
Interest Rate Changes

As part of the Legislation update for Western Australia on 1 May 2020, the Maximum Interest Rate applicable to Owners Corporation's has been set at 11% (reduced from 15%).

For further information on these legislation changes in Strata Master please see [Strata Master Version 12.0.3 Release Notes](#)

The below article is a guide to assist you in changing the interest rate for each owners corporation in Strata Master. As this change will impact historical interest you will need to consider if you are required to charge owners the current interest outstanding prior to making this change. This article will guide you through this process.

Changing the Interest Rate for each Owners Corporation:

- 1) Navigate to the Corporation Screen
- 2) Select the Financial Tab
- 3) Click Edit Mode
- 4) Adjust the field for Levy Interest Rate to be 11%.

Strata Plan 4444 - Read Only Mode

Enter Plan No. or Street Name or Body Corporate Name:

Strata Plan 4444
Chandos Towers
1 Chandos Street
ST LEONARDS NSW 2065

Body corporate name: The Owners Corporation of SP 4444

Plan number: 4444 Building: Chandos Towers

Street number: 1 Street: Chandos Street

Town/Suburb: ST LEONARDS

State: NSW Postcode: 2065

This plan is managed by: Trainee McTrainer

Registered lots: 10 Primary lots: 10
Total lots: 10 Utility lots: 0

Financial year end: 31/12/2020

In initial period:

General

Financial TFN: 850444555 ABN: 56 003 544 107

Structure GST status: Registered

Insurance GST method: Cash

Bank Acct GST frequency: Quarterly

Tradesmen Last AGM: 23/12/2018 Last EGM: 12/04/2018 Tax year end: 30/06/2019

Lots Interim reporting period: Quarterly

Entitlements Strata renewal committee: Strata renewal comment:

Committee Record proposals for funding matters: Proposals:

Assets

Normal levy frequency: Quarterly

Levy discount rate (%): 0

Levy discount grace days: 0

Levy interest rate (%): 15

Interest free period: 34 Day

Reserve funds: 0.00

Reject levy receipts:

Charge unpaid interest:

Creditor invoice hold status:

Include sub-meter invoices in Quorum calculation:

Status Certificate

Levy year: 01/01/2020 To: 31/12/2020

Print all attachments for Status Certificates:

Debt Recovery

Exclude all lots from debt recovery:

Debt collector: CCDC Collection Corporation

Payment Plan approved:

DISCLAIMER - ADJUSTING THE INTEREST RATE FOR AN OWNERS CORPORATION WILL ADJUST HISTORICAL INTEREST ARREARS. THIS MEANS THAT THE FULL AMOUNT OF INTEREST ACCRUED PER LOT WILL BE ADJUSTED. FOR INSTRUCTIONS ON CHARGING CURRENT INTEREST BEFORE APPLYING THE NEW RATE, PLEASE CONTINUE TO READ BELOW.

Charging Owners the Current Interest Outstanding

1) Generate Aged Arrears Report for All Corporations to identify owner's within your portfolio that have outstanding interest.

2) For each Corporation, generate a Levy Positions Report. View the 'Interest Due' column for Admin and Capital works to see outstanding interest amounts per lot. Write these figures down, or export the document to CSV.



Levy Positions - Complete
for the financial year to
30/04/2020

The Owners Corporation of SP 4444

Chandos Towers, 1 Chandos Street, ST LEONARDS NSW 2065

Administrative Fund

Lot	Unit	Paid to	Standard levies				Special levies				Interest		
			Due	Paid	Arrears	Advance	Due	Paid	Arrears	Advance	Due	Paid	GST due
1	1	31/12/2020	1,199.60	2,399.20	0.00	1,199.60	0.00	0.00	0.00	0.00	0.00	12.38	109.06
2	2	31/12/2020	1,199.60	2,399.20	0.00	1,199.60	0.00	0.00	0.00	0.00	0.00	39.29	109.06
3	3	31/12/2020	1,199.60	2,399.20	0.00	1,199.60	0.00	0.00	0.00	0.00	0.00	39.29	109.06
4	4	31/03/2020	1,199.60	599.80	599.80	0.00	0.00	0.00	0.00	0.00	0.00	51.19	109.06
5	5	31/03/2020	1,199.60	599.80	599.80	0.00	0.00	0.00	0.00	0.00	0.00	160.22	109.06
6	6	31/03/2020	1,199.60	599.80	599.80	0.00	0.00	0.00	0.00	0.00	0.00	164.62	109.06
7	7	31/03/2018	1,199.60	(4,570.51)	5,770.11	0.00	0.00	0.00	0.00	0.00	377.55	1,114.53	109.06
8	8	30/09/2019	1,199.60	(582.35)	1,781.95	0.00	0.00	0.00	0.00	0.00	80.32	1.21	109.06
9	9	30/09/2019	1,199.60	(261.42)	1,461.02	0.00	0.00	0.00	0.00	0.00	35.24	335.55	109.06
10	10	31/03/2019	1,199.60	(2,722.67)	3,922.27	0.00	0.00	0.00	0.00	0.00	168.20	8,805.34	109.06
			11,996.00	860.05	14,734.75	3,598.80	0.00	0.00	0.00	0.00	661.31	10,723.62	1,090.60
Due Excl. GST			10,905.40				0.00						

3) Complete the Above steps (1-4) to change interest rate in the corporation to 11%.

4) Generate a new Levy Positions Report to view the new amounts of Interest Due per lot. Calculate the difference between the old Levy Positions report and the new Levy Positions report.



