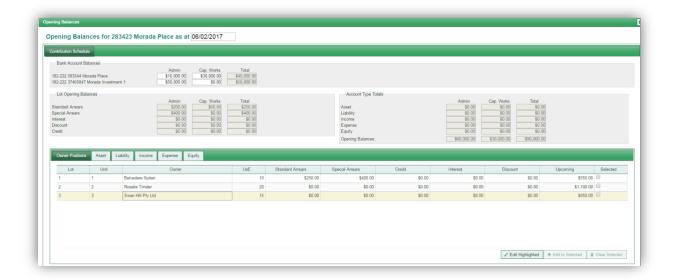
- 13. Enter the due date of the levy
- 14. Enter in the details of the levy
- 15. Enter the amount due to the administration fund
- 16. Enter the amount due to the capital works/sinking/reserve/maintenance funds
- 17. Enter any amount that has already been paid for this levy
- 18. Enter the amount you will be charging for capital works/sinking/reserve/maintenance funds
- 19. Enter the amount of discount (if any) for the administration fund
- 20. Enter the amount of discount (if any) for capital works/sinking/reserve/maintenance funds
- 21. Discount method you can choose between Cash or Accrual
- 22. The only option available here is Standard as you can only use the upcoming levies area for standard levies
- 23. Click here if you have made an error and need to clear the whole form
- 24. Click Save to save your entries when you are ready. Do not lock the balances yet

Repeat the process for each lot owner. You will see each lot owner's position summary on the lot owners tab

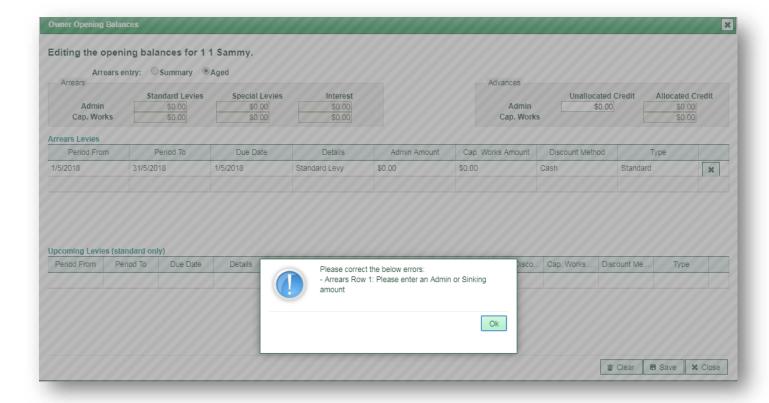


NOTE

You can continue to edit any lot owner balances if you need to up until the opening balances have been locked.



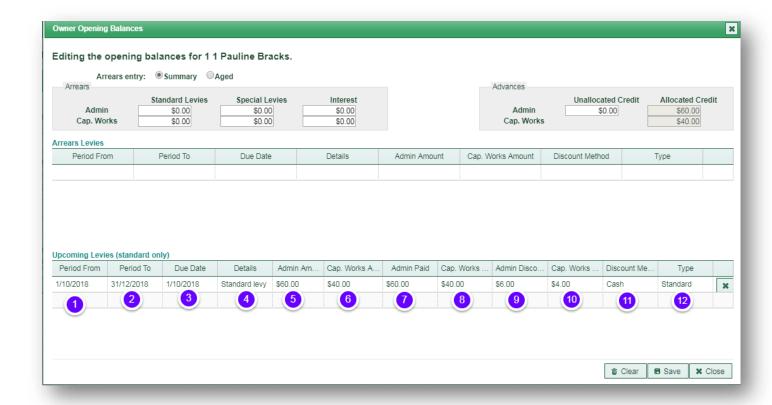
If you try to enter a line item with a \$0 amount you will receive a warning and will not be able to save the line item until an amount greater than zero has been entered.



