CFP Software Ltd

CFPwinMansdb

Service Charge Manual

Versions 4.4.0 Onwards

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Contents

Introduction

This manual provides guidance for creating and maintaining service charge schedules.

The major sections of this guide cover the following points.

- Creating the record structure
- The creation of service charge schedules
- Posting income to a schedule
- Posting expenditure to a schedule
- Balancing schedules
- Accounting periods
- Reports

The following user guides are also obtainable from CFP. The reason these documents have not been included in this guide is because they are not specific to service charge users.

- Section 166 Legal Notices
  An in depth guide to creating Section 166 Notices.

- Expenses Settled by retention
  An in depth guide relating to the ability to use landlord retained monies to pay outstanding expenses without the need to pay the landlord.

- Charge Interest on Arrears
  An in depth guide relating to the ability to charge interest at various rates, for late payers of outstanding invoices.

Getting Started

Creating Units

Users who wish to add a Commercial Property with Units or a Block of Residential Properties will need to first create a **Head Property** within CFPwinMan. Once a **Head Property** has been created the user will be able to add any number of **Apartments, Flats, Offices, Shops** and **Units** which then occupy or exist within the **Head Property** itself.

Before creating a head property the user must ensure that a **Commercial Status** for properties exists within the system. **User Defaults** contains a **Status/Type** button which launches the **Status Definitions** form. This form is used to create or modify the statuses within CFPwinMan.

The user must select the **Property** checkbox to view the statuses that are associated with properties.

The user will be able to add a new or modify an existing status. A **Commercial** checkbox can be selected to specify a property status as **Commercial**.

Once a property status has been identified in this way the user can proceed to create a **Head Property.** In order for any property to exist within the system the **Landlord** of the property must first be created. The **Property Information Form** can then be loaded and the **New Button** selected to create a record.

The user can then fill in the **address** details of the Block or Commercial Property. The **Commercial Status** can then be selected in the **Status** Dropdown box, followed by the selection of the **Head Property** checkbox.

The property information form can then be saved, whereby a confirmation message will appear regarding the creation of a head property. A **Unit Management** tab will then appear in the lower section of the form.

This is where the user adds the **Apartments, Flats, Offices, Shops** or **Units** which occupy or exist within the head property. For ease of reading these will be referred to as **Units** from this point on. The user will able to select the **Add New Units** button to add any number of units to the head property.

The **Add New Units** form is then shown, from which the user can add the following information:

How many **Units** are required.

