rockend

Reversing Overcharged Management Fees in Rest Professional

Problem

An owner has been overcharged management fees and needs to reimburse this to the owner.

Solution

1. Determine the incorrect management fee charged against an owner. The most common way to determine this is via Cash Book > Audit Report. Select the appropriate month to print and date range in the Selection Items, then select Print File Changes, Include Fees and Rent Receipts in the Transactions drop-down menu in the Advanced Items.

   ⓘ Depending on the circumstances and the amount of rent charged, the management fee may need to be manually calculated.
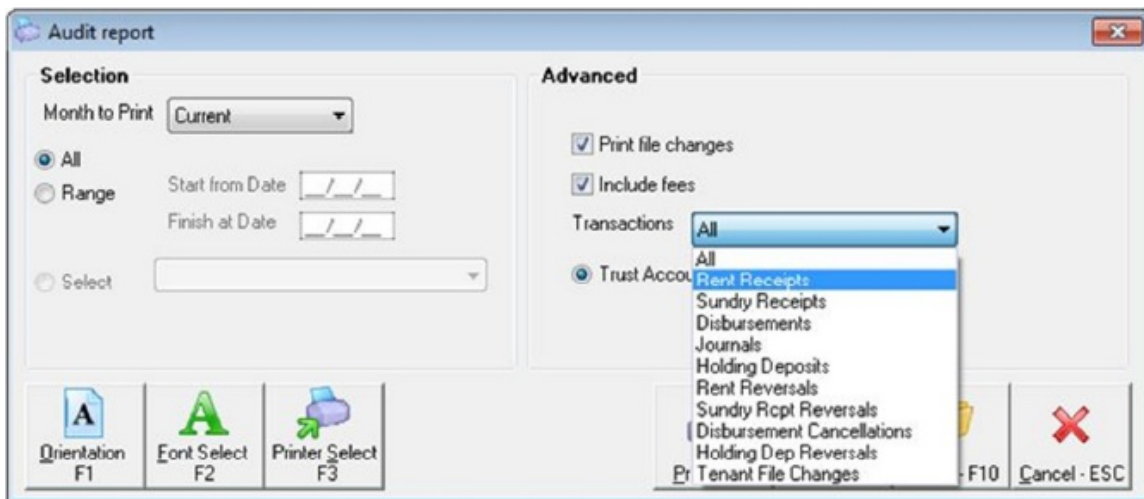
2. Click on Preview. Rest should then display the appropriate transactions in accordance with the criteria selected. The management fee charged on each receipt is displayed on this report.

Date	Ref	Type	Details	Chq Date	Property	Tent/ Cred	Op	Taxes/ M.Fee	Bnk Chg	GST	Amount Incl
07/08/17	00012284	RentRec	Jessica Alba		LOUISA16/7	ALBAJ	CK	24.50	0.00	2.45	350.00
07/08/17	00012285	RentRec	Jennifer Aniston		GIBSON40/4	ANISTONJ	CK	35.70	0.00	3.57	510.00
07/08/17	00012286	RentRec	Gael Garcia Bernal		GIBSON40/2	BERNALG	CK	65.60	0.00	6.56	820.00
07/08/17	00012287	RentRec	Orlando Bloom		HOSK14/28	BLOOMO	CK	37.45	0.00	3.74	535.00
07/08/17	00012288	RentRec	Sheldon Cooper		WHARF22	COOPERS	CK	70.40	0.00	7.04	880.00
07/08/17	00012289	RentRec	Craig David		KENT78/207	DAVIDC	CK	28.70	0.00	2.87	410.00
07/08/17	00012290	RentRec	Geena Davis		GIBSON40/3	DAVISG	CK	151.96	0.00	15.20	2170.80
07/08/17	00012291	RentRec	Johnny Depp		WYLDE3A	DEPPJ	CK	148.40	0.00	14.84	2120.00
07/08/17	00012292	RentRec	Vin Diesel		JONES30	DIESEL	CK	80.00	0.00	8.00	1000.00
07/08/17	00012293	RentRec	Dirty Hair Salon		CROWN42	DIRTYHAIR	CK				
			Rent Paid					400.00		40.00	5500.00
			Water Rates					0.00		0.00	2750.00
			Council Rates					0.00		0.00	2970.00
								400.00	0.00	40.00	11220.00
07/08/17	00012294	RentRec	Don Draper		BILLY22/6	DRAPERD	CK	96.00	0.00	9.60	1200.00
07/08/17	00012295	RentRec	Cadel Evans		AQUA19	EVANSC	CK	48.00	0.00	4.80	600.00
07/08/17	00012296	RentRec	Tina Fey		GIBSON40/1	FEYT	CK	41.60	0.00	4.16	520.00
07/08/17	00012297	RentRec	Ms Cathy Freeman		WARA10/1	FREEMANC	CK	39.20	0.00	3.92	490.00
07/08/17	00012298	RentRec	Megan Gale		ROCK10	GALEM	CK	30.00	0.00	3.00	375.00
07/08/17	00012299	RentRec	Cleaver Greene		TRAF264	GREENEC	CK	30.10	0.00	3.01	430.00
07/08/17	00012300	RentRec	Jake Gyllenhaal & Kirsten Dunst		WELLS19	GYLLENJ	CK	47.60	0.00	4.76	680.00
07/08/17	00012301	RentRec	Gigi Hadid		EVIAN20	HADIDG	CK	36.00	0.00	3.60	450.00
07/08/17	00012302	RentRec	Bob Hawke		FRANKLIN25	HAWKEB	CK	33.60	0.00	3.36	420.00
07/08/17	00012303	RentRec	Paris Hilton		WOLS55/24	HILTONP	CK	202.50	0.00	20.25	2250.00
07/08/17	00012304	RentRec	Liz Hurley		HUDSON10/3	HURLEYL	CK				
			Rent Paid					127.88		12.79	1758.35
			Outgoings					8.81		0.88	193.87
								136.65	0.00	13.67	1952.22

3. The reversal of the management fee can be reimbursed by doing a journal. To do this go to Transactions > Journals, provided there are enough funds in the AAMANAG internal account.

- Debit Property – The property to debit is AAMANAG. This is where Rest is currently holding the charged fees
- Description – Enter a description of the reversal, such as "reverse Incorrectly charged Management Fees on receipt ######'
- Account code – Enter the Account code 481 -

- Credit Property - Enter the property to reimburse the management fees to
- Description and Account Code in the property to credit will automatically populate with the same data entered in the debit portion of the screen
- Amount - Enter the total amount to journal, inclusive of GST. The GST component can also be modified

When Can An Owner Be Overcharged Management Fees?

An owner can be overcharged management fees when:

- The management fee charged in the Financial tab of the Property Details is not consistent with the management fee charged in the Rental tab of the Tenant Details, see the below example

⚠ The management fee charged is based on the Commission % entered into the Rental tab of the Tenant Details.

- A management fee-free period is not reflected in Rest - For example, as part of an agreement for a new management, an owner is entitled to a management fee free

period of one month. To reflect this, the management fee should be changed to 0.00% in the Tenant Details on the Rental Tab. Unfortunately the fee amount was not changed; hence the landlord was charged management fees on rent collected during the management fee-free period.

- A management fee amount has not been correctly entered into REST - For example, a management fee of 8.00% excluding GST is to be charged to an owner for managing a property. However, the management fee was entered as 8.00% inclusive of GST.

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