Note about discounts:

If a lot owner has paid an upcoming levy that has a discount applied, they should be entered this way:

- 1. Enter the Period From date here
- 2. Enter the Period To date here
- 3. Enter the due date here
- 4. Enter the levy details here
- 5. Enter the amount owing to the admin fund here
- 6. Enter the amount owing to the capital works/maintenance/reserve/sinking fund here
- 7. If the levy was wholly paid, enter the total amount that would have been owing to the admin fund if there was no discount here
- 8. If the levy was wholly paid, enter the total amount that would have been owing to the capital works/maintenance/reserve/sinking fund here
- 9. Enter the discount amount that applies to the admin fund here in this example there is \$60 owed to the admin fund and a 10% discount is applicable, so \$6 is entered here
- 10. Enter the discount amount that applies to the capital works/maintenance/reserve/sinking fund here in this example there is \$40 owed to the capital works/sinking/reserve/maintenance fund, and a 10 % discount is applicable, so \$4 is entered here
- 11. The discount method is usually set to cash
- 12. The levy Enter shows here. Only standard levies may be entered in the upcoming levies area

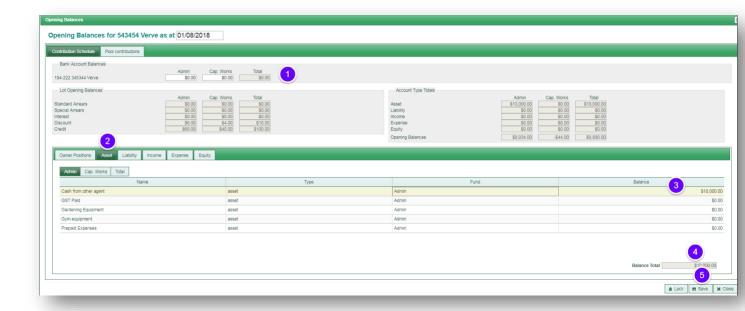


ASSETS TAB

Here you can enter details of any Assets the building has.

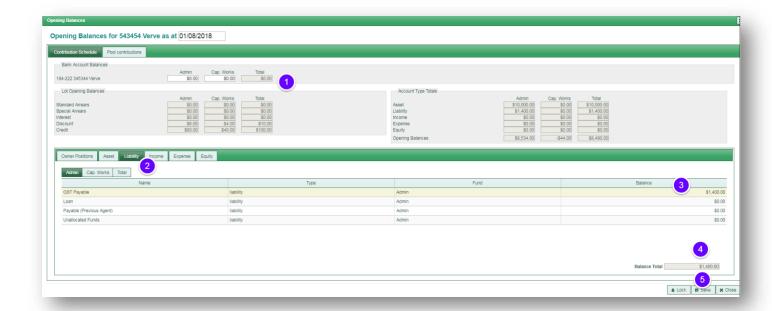
- 1. Any balances you entered in the bank accounts fields will show here. This is should be zero for a new bank account.
- 2. Click on the Assets tab to enter assets
- 3. Enter the amount for each asset item.
- 4. The balance total shows here
- 5. Save when you are ready. Do not lock your balances until you are happy with all the totals.

Repeat the Process for the Sinking/Reserve/Capital Works/Maintenance fund



LIABILITIES TAB

- 1. Any balances you entered in the bank accounts fields will show here. This is should be zero for a new bank account.
- 2. Click on the Liabilities tab to enter liabilities
- 3. Enter the amount for each item of liability
- 4. The total shows here.
- 5. Save when you are ready. Note: Do not lock your balances until you are happy with all the totals.

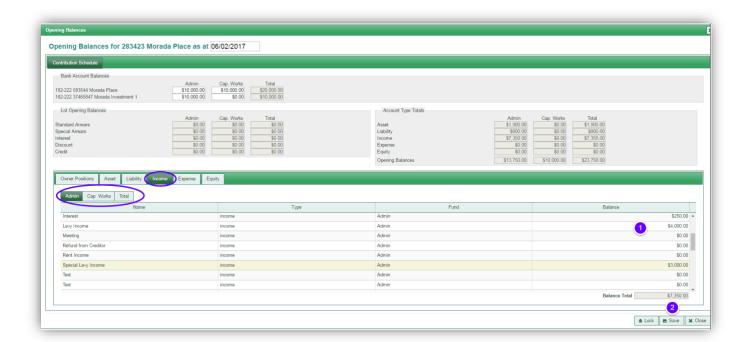


Repeat the Process for any Liabilities the Capital Works/Reserve/Sinking/Maintenance fund has

INCOME TAB

If you are taking over the management of the building from another party, you can enter any income items from the Income and Expenditure Report you have received. This will allow you to present one set of reports to the next AGM. You can also leave this blank if you choose, and then present two sets of reports to the AGM – one from the previous managing party and the second part of the year from the items you process yourself. The details you enter here show will show in the buildings budget – current actuals column.

