



Creating A Tenant Debit and Receipt Tenant Other

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There are times when you need to invoice a tenant for something they owe i.e Water rates, broken window etc. Creating the tenant invoice is an internal transaction and does not affect your reconciliation.

All Invoices in Palace are Tracked, this means that any money receipted is assigned against an invoice. If you collect money in advance i.e for water rates, then you can assign to an Invoice later.

When the tenant pays the invoice, you have a choice of where the money (once paid) will go. It can go to the Owner, to reimburse an account they have already paid for, (This is the norm) or it can go directly into one of your company ledgers, to reimburse your company. i.e a Fixed Term Lease Break Fee. (The owner will not see this transaction at all) or into a "Holding" (Bond) Ledger to be held under the invoice comes in. The most common example of this is Water Rates.

Money receipted into a Holding Ledger can later be assigned to a Charge Tenant Debit. This Ledger must be made "Restricted"

Restricted means that the Ledger can only be used for receipting and assigning, it can not be used to make Payment directly from using the Payment Ledger transaction. If you pay Creditors or yourself directly from this ledger, then it must NOT be ticked Restricted. This means that you cannot then use the Ledger for assigning tenant funds. Most Holiday Bond Other Ledgers will be unrestricted.

Ledgers

There are two types of Ledgers you can use:

- **Fee:** This type of ledger will allow you to collect money on behalf of you company, it will be included in income and allow you to pay out with your other ledgers. E.g Lease Break Fees
- **Bond:** This type of ledger is a holding ledger only, that means the money has to be taken out by assigning it to a Tenant Invoice, once assigned to an invoice the money will go to the Owner.

To assign money from a Ledger to an Invoice, there must be money sitting in the ledger, this means that the BOND Ledger CANNOT EVER have payments made directly out of the Ledger, to ensure that this does not happen, you must make your Bond Other Ledger i.e Water Rates into a Restricted Ledger. This means that you will not be able to do Payment Ledgers.

- Go to Ledgers
- Highlight your Bond Ledger i.e water rates
- Click edit
- Then tick "Restricted"

- Click Save

NOTE: If the Ledger has already had Payments made from it, you will not be able to make that Ledger Restricted. You will need to create a new Ledger.

Setting Up Default Text to show in the Tenant Invoice

To make invoicing easier, you can set up default wording to appear each time you create a tenant invoice.

There are two areas to set this up:

- Under Tools - Standard Defaults
- Or under the actual Expense Code

Default Tenant Wording

To set up default wording that will appear on any tenant invoice regardless of the expense code - Click on Tools - Standard Defaults and click on Tenant Invoice

The screenshot shows a configuration window with various settings. A red arrow points to the 'Global Messages' section, specifically to the 'Tenant Invoice' tab. The text in this tab is 'Please pay within seven days'. Below this section are 'Record Options' buttons: 'Edit', 'Save', and 'Close'.

If you want separate wording for certain invoices i.e Water. Then you can set it up against the expense.

- Go to a Creditor (It actually doesn't matter which Creditor) then edit and click on the ... next to Expense
- Scroll down and find the expense you want. i.e If for Water rates then you would select the expense "Water"

The screenshot shows the 'Creditor Expenses' window. The 'Expenses' list is visible, with 'Rates - Water' selected. A red arrow points to the 'Expense Details' section for 'Rates - Water'. The 'Default Text' field is set to 'Please pay on invoice - There will be a penalty if not paid'. There are 'Add' and 'Edit' buttons at the bottom left, and a 'Close' button at the bottom right.

Description	Account Type	Active	Default Text
General / Sundry	Expense	True	
Glass Repairs	Expense	True	Please pay t...
Guaranteed Rent	Expense	True	
Insurance	Expense	True	
Locksmith	Expense	True	Please note ...
Pest Control	Expense	True	
Plumbing	Expense	True	
Rates - ARC	Expense	True	
Rates - Property	Expense	True	
Rates - Water	Expense	True	Please pay o...
rent	Income	True	
Repairs / Maintenance	Expense	True	
Rubbish Removal / Bin Hire	Expense	True	

- Click on Add, type in description
- Click on Save and then Close
- Now every time you do an invoice for a tenant and select this expense category, this default wording will come up

Charge Tenant Debit

This creates an invoice against the tenant. One of the most common uses is for Water Rates, but can be used for any function where the tenant owes you money. You can create the charge and send an invoice to the tenant, the tenant then pays the invoices and the money is reimbursed to the Owner.