The starting **Property Code**, which will be incremented as each unit is added.
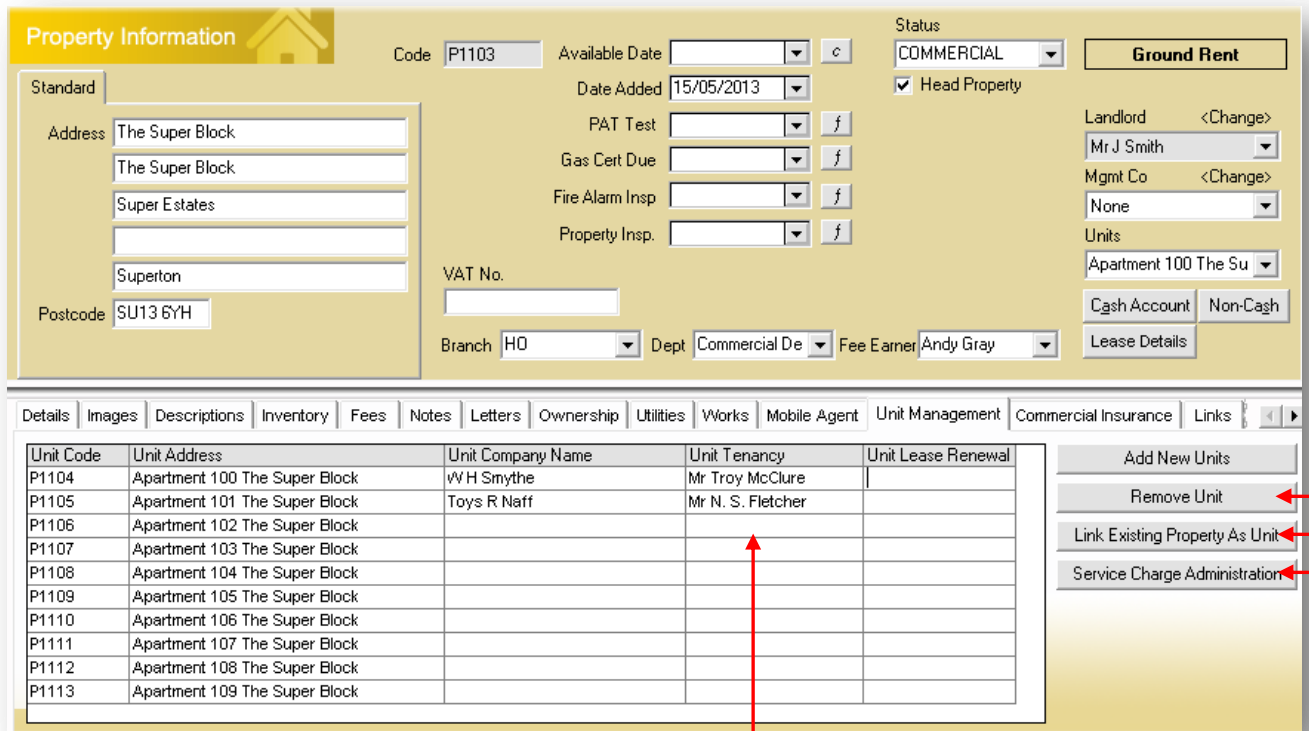
The **Unit Prefix,** such as Flat or Shop.

The **Starting Number**, which will be incremented as each unit is added. The ability to only increment **Even** or **Odd** numbers is provided.

The form also provides an overview of how the first units address details will appear after creation. These address details can be modified. The modifications will appear on all unit records once the creation of units has occurred.

Once the user has filled in the form the **Add Units** button can be selected to create the units.

Once the units have been added, the **Unit Management** tab will list them. The ability to then **Remove** units will be provided. The ability to **Link Existing Properties as Units** is also available, providing the properties exist under the same landlord as the **Head Property**. The buttons in the bottom right corner are provided for these purposes.

As the tenancies are created for each unit, the form will list the tenancies on the **Unit Management** tab. The user can double click on the **Unit tenancy** column to drill down to the tenancy information form. The **Unit Address** column can also be double clicked to drill down to the Unit Record.

The user can create service charge schedules to be charged to all occupied units. The process of drawing up these schedules is carried out on the **Service Charge Administration** form. This form can be loaded by selecting the **Service Charge Administration** button. The section of this user guide entitled **Getting Started,** which follows this chapter, will provide guidance in this area.

Commercial Insurance

Each property and unit in the system with a **Commercial Status** contains a **Commercial Insurance** tab. This tab enables the user to specify any insurance policies that are in place.

The user can specify any number of policies.

Once the basic details such as **Policy Number, Insurance Company, Insurance Category, Renewal Date** and **Premium** have been entered, the user can select the **Details** button.

*NOTE: The **Insurance Company** must be entered into the system as a contractor in order for it to become linked to the insurance policy.*

When the **Details** button has been selected the specified policy's **Details** form will appear, providing the user with the ability to specify any further details of the policy such as **Coverage Details.**

The **Organsier** report entitled **Commercial Insurance** will warn the user of any insurance policies that have a **Renewal Date** in the past.

