

How to Manually Adjust a Tenant Ledger

This document relates to Rest Professional Databases on Inclusive dates only.

How do I know if my system is on inclusive or exclusive dates?

Open a tenant Master File: **Files > Tenant**, insert **Alpha Index of the tenant > Rental Tab**

- Inclusive dates: "Paid to Last Month" will appear underneath "Period"
- Exclusive dates: "Paid from" will appear underneath "Period"

Problem

There may be times where a rent renegotiation has not been entered or it was entered incorrectly. In these situations you will need to make manual adjustments to the tenant Rental Tab, to reflect the correct paid to date and credit amounts on the tenant ledger.

This document will cover the following:

- [How to Calculate what the Tenant Has Paid](#)
- [How to Calculate what the Tenant Should Have Paid](#)
- [How to Calculate the Tenant's Correct Paid to Date](#)
- [How to Adjust the Tenant Rental Tab](#)
- [How to Adjust Credits](#)

NOTE: Changes made to the Tenant Rental Tab will only reflect on the ledger from this point onward. All previous history will remain unchanged; please ensure you use clear reasons when saving the changes.

Example

A property is rented at \$440 per week and the tenant has been issued with a rent increase

notice. The increase was to take effect on the 21/09/2019 at \$450 per week, but was never entered. The tenant is now paid to 01/11/2019 according to Rest, however they have not been paying the new rate, instead paying the old rent rate of \$440 per week.

Tenant Ledger:

REST Professional Software System (17.5.05)												
© Copyright 2019 - Rockend Technology Pty Ltd										Date: 12/11/19		Page: 001
Rockend Training Centres												
ROCKEND REAL ESTATE TRUST ACCT												
TENANT TRUST LEDGER REPORT												
Reported Period(s): From September 2019 to November 2019										1 records selected - All Tenants For All Managers		
Tenant Account Date	Ref.	Paid	Op	Acct.	Description	Rent	Amt. Due	Due To	Paid From	To	Inhand	Amount excl
BERNALG	Gael Garcia Bernal				2/40 Gibson Street, NORTH SYDNEY NSW 2060							
06/09/19	00015648	60.00	CK	101	Rent	440.00	W1 60.00	06/09/19	31/08/19	06/09/19	0.00	60.00
					Tenant Debit.							
13/09/19	00015683	440.00	CK	101	Rent	440.00	W1 440.00	13/09/19	07/09/19	13/09/19	0.00	440.00
					Tenant Debit.							
23/09/19	00015718	820.00	CK	101	Rent	440.00	W1 880.00	27/09/19	14/09/19	20/09/19	380.00	820.00
					Tenant Debit.							
30/09/19	00015753	500.00	CK	101	Rent	440.00	W1 500.00	04/10/19	21/09/19	04/10/19	0.00	500.00
					Tenant Debit.							
09/10/19		0.00	CK		Arrears Letter Sent GAEL GARCIA BERNAL ARREARS1.DOC							
09/10/19	00015798	440.00	CK	101	Rent	440.00	W1 440.00	11/10/19	05/10/19	11/10/19	0.00	440.00
					Tenant Debit.							
15/10/19	00015838	440.00	CK	101	Rent	440.00	W1 440.00	18/10/19	12/10/19	18/10/19	0.00	440.00
					Tenant Debit.							
25/10/19	00015882	440.00	CK	101	Rent	440.00	W1 440.00	25/10/19	19/10/19	25/10/19	0.00	440.00
					Tenant Debit.							
31/10/19	00015913	440.00	CK	101	Rent	440.00	W1 440.00	01/11/19	26/10/19	01/11/19	0.00	440.00
					Tenant Debit.							
					Total Rent							3580.00

How to Calculate what the Tenant Has Paid

To calculate what the tenant has paid:

1. Locate the last correct paid to date before the rent increase/decrease date and confirm whether or not there is an inhand amount at this point. (It will show on the last receipt prior to the change). Any inhand amount at this stage belongs to future rent
2. **Total all rent received** from the day after the last correct Paid to Date **including the Inhand amount** if applicable, to the end of the ledger. Only calculate the rent receipts amounts, **invoices are not to be included.**

Example:

- Last Paid to Date: 20/09/2019
- Inhand Amount: \$380.00
- Total of all Rent Received: \$380.00 (Inhand Amount) + \$2,260.00 (Rent Paid) =

\$2,640.00

How to Calculate What the Tenant Should Have Paid

To calculate what the tenant should have paid a formula is used:

1. To calculate the number of weeks paid at the new amount, divide the total amount of rent paid since the Last Paid to Date, by the new rent amount
2. If the calculation for the number of weeks has a decimal, this indicates there is a credit/inhand amount
3. To calculate the total amount paid by the tenant at the new rate, multiply the new rent rate by the number of weeks
4. To calculate the credit/inhand amount, minus the total amount paid at the new rate from the total amount of rent paid at the old rate

Example:

- Number of weeks paid at the new amount: $\$2,640.00 \div \$450.00 = 5.8666$ (5 weeks)
- Total amount paid at the new rate: $\$450.00 \times 5 = \$2,250.00$
- To calculate the credit/inhand amount: $\$2,640.00 - \$2,250.00 = \$390.00$

How to Calculate the Tenant's Correct Paid to Date

To calculate the paid to date:

1. Use the Rest Calculator calendar to obtain the correct Paid to Date, according to the number of weeks paid at the new amount
2. On the Tenant Rental Tab, adjust the Paid to Date to reflect the correct Paid to Date

Example:

- Select the Date From as the date the renegotiation was supposed to take effect =
21/09/2019

- Move forward 5 weeks to calculate the new Paid to Date = 25/10/2019

- You can use the Number of Days field on the Rest Calculator to confirm the correct number of days (i.e. 5 weeks = 35 days)

How to Adjust the Tenant Rental Tab

Once you have done all the calculations you can proceed with adjusting the rental tab:

1. Adjust the Paid to Date to reflect the correct date
2. Adjust the Rent Received, Credit this Month and Credit Last month to reflect the correct Credit/Inhand amount

Example:

- Remove the old Paid to Date and Enter the new Paid to date = 25/10/2019
- In this case, as Rent Received, Credit this Month and Credit Last Month are all currently

\$0.00, adjust the Credit Last month to \$380.00, (if your situation is not as noted, please refer to 'How to Adjust Credits' below)

- Click OK-F12 and add a reason = "To reflect rent increase from 21/09/19 at \$450.00 per week"

Description	Column 1	Column 2	Column 3
Amount GST Excl	\$450.00	\$0.00	\$0.00
Period	w1		
Paid To last month	25/10/19	08/01/10	08/01/10
Paid To date	25/10/19	08/01/10	08/01/10
Rent received	\$0.00	\$0.00	\$0.00
Credit this month	\$0.00	\$0.00	\$0.00
Credit last month	\$380.00	\$0.00	\$0.00
Periods paid	0	0	0
Commission %	8.00	0.00	0.00
Account code	101		
B/F Balance	\$0.00	\$0.00	\$0.00
Direct debit	<input type="checkbox"/> Disable	<input type="checkbox"/> Disable	<input type="checkbox"/> Disable

How to Adjust Credits

There are three important fields to take note of when altering credits under the rental tab of a tenant card and they are:

- Rent Received
- Credit this month
- Credit last month

Credit last month can be altered or deleted as required. Any change to Credit this month field will affect the rent received field. The credit this month and the rent received fields must always equal the funds received for the current accounting period.

1. \$800 in rent received and \$100 in credit this month and you want to clear credit this month so the tenant shows no credit.

Rent received	\$800.00	→	Rent received	\$900.00
Credit this month	\$100.00		Credit this month	\$0.00
Credit last month	\$0.00		Credit last month	\$0.00

2. You would like to credit the tenant \$180 and they had \$800 in rent received, \$100 in credit this month, zero in credit last month.

Rent received	\$800.00	→	Rent received	\$720.00
Credit this month	\$100.00		Credit this month	\$180.00
Credit last month	\$0.00		Credit last month	\$0.00

3. You would like to credit the tenant \$50 and they had \$800 in rent received, \$100 in credit this month, zero in credit last month.

Rent received	\$800.00	→	Rent received	\$850.00
Credit this month	\$100.00		Credit this month	\$50.00
Credit last month	\$0.00		Credit last month	\$0.00

4. You would like to credit the tenant \$180 and there is \$800 in rent received, \$100 in credit this month and \$50 in credit last month.

- **Option A**

Rent received	\$800.00	→	Rent received	\$900.00
Credit this month	\$100.00		Credit this month	\$0.00
Credit last month	\$50.00		Credit last month	\$180.00

- **Option B**

Rent received	\$800.00	→	Rent received	\$720.00
Credit this month	\$100.00		Credit this month	\$180.00
Credit last month	\$50.00		Credit last month	\$0.00

Finally, remember to check your "Periods paid" field and ensure it corresponds with the changes made.

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