Sometimes the money has been collected in advance from a tenant and receipted into a Bond Ledger, this can then be assigned to the Tenant Invoice. OR you can now receipt money directly into a FEE ledger but there MUST be an invoice created for this previously.

Creating A Tenant Invoice. (Create Tenant Debit)

- Go to Transactions, click on the drop down arrow on the left hand side
- Select - Charge Tenant Debit - Click on the >
- Find the required tenant

- Select the expense i.e Cleaning
- Enter in the amount
- Select whether you want this invoice to be email or printed or untick both if it is just for your records only
- Track Charge: If this is ticked it will allow you to receipt the tenant money against this invoice specifically (Should already be ticked otherwise you do not know which invoice to receipt money against)
- Write comments if needed i.e "To be reimbursed from Bond" and click OK
- **NOTE:** Default text will show if you have set it up
- If you want to attach an invoice to this Tenant Debit. Then click on the paper clip at the bottom of the screen, then pick up the invoice that you have saved on to your desktop. Once attached this invoice will automatically go into the Property Diary and will get sent to the Owner as part of month end. (You must have include Invoices ticked in the month end process)
- You can assign any money that has been receipted into Receipt Tenant Other (Bond) Ledger i.e Water Rates money collected on a weekly basis to pay off an invoice. Just tick the amount in the ledger and it will pay of the invoice or pay some money towards it.

- Then click Process
- Then in the transaction screen click Process

This has now created an "Invoice" against the tenant, waiting for money to be receipted against.

Receipting A Tenant Debit – Using Receipt Tenant Other.

The tenant can pay for their outstanding invoices in a couple of ways:

They can add a weekly amount to their rent payment or they can pay it in a lump sum or small cash payments

Either way it goes through **Receipt – Tenant Other**. Gives you the option of receipting the money to an

Owner: to reimburse them for something they have paid or are going to pay for

Ledger: To reimburse the company for something that has been paid on behalf of the tenant. OR

A Restricted (Bond) Ledger: Used to collect money in advance from a tenant, that then will be assigned to the Tenant Invoice once the Invoice arrives e.g Water Rates.

Below we will first show you how to receipt the whole payment, then how to set it up if a tenant wants to pay the invoice off by adding a weekly amount to their rent payment.

Receipting - Tenant Other

- Go to transactions - click on the drop down arrow on the left hand side
- Select Receipt - Tenant Other
- Click on the >

- Find the tenant required
- If you are tracking invoices, then you will need to select the invoice that you want to put this money against. (If you are not tracking then this field will be grayed out)
NOTE: You must have an Invoice entered if you are receipting into a FEE Ledger
- Enter in the amount you are paying

- Apply to: Normally the money from the tenant is reimbursing the owner for an expense that they have already covered so the money needs to go back to the owner, however sometimes you might be receiving the money directly to the company (nothing to do with the owner), if this is the case, then change the Owner Account to Ledger by clicking on the down arrow.

Note: you now have the choice of a Fee Ledger or a Bond Ledger.

If the money is going to the company to be part of the company invoice then select the Fee Ledger.

If it is just holding until an invoice comes in for the Owner then choose Bond Ledger.

- Select the ledger you want the money to do to (not applicable if money going to Owner)
- You have a choice to charge a commission here (Remember this comes of the Owner and if the Owner has already paid this expense then you have probably already charged a commission)
- Check that the payment method is correct i.e Direct or Cash
- Add a comment if necessary
- Click OK
- Then click Process

Note: *The Tenant Other Amounts Owing Report (On a right click of a tenant) will show the original Tenant Debit and then the receipt, giving a total amount*

Reports.

There are a couple of reports that will show you the current status of the Tenant Other Amounts owing.