Management Companies
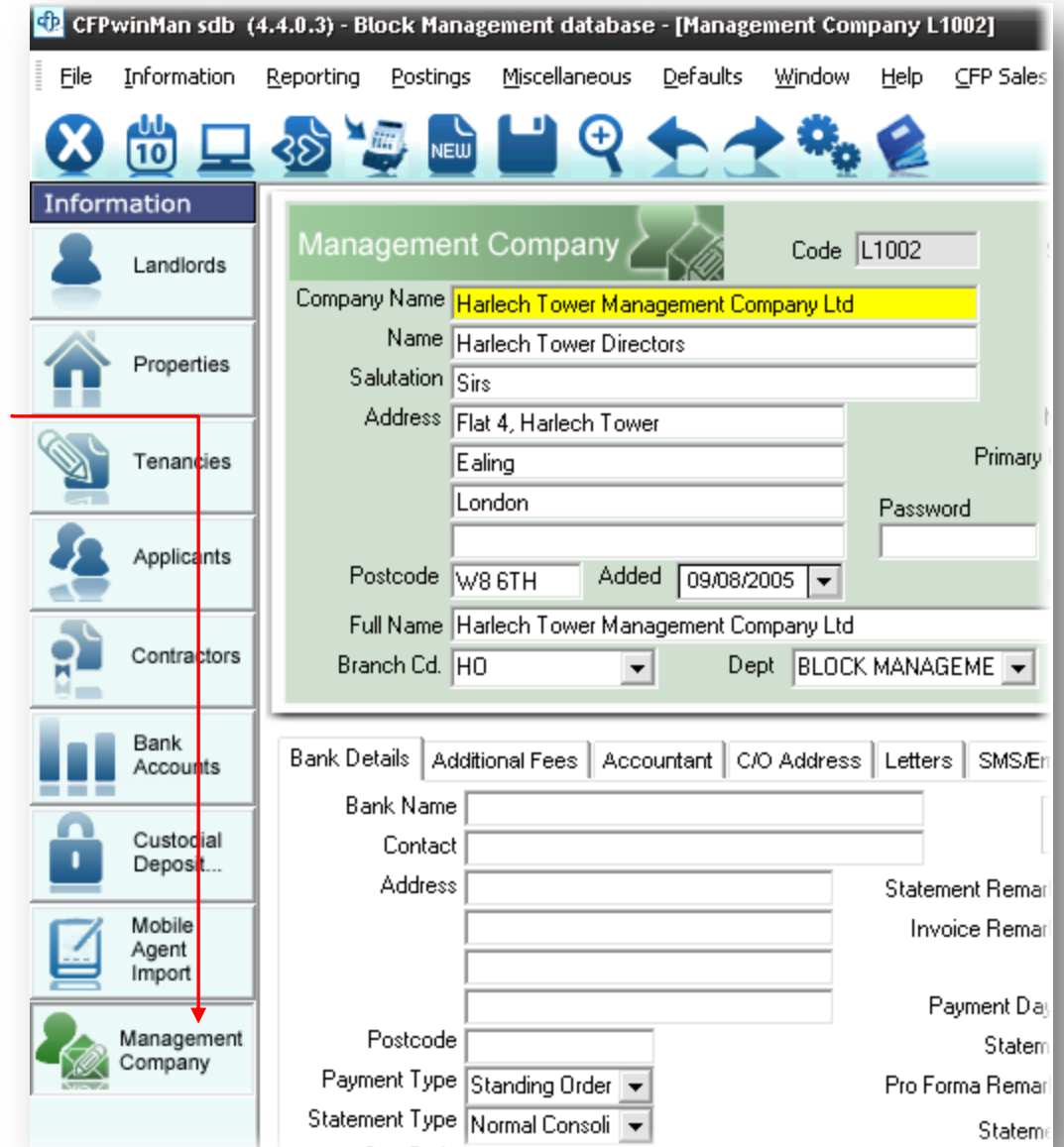
If a **Management Company** is responsible for a particular block or commercial property, the user will be able to add a management company record and link it to the **Head Property.**
Service charge schedules can then be created that are accountable to a management company.

The **Side Bar** on the left side of CFPwinMan provides a **Management Company** button which can be selected to locate, add or modify a management company record.

The user will be able to add a management company record in the same way that a landlord record is created.

Forms relating to payments such as **Landlords to Pay** and **Multiple Landlord Payments** will list management companies alongside landlords when they are due for payment.

