



## Entering Unallocated Funds After Take On Opening Balances Completed in Strata Master

A previous Strata Manager, or a Lot Owner, may contact you and request an entry for unallocated funds or prepaid funds after opening balances have been entered. When opening balances are entered, the entries are balanced to the amount of funds received from the previous Strata Manager.

This article will show you whether to add the funds as unallocated or prepaid funds, as they will differ. Unallocated funds will require cash as cash will increase, as will owners equity, while prepaid funds will decrease owners equity.

### You Need To Receive Funds To Add Unallocated Funds to a Lot

Unlike arrears or prepaid funds, unallocated funds are

- funds that have been received
- and are added with a cash at bank consequence

Therefore, you will need to check "where is the money for the unallocated funds?". The screenshots below show how the unallocated funds are processed.

1. You enter the unallocated funds in the unallocated prepaid column as a negative value.

Levies		Cash Balance		Asset/Liability Balance			Revenue/Expense Balance			
Lot No.	Unit No.	Balance	A/F Prepaid	S/F Prepaid	Unalloc Prepaid	GST A/F Std. Arrears	GST S/F Std. Arrears	GST A/F Spec. Arrears	GST S/F Spec. Arrears	GST A/F Misc. Charge
1	1	-450.00	.00		-450.00					
2	2	-450.00			-450.00					
3	3	.00								
4	4	.00								

2. The Cash Balance tab then shows an amount is required to be received.

Opening Balance Entry

GST registered owners corporation selected - Active Groups  
 Enter Plan No. or Street Name or Body Corporate Name.  
 Strata Plan 3333  
 Hornum Place  
 23 Victoria Street  
 POTTS POINT NSW 2011

Take over date: 01/01/2023  
 Group: [ ] Save report to file:

Levies	Cash Balance	Asset/Liability Balance	Revenue/Expense Balance																				
	<table border="1"> <thead> <tr> <th>Cash at Bank</th> <th>Admin Fund</th> <th>Capital Works Fund</th> <th>Unallocated Money Fund</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Per prior system</td> <td></td> <td></td> <td>\$450.00</td> <td>\$450.00</td> </tr> <tr> <td>Deduct prepaid levies</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td>Adjusted balances</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$450.00</td> <td>\$450.00</td> </tr> </tbody> </table>	Cash at Bank	Admin Fund	Capital Works Fund	Unallocated Money Fund	Total	Per prior system			\$450.00	\$450.00	Deduct prepaid levies	\$0.00	\$0.00	\$0.00	\$0.00	Adjusted balances	\$0.00	\$0.00	\$450.00	\$450.00		
Cash at Bank	Admin Fund	Capital Works Fund	Unallocated Money Fund	Total																			
Per prior system			\$450.00	\$450.00																			
Deduct prepaid levies	\$0.00	\$0.00	\$0.00	\$0.00																			
Adjusted balances	\$0.00	\$0.00	\$450.00	\$450.00																			

Record cheque detail

3. The bank reconciliation shows an amount of \$450 is required in the Bank account.

Manual Bank Reconciliation

Bank account: 3333-45678 - Rockend Strata Management ITF SP 3333  
 Plan or Body Corporate Name: [ ]

Summary	Deposits	Withdrawals	
BANK STATEMENT		LEDGER	
Balance of statement dated 27/06/2023	\$8,676.12	Balance of Cash at Bank	\$7,666.12
Plus outstanding deposits	\$0.00	Plus direct deposits	\$0.00
	\$8,676.12		\$7,666.12
Less unpresented withdrawals	\$1,460.00	Less direct charges	\$0.00
Adjusted balance of bank account	\$7,216.12	Adjusted balance of Cash at Bank	\$7,666.12

The bank account is not reconciled.  
 There is a difference of \$450.00 between the adjusted balance of the bank account and the adjusted balance of Cash at Bank.

Back Next

4. Search/edit transaction screen shows the journal created by Strata Master involves a debit to cash at bank, which increases cash.