- Tenant Amount Owing (Tracked)
- Tenant Other Amount Owing

This report will show all invoices that have been marked to be tracked

Creating the Tracked Tenant Other Amount Owing Report

- Click on Tenant Reports
- Click on Tenant Amount Owing (Tracked)
- Make your filter choices

Note: If you only want to see your water rates invoices - then choose Water Rates from under the expense filter

- Click on Preview

Kadi's Property Management

Other Amounts Owing (Tracked Invoices)

Management Group : (All)

Expense : (All)



Tenant Name (Phone) / Transaction Details	Description	Property Address	Expense	Owner Name (Phone)	Trans Amt.	Outstanding
Agent: Mandy Welch						
Blue- William Blue (818 1864) 16831 5678	22/07/2014	47 Lion Street, Henderson, Auckland	Electrical	Vickie Nobilo (414 4788)	100.00	100.00
17743 8590	8/10/2014	Repairs to meter box caused by your children Works Order (RBWO000340)	Plumbing		30.00	30.00
17745 8591	8/10/2014	(No Description Available)	Plumbing		30.00	30.00
			Total:		\$160.00	\$160.00
Castle- Richard Castle ()						
16904	8/08/2014	10/ Blue Street, Great Bay, Auckland	Building Repairs	Mr James Brown (4249123)	2.00	2.00
		(No Description Available)			\$2.00	\$2.00
Doll- Barbie Doll (820 1352)						
5012	28/09/2011	9 Patutu Grove, trentham, Upper Hutt	Advertising	Bob Jones (6236652)	200.00	90.01
		To cover fixed term lease			\$200.00	\$90.01
Heke- Simon Heke (834 4444)						
17267	14/08/2014	4 Waipani Road, Te Atatu Peninsula, Auckland	Electrical	Gay Trickiestream (537 5744)	35.00	35.00
17541	9/09/2014	Please on pay within 7 days	Building Supplies		350.00	350.00
		(No Description Available)				
			Total:		\$385.00	\$385.00

The reports show the current invoices and then shows the amount still outstanding i.e If the invoice was \$45.00 and the amount outstanding was \$30.00 then you know the tenant has paid \$15.00 so far.

NOTE: This report only shows those receipts that have been linked to a particular invoice. You can select to see those unallocated receipts as well, so you can then so to Assign Other Amounts Owing and assign to the tracked invoices.

Tenant Other Amounts Owing Report

There are two versions of this report

1. Under Tenant Reports - Tenant Other Amounts Owing - This will show for all tenants
2. Right click on a tenant - Reports and Tenant Other Amounts Owing - For single tenant

In the sample below, I have used the Tenant Other Amounts Owing Report under the Left hand side menu

- Click on Tenant Reports - Tenant Other Amounts Owing Report (This is for all tenants)
- Choose your date range and your filter choices

Note: If you want to see everything and get a correct running balance, change the from date to the year 2000 and it will go to the first transaction for that tenant