Once a Management Company has been created and saved, the user can attach it to a head property. The **Head Property** Information form contains a section in the top right corner which specifies the name of the associated management company (should one be linked).

To create a link to a management company, the user can double click this box to launch the **Locate** form, from which the management company can then be selected**.** Once the management company has been linked in this way, the **Managed Properties** tab on the **Management Company** form will list the **Head Property.** The user will be able to drill down to the head property by double clicking this line.

The Next Step

Before the user proceeds to set up a schedule, the relationship of the block must be established. A head property must be created, any Flats, Apartments, Units, Shops or Offices must then be created under this head property. If a management company is in use, this can be created and linked to the head property. Finally some attention needs to be paid to which bank accounts are to be used within the relationship.

Once the above framework for the relationship is in place, and the tenancies for each of the units have been set up, the user can create a schedule for charging service charges.

If any of the properties or tenancies that make up the relationship are displayed on screen, the **Service Charge Administration** button will become available.

Selecting this button presents the **Service Charge Administration** form as shown on the next page. It is worthwhile for the user to familiarise themselves with this form as, it is the core of the service charge module and where the vast majority of the service charge processes are undertaken.

Service Charge Administration Form

The **Service Charge Administration** form is used to create schedules, produce reports, adjust budgets, process the movement of surplus and deficit monies, as well as many other tasks relating to schedules.

The form displays each schedule as a line in the grid section.
Unposted schedules will show in yellow whereas posted schedules are shown in white.

The form contains a number of buttons used to perform schedule tasks. Each of the tasks can also be carried out by right-clicking a schedule or using the menu headings. The function of each button is outlined below:

= Exit the form	= Save Changes to the form	= Print the form
=Preview the form	= Launch Schedule Creation form	= View contributions and transactions
= Post the Schedule	= Clone schedule Utility	= Administer Accounts (at end of schedule)
= Generate Reports	= Manage Reserve funds	

Once a schedule is finished, users can select the **Archived** checkbox to remove the schedule from the grid.
To retrieve archived schedules the **Archived Schedules** checkbox is available at the foot of the form.

A breakdown of the column headings is provided below.
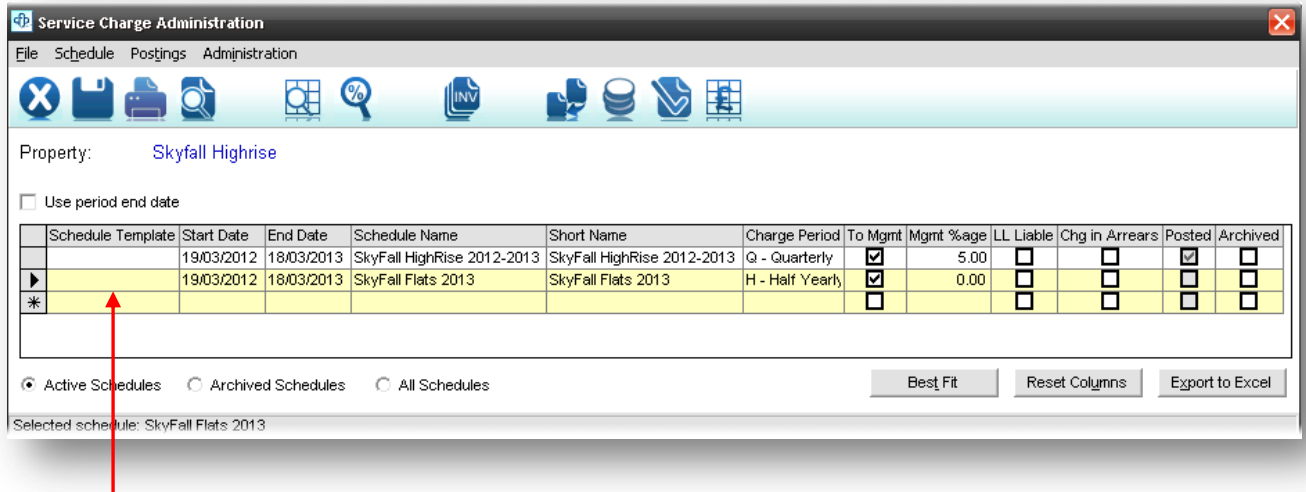
Schedule Template: If a schedule template has been created this can be chosen here.
To learn how to create a schedule template please refer to the **Schedule template** section of this user guide.