Search/Edit Transactions

GST registered owners corporation selected - Active Groups  
 Enter Plan No. or Street Name or Body Corporate Name.  
 Strata Plan 3333  
 Hornum Place  
 23 Victoria Street  
 POTTS POINT NSW 2011

Other Search Criteria  
 Manager: \*Select All  
 Date: 01/01/2023 To: 01/01/2023  
 Amount: [ ] GST: [ ]  
 Type: \*Select All Status: \*Select All Group: \*Select All  
 Reference: [ ] Item type: \*Select All

Account Selection  
 Dr: [ ] And Or Gr: [ ] Show transactions created today:

Plan No.	Date	Group	DR account	CR account	Amount	GST	Type	Status	Reference	User
3333	01/01/2023	None	Owners Equity...	Cash at Bank...	1.32	NIL	Journal	Normal	53	TEST
3333	01/01/2023	None	Cash at Bank...	Prepaid Levies...	1.32	NIL	Levy Receipt	Normal	37	TEST
3333	01/01/2023	None	Cash at Bank...	Prepaid Levies...	450.00	NIL	Levy Receipt	Normal	38	TEST

5. The Lot ledger shows the fuds as Unallocated funds.

## Checking where the Money is for the Unallocated Funds

Note. Liaise with the previous Strata Manager. Do not receipt money on the direction of a Lot Owner. Use caution.

### 1. Were the Opening Balances balanced to the Cash received?

Is the Bank reconciliation out of of balance with Strata Master Ledger side short the Bank Statement? If so, it may indicate an entry needs to be made.

2. If the Strata Manager has informed you of the adjustment, the Strata Manager may state that they have funds to send to you. If not, check with the Strata Manager where the funds are for the funds to be received.

3. Check the entries made at Opening Balances as the Unallocated funds may have been applied to another Lot.

## You Do Not Need To Receive Funds To Add Prepaid Funds to a Lot

Prepaid funds, on the other hand, affect Owners Equity instead of cash at bank. Therefore, while the bank reconciliation is not affected, the owners equity is affected downwards, and if there has been a financial year end for the Plan in the meantime, the closing and opening balances will change.

The screenshots below show how the prepaid funds are processed.

### 1. You enter the prepaid funds in the prepaid column as a negative value.

Lot No.	Unit No.	Balance	S/F Spec. Arrears	A/F Misc.Charges	S/F Misc.Charges	A/F Interest	S/F Interest	A/F Prepaid	S/F Prepaid	Unalloc Prepaid	GST A/F Std. Arrears	GST S/F
1	1	-1.32						-1.32		0.00		
2	2	.00										
3	3	.00								0.00		
4	4	.00										

### 2. The Cash Balance tab shows no cash effect.

Cash at Bank	Admin Fund	Capital Works Fund	Unallocated Money Fund	Total
Per prior system			\$0.00	\$0.00
Deduct prepaid levies	-\$1.32	\$0.00	\$1.32	\$0.00
Adjusted balances	-\$1.32	\$0.00	\$1.32	\$0.00

3. Search/edit transaction screen shows the journals created by Strata Master involves a debit and credit to cash at bank, which negates cash, while Owners equity is decreased with a debit and prepaid levies is increased with a credit.

Search/Edit Transactions

Active Groups

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

Strata Plan 3333  
Horden Place  
23 Victoria Street  
POTTIS POINT NSW 2011

Other Search Criteria

Manager \*Select All

Date 01/01/2023 To 01/01/2023

Amount GST

Type \*Select All Status \*Select All Group \*Select All

Reference Item type \*Select All

Account Selection

Dr [ ] And Or Gr [ ] Show transactions created today

Plan No.	Date	Group	DR account	CR account	Amount	GST	Type	Status	Reference	User
3333	01/01/2023	None	Owners Equity...	Cash at Bank...	1.32	NIL	Journal	Normal	53	TEST
3333	01/01/2023	None	Cash at Bank...	Prepaid Levies...	1.32	NIL	Levy Receipt	Normal	37	TEST

4. The result is the same as for unallocated funds as below.

Current position: Unallocated prepayments \$1.32 Levy arrears & owner invoices due \$2,607.60 Interest on levy arrears \$331.42

## The Options to Fix

1. If the Bank reconciliation is out, with the Ledger side short the Bank Statement, and you have identified that the unallocated funds have been forwarded to the bank account and needs to be receipted, then receipt using this article link - <https://kb.rockend.com/help/receipt-to-unallocated-funds>
2. If the Strata Manager is sending through the funds, then wait until the funds are on the Bank Statement, then receipt as in this link - <https://kb.rockend.com/help/receipt-to-unallocated-funds>
3. If the allocation has been applied at Opening Balances but to the wrong Lot, you will need to cancel the allocation/prepaid receipt to the wrong Lot and then apply unallocated/prepaid funds to the correct Lot. In this case you may have the experience to resolve the issue or alternatively, log a case with Strata Master Support to assist.
4. If there are no funds being forwarded by the previous Strata manager, you would need to be sure of the validity of the request, and then add a prepaid funds.

27/06/2023 7:33 pm AEST