- Click on Preview

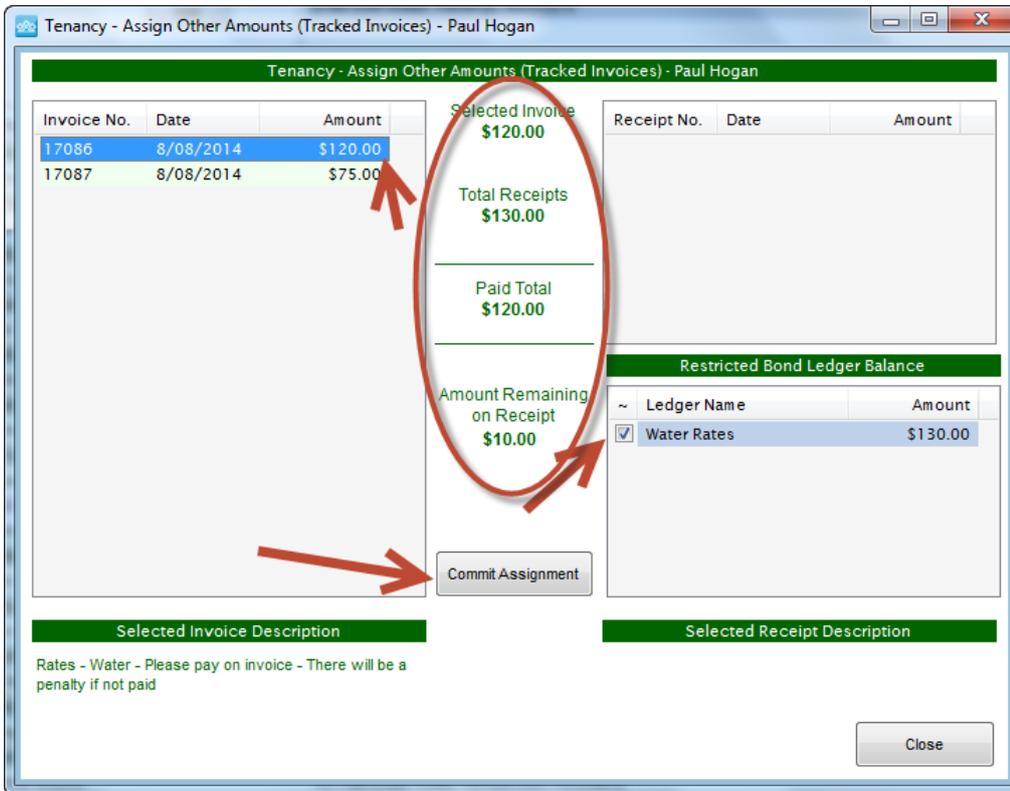
I selected to "Include Track Grouping" So in the example below we are showing Pebbles Flintstone – She is showing that she has one Tracked Invoice and two unassigned Receipts. So this shows me that I can now go to Assign Other Amounts Owing (on a right click from a Tenant) and assign the receipt to the invoice.

Flintstone (Pebbles Flintstone) 7 Glengarry Road, Glen Eden		Balance Prior to Selected 'Date From': 28/04/2014		\$0.00
Tracked Invoices				
17544	11/09/2014	Please pay on invoice - There will be a penalty if		65.00
➔ 17545	11/09/2014	630		65.00
			(PAID) Sub-Total:	\$65.00
				\$65.00
				\$0.00
Un-Assigned Receipts				
Receipts				
➔ 17727	29/09/2014	AP29	Water Rates	10.00
➔ 17870	12/10/2014	AP12	Water Rates	10.00
			Sub-Total:	\$20.00
				-\$20.00

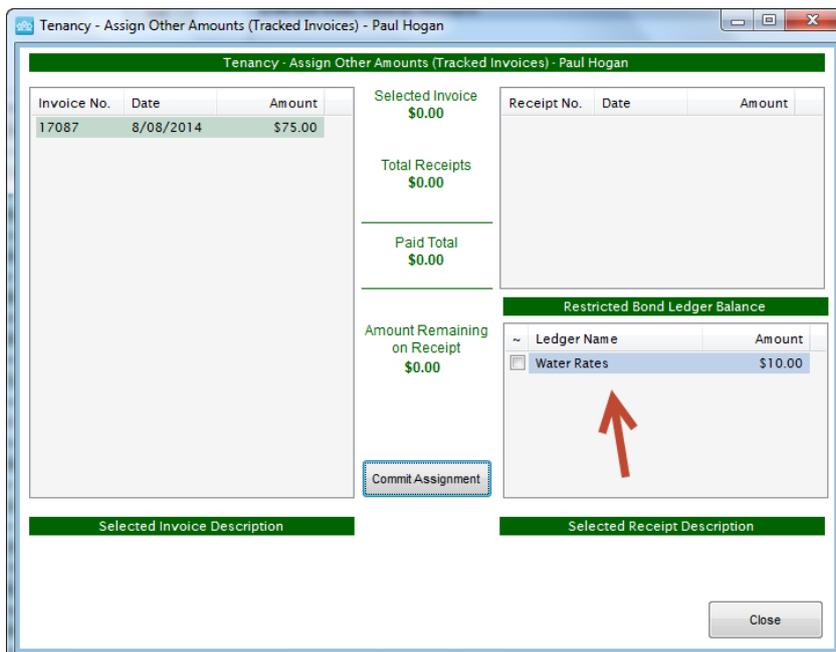
NOTE: You must clear all tenant other amounts owing in order to be able to archive the tenant.