Start Date: The start date of the schedule should be entered here.

End Date: The end date of the schedule should be entered here. We advise against ending a schedule on the same day of the month that it started, as this might not reflect the true period for which it was intended. The above example shows a typical year long schedule which has been created successfully.

Schedule Name: This is used to give the schedule a title or heading. It is worth considering a title that is unique to the schedule, in order to distinguish it from other schedules.

Short Name: A shorter version of the above schedule name is needed for some service charge reports where space is limited.

Charge Period: The charge period of the schedule must be entered here.

To Mgmt: Selecting this checkbox indicates that the schedule is to be administered by a management company. Therefore all received service charge payments and expenses (for this schedule) will appear on the payment screen for the management company attached to the head property, rather than the landlord. If a management company is linked to the head property, this box will be ticked automatically.

Mgmt %age: This section enables the user to specify a commission as a percentage due to the agency, to be calculated against all service charge income. This will appear as a debit on the Management company payment form. The option is only available to schedules which are setup under a management company.

LL Liable: This option should be selected if the user wishes the landlord to become liable for service charges. If a unit becomes vacant for a time during the course of a schedule, outstanding invoices can be individually reassigned to the landlord until a new lease has been established. The section of this user guide entitled **Landlord Liability** will explain this in more detail.

Chg in Arrears: Selecting this option converts the schedule so that no actual budgets are specified. All the expenditure is totalled up at the end of the schedule and an invoice is then created for service charges. The section of this user guide entitled **Charge in Arrears** will explain this in more detail.

Archived: Selecting this checkbox will remove and archive the schedule from the **Active** view.

Creating a schedule

Accounting Periods

Before drawing up a schedule, it is worth considering whether the **Accounting Periods** functionality should be enabled. This method of working (should the user enable it) imposes a rigid time frame (or Accounting period) against the head property for schedules to be set against. When an accounting period ends, the schedule(s) assigned to the head property are also set to end. Processes such as the bank reconciliation and various reports can then be undertaken *as at* the end of the accounting period.
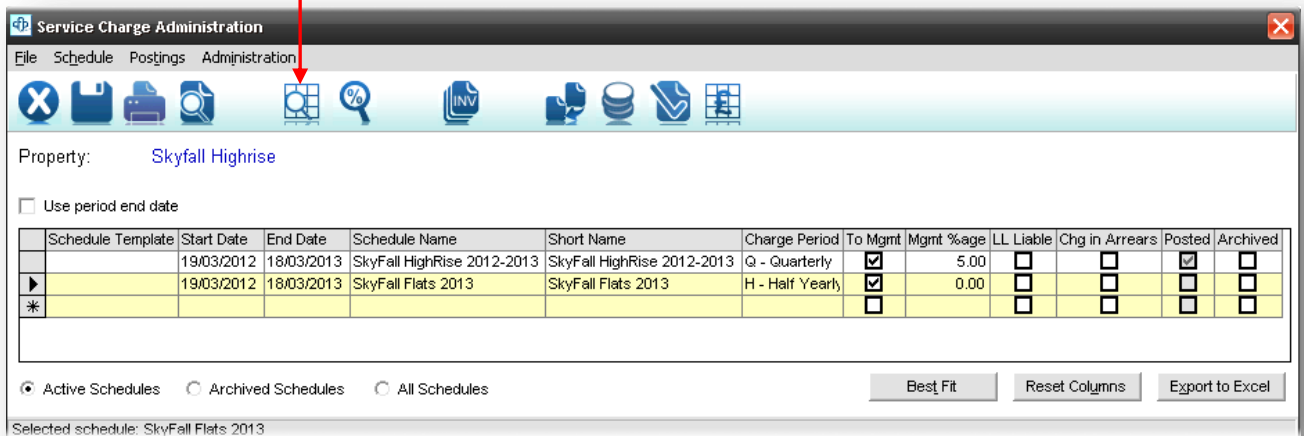
Users who wish to learn more about this method of working should read the **Accounting Periods** section of this user guide. If the user wishes to follow this method of working the **Accounting Periods** section must be understood before the creation of a schedule is undertaken.