Levy Positions - Complete
for the financial year to
30/04/2020

The Owners Corporation of SP 4444

Chandos Towers, 1 Chandos Street, ST LEONARDS NSW 2065

Administrative Fund

Lot	Unit	Paid to	Standard levies				Special levies				Interest		
			Due	Paid	Arrears	Advance	Due	Paid	Arrears	Advance	Due	Paid	GST due
1	1	31/12/2020	1,199.60	2,399.20	0.00	1,199.60	0.00	0.00	0.00	0.00	0.00	12.38	109.06
2	2	31/12/2020	1,199.60	2,399.20	0.00	1,199.60	0.00	0.00	0.00	0.00	0.00	39.29	109.06
3	3	31/12/2020	1,199.60	2,399.20	0.00	1,199.60	0.00	0.00	0.00	0.00	0.00	39.29	109.06
4	4	31/03/2020	1,199.60	599.80	599.80	0.00	0.00	0.00	0.00	0.00	0.00	51.19	109.06
5	5	31/03/2020	1,199.60	599.80	599.80	0.00	0.00	0.00	0.00	0.00	0.00	160.22	109.06
6	6	31/03/2020	1,199.60	599.80	599.80	0.00	0.00	0.00	0.00	0.00	0.00	164.62	109.06
7	7	31/03/2018	1,199.60	(4,570.51)	5,770.11	0.00	0.00	0.00	0.00	0.00	125.31	1,114.53	109.06
8	8	30/09/2019	1,199.60	(582.35)	1,781.95	0.00	0.00	0.00	0.00	0.00	58.90	1.21	109.06
9	9	30/09/2019	1,199.60	(261.42)	1,461.02	0.00	0.00	0.00	0.00	0.00	15.36	335.55	109.06
10	10	31/03/2019	1,199.60	(2,722.67)	3,922.27	0.00	0.00	0.00	0.00	0.00	65.69	8,805.34	109.06
			11,996.00	860.05	14,734.75	3,598.80	0.00	0.00	0.00	0.00	265.26	10,723.62	1,090.60
Due Excl. GST			10,905.40										

5) Navigate to the Multiple Miscellaneous Invoice function (Accounting > Issue Invoice > Multiple Miscellaneous Invoice). Enter in the difference for each lot. This will create an invoice against each lot for the interest difference that is being changed as a result of step 3. This will need to be done for both the Admin and Capital Works funds.

Multiple Miscellaneous Invoice

GST registered owners corporation selected

Enter Plan No. or Street Name or Body Corporate Name.

Strata Plan 4444
Chandos Towers
1 Chandos Street
ST LEONARDS NSW 2065

Invoice details

Total amount \$396.05 Date due 30/04/2020

Description

Divide total amount evenly between all lots Save invoices to file

Account

Expense Revenue All accounts 142500 Interest on Arrears-Admin - Admin Group

Lot No.	Unit No.	Amount	GST	Description	Delivery method
		396.05	0.00		
2	2	0.00	0.00		Email
3	3	0.00	0.00		Print
4	4	0.00	0.00		Email
5	5	0.00	0.00		Print
6	6	0.00	0.00		Print
7	7	252.24	0.00	Interest Accrued to date 1 May 2020	Print
8	8	21.42	0.00	Interest Accrued to date 1 May 2020	Print
9	9	19.88	0.00	Interest Accrued to date 1 May 2020	Print
10	10	102.51	0.00	Interest Accrued to date 1 May 2020	Print

Each Lot will now have an Owner invoice due for the amount of the interest difference (Pink), with the remainder outstanding as Interest Due (Blue)

Receiving

Receiving into bank account: Rockend Strata Management - General Trust

Levy or Owner Invoice Other Receipt to Owners Corporation Trust Ledger

Selected: Lot 10 / Plan 4444 (GST registered)

Unit/Plan Lot/Plan Address Name Lot Ref

Mr Anthony Carbonara
10/Chandos Towers, 1
Chandos Street, ST
LEONARDS NSW 2065

Unallocated B/F 0.00
Unallocated 0.00
Due 7,190.79
Paid to 31/03/2019 New paid to 31/03/2019

Date	Description	Admin due	Admin paid	Capital W...	Capital W...	Other due	Other paid	Outstanding	Allocation	% Discount	Group
01/06...	Once-off Admin L...	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	10.00	
01/07...	Quarterly Admin/C...	582.35	0.00	216.90	0.00	0.00	0.00	799.25	0.00	0.00	
01/10...	Quarterly Admin/C...	582.35	0.00	216.90	0.00	0.00	0.00	799.25	0.00	0.00	
01/01...	Quarterly Admin/C...	599.80	0.00	310.30	0.00	0.00	0.00	910.10	0.00	0.00	
01/04...	Quarterly Admin/C...	599.80	0.00	310.30	0.00	0.00	0.00	910.10	0.00	0.00	
30/04...	Interest Accrued t...	102.51	0.00	0.00	0.00	0.00	0.00	102.51	0.00	0.00	
01/07...	Quarterly Admin/C...	599.80	0.00	310.30	0.00	0.00	0.00	910.10	0.00	0.00	
01/10...	Quarterly Admin/C...	599.80	0.00	310.30	0.00	0.00	0.00	910.10	0.00	0.00	
30/04...	Interest due	65.69	0.00	17.90	0.00	0.00	0.00	83.59	0.00	0.00	
Charge unpaid interest		5,314.45	24.38	1,909.80	9.08	0.00	0.00	7,190.79	0.00		

Receipt details

Total amount NIL Payer Mr Anthony Carbonara Banked Charge fees for manual receiving

Cheque details

Cheque amount Cheque no. Drawer Bank Branch BSB

Note: When you have completed entering your manual receipts for cash and/or cheques you must finalise those receipts in the Accounting > Banking screen and produce your deposit slip(s).

01/05/2020 1:17 pm AEST