Assigning payments to Invoices after the Tenant Invoice has been created

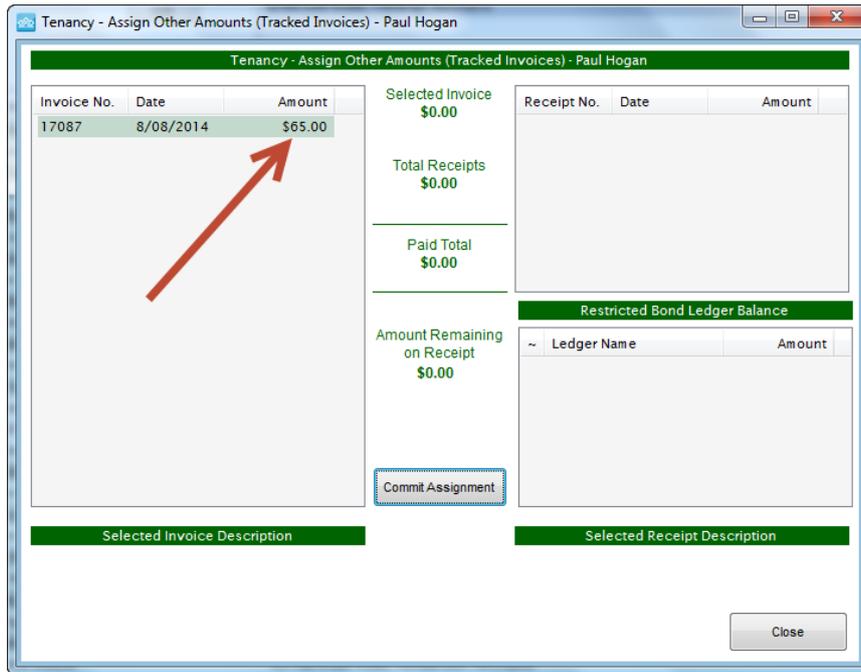
- On the Tenant List, find the tenant and right click
- Go to "Assign Other Amounts"
- Select the Invoice from the box on the lefthand side



- Then from the bottom box on the right hand side (This is the money collected in the Ledger) tick the money in the ledger.
- It does not matter if there is too much money or not enough, Palace will work it out and show you what will happen.
- Read the middle of the box
- Click on "Commit Assignment"
- When the Invoice is fully paid it will disappear from the screen and leave any balance (See screen below)



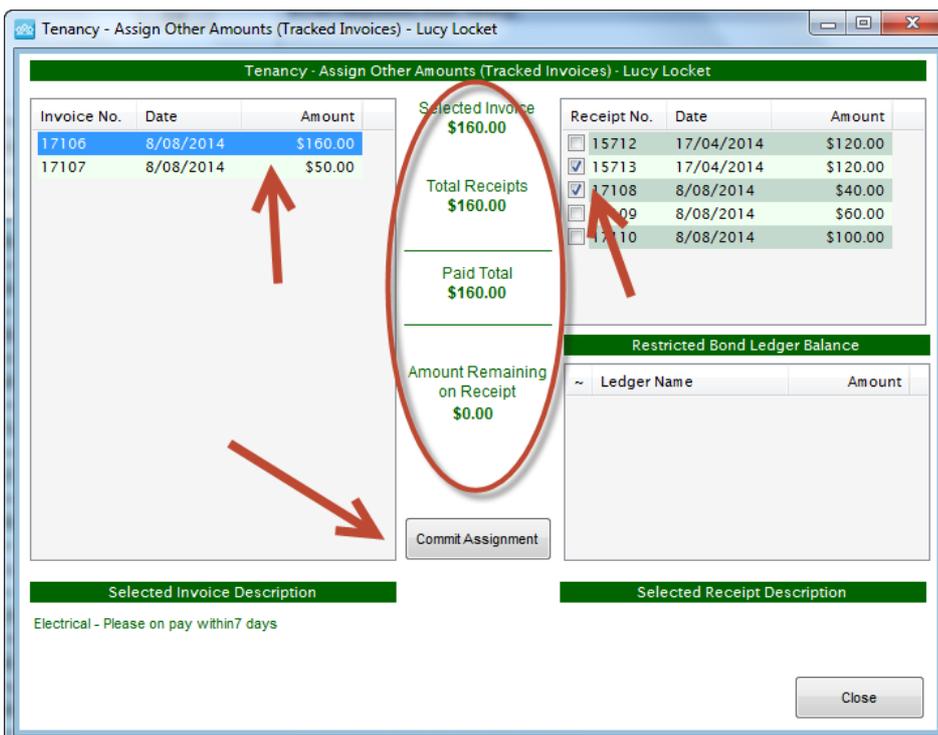
So in this example we could then assign the remainder \$10 to the Remaining Invoice. See Below