- 1. Enter the total received for each chart of accounts code
- 2. Click Save when ready. Note: Do not lock your balances until you are happy with all the totals.

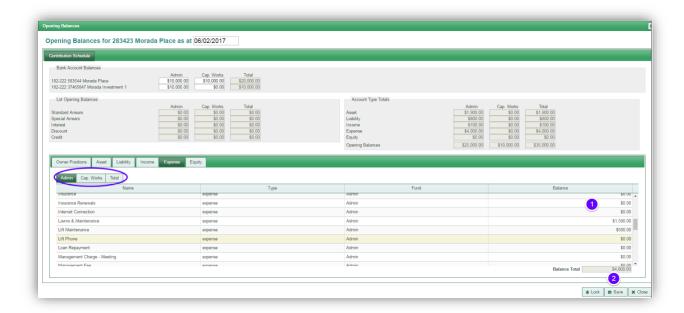


Repeat the Process for any Income the Capital Works/Reserve/Sinking/Maintenance fund items.

EXPENSES TAB

If you are taking over the management of the building from another managing party, you can enter any expense items from the Income and Expenditure Report you have received. This will allow you to present one set of reports to the next AGM. You can also leave this blank if you choose, and then present two sets of reports to the AGM – one from the previous managing party and the second part of the year from the items you process yourself. The details you enter here show will show in the buildings budget – current actuals column.

- 1. Enter the total amount for each Chart of Accounts code
- 2. Click Save when you are ready. Do not lock your balances until you are happy with all the totals.

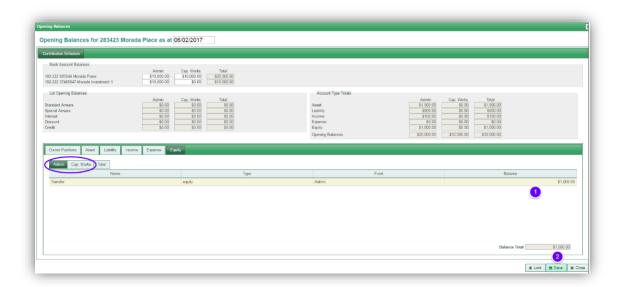


Repeat the Process for any Income the Capital Works/Reserve/Sinking/Maintenance fund items.

EQUITY TAB

Equity items are entered here - for example,

- 1. Enter the amount for each chart of account code here
- 2. Click Save when you are ready. Do not lock your balances until you are happy with all the totals.

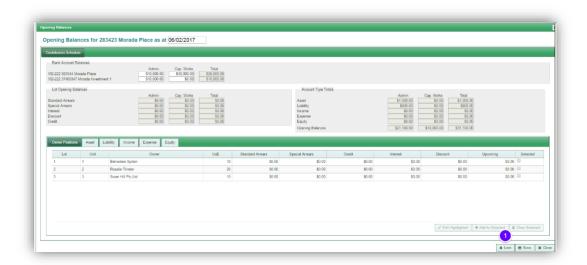


Repeat the Process for any equity items for the Capital Works/Reserve/Sinking/Maintenance fund.

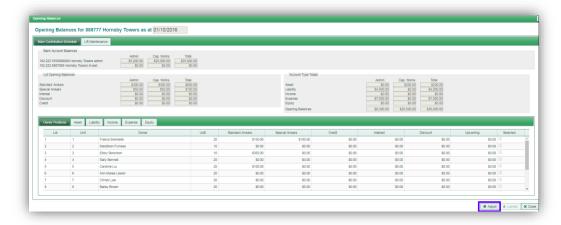
LOCKING BALANCES

Lock the balances only when you have checked everything and are happy with the balances. Remember to lock your balances even if the balance is zero.

1. click on Lock.



After the balances have been locked, you can still adjust Income, Expense, Asset and Liability items by clicking on the Adjust button.



Creating Special Levies to correct errors made when entering Lot Owner Positions

You can't adjust lot owner positions after you have locked the balances, but there are other options for fixing any errors you might have made when entering lot owner positions.

To reduce the amount owed by a lot owner, create a special levy for a negative amount.

- If you entered a lot owner as having arrears and later find out they are not actually in arrears, create a special levy with a negative amount for the value of the incorrect arrears. For example, if you had entered arrears of \$400 when doing opening balances, create a special levy for that owner for the amount of \$-400.
- If you accidently entered interest owing, or missed a discount you can create a special levy with a negative amount for the interest you entered or the discount amount you missed.
- If you create negative special levies to offset against a positive levy, you will need to use the Processing>Adjustments>From Credit function to complete the process. For full instructions, see the manual "Adjustments"

To increase the amount owed by a lot owner, create a special levy for a positive amount

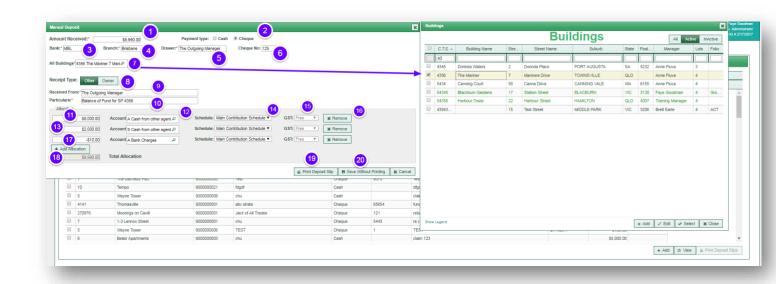
- If you missed an upcoming levy that a lot owner owes, create a special levy for the amount owed.
- If you missed entering interest that is owed, you can create a special levy for the amount owed.

AFTER THE BALANCES HAVE BEEN COMPLETED AND LOCKED

BANKING THE FUNDS RECEIVED FROM THE OUTGOING MANAGING PARTY

- If you have received a cheque for the funds balance, go to Processing Receipts and create a Manual Bank Deposit see the Manual "Receipts" for full details. Quite often the amount will be short of the balance showing on the balance sheet because a sum has been deducted for a bank cheque. If this is the case, you might need to enter a minus allocation for that amount.
- If you are receiving the funds by direct deposit you will need to create a bank adjustment. For full details, see the manual "bank adjustments"

- 1. Enter the total amount received
- 2. The type defaults to cheque. If cash is selected, the fields bank, branch, cheque no, and drawer will be greyed out
- 3. Enter the short name of the drawer's bank
- 4. Enter the drawer's bank branch location
- 5. Enter the name of the cheque drawer
- 6. Enter the number of the cheque
- 7. Click on the search icon to find the building this receipt is for.
 - Enter some key letters in the top line to refine your search
 - ii. Double click on the building the receipt is for
- 8. Check that the receipt type is set to Other. (this is the default)
- 9. Enter the name of the person the receipt is from
- 10. Enter the details of the receipt here
- 11. You can enter as many allocations as you need. First enter the amount due to the admin fund
- 12. Choose the chart of accounts code to allocate any amounts due to the admin fund
- 13. Enter the amount due to the capital works/admin/sinking/maintenance/reserve fund here
- 14. If the building has multiple contribution schedules, choose the schedule each amount applies to from the dropdown list
- 15. Select the GST Status from the dropdown list
- 16. You can remove a line item by clicking on the cross
- 17. Continue to add allocations if required
- 18. The total allocation should equal the amount received in item 1
- 19. Click Print Deposit slip to print a deposit slip now
- 20. Click Save without printing if you just want to save the deposit



CREATING THE LEVIES/FEES FOR THE BALANCE OF THE LEVY/FEE YEAR

• If you have decided to use the special levies function to create standard levies for any remaining upcoming levies, go to Billing – Special Levies and create the levies you need. See the manual "Special Levies" for full details.

CONDUCTING A DUE NOTICE RUN TO SEND LEVY/FEE NOTICES TO THE LOT OWNERS

• Conduct a *Due Notice* run to ensure your Lot Owners receive their due notices in good time with the new instructions for payment. If you entered any unallocated credits for lot owners that had paid in advance, don't forget to process a bulk credit transfer before sending out Due Notices. (You will be prompted to do this when you process your Due Notices. See the manual "Due Notices – sending levy/fee notices and debtor statements" or if you are using Debt Collection V2, see the manual "Debt Collection V2"

BUDGET

- If the outgoing manager has already produced the budget for the current levy/fee year, you might like to enter the details in the current budget column. If you entered details in the income/expenses tab, these will show as your current actuals in for the current budget. For full details, see the manual "Budgets"
- If the outgoing manager has not already produced the budget for the current levy/fee year contact support@propertyiq.com.au for advice about producing a proposed budget