Allocating already received funds to an Invoice (Money received direct to an Owner)

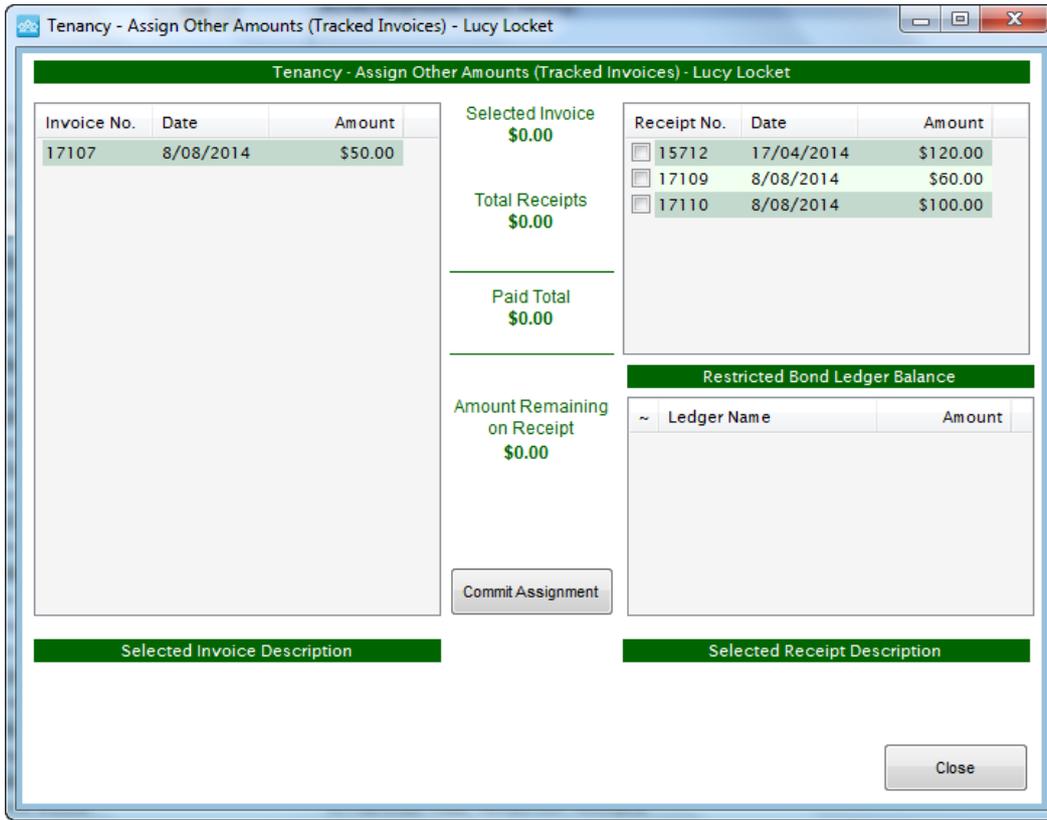
Some money is received directly into an Owner and not linked to an invoice at the time, You can now easily link those receipts to an Invoice.

- On the Tenant List, find the tenant and right click
- Go to "Assign Other Amounts"
- Select the Invoice from the box on the lefthand side



- Then from the top box on the right hand side (This is the money received direct to Owner) tick the money in the ledger.

- It does not matter if there is too much money or not enough, Palace will work it out and show you what will happen.
- Read the middle of the box
- Click on "Commit Assignment"
- When the Invoice is fully paid it will disappear from the screen and leave any balance (See screen below)



So in this example we could then assign the remainder \$10 to the Remaining Invoice.