Schedule Allocation Form

Once the user has entered the **Start Date, End Date, Schedule Names** and **Charge Period** for a schedule, the next step is to add expenses types, provide budget estimates and apportion the charges against the Units and tenancies. These processes can be carried out on the **Schedule Allocation** form.

NOTE: For ease of reading the word **Unit** will be used when referring to
Properties, Apartments, Flats, Shops and Offices.

To launch the schedule allocation form the user should select the required schedule from the list followed by the **Schedule Allocation** button.

	Schedule Template	Start Date	End Date	Schedule Name	Short Name	Charge Period	To Mgmt	Mgmt %age	LL Liable	Chg in Arrears	Posted	Archived
		19/03/2012	18/03/2013	SkyFall HighRise 2012-2013	SkyFall HighRise 2012-2013	Q - Quarterly	☑	5.00	☐	☐	☑	☐
▶		19/03/2012	18/03/2013	SkyFall Flats 2013	SkyFall Flats 2013	H - Half Yearly	☑	0.00	☐	☐	☐	☐
*							☐		☐	☐	☐	☐

Explaining the form

The **Schedule Allocation** form will show the **Start Date, End Date** and **Charge Period** at the top of the form. The user will be able to change these options providing the schedule has not been posted.

The schedule allocation form is split into three main sections:

The **Budget Items** section is used to enter the individual expense types together with their estimated budgets.

The **Contributions** section is used to specify either an amount or percentage of the total budget alongside the units that will be contributing towards the schedule.

The **Demands** section provides the user with the ability to specify how much a particular unit should be contributing for each period of the schedules duration.

The overall purpose of this form is to list each expenditure type together with an amount to create a **Total Budget** and then allocate the whole budget to each of the relevant units, to create an **Allocated Budget.**

The user will be restricted from posting the schedule until the **Total Budget** and **Allocated Budget** match.

Once the budget totals match each other, the budget headings will change from red to green.

The **Confirm and Post** button will then become available to post the invoices to the relevant tenancies.
NOTE: Users should familiarise themselves with the rest of this chapter before posting a schedule.

The **View Contributions** button provides the user with a report that displays all individual invoices allocated to each unit.

We recommend the user views this report before the schedule is posted. The section of this user guide entitled **View Contributions** will explain the report in more detail.

The **Save Draft** button can be selected to save the schedule in its current state.
The budget totals do not need to match each other in order to allow this process to happen.

Specifying a Budget

The **Budget Items** section is designed to accommodate a list of expenditure types alongside an estimated budget for each type.

A **Notes** column is available to the user for each expenditure type. These (customer facing) notes will be used for both the **Estimated** and **Confirmed Budget** reports. The **Budget Reports** section of this user guide will explain those reports in more detail.

The ability to delete an expense type is available in case one is entered in error. The row can be highlighted and the [**Delete**] key pressed to perform this process.

Once the budget types and amounts have been specified, the user can move on to either the **Contributions** or **Demands** section of this form, in order to address how much each unit should contribute towards the schedule.

Specifying Contributions

The **Contributions** section of the form is used to specify how much of the estimated budget each unit should be contributing. The option to specify each unit's contribution as a percentage or as an amount is provided.

To prevent units from being liable for any service charges, the percentage column should be set to zero.

If all of the units listed are to be charged the same amount, the **Even Split** button can be selected. This apportions the estimated expenditure evenly across all units. The percentages which this process produces can then be overridden should the need arise.

Once a percentage figure is entered or modified for a particular unit, the **Contribution** column will update to inform the user how much the specific unit is liable for, over the period of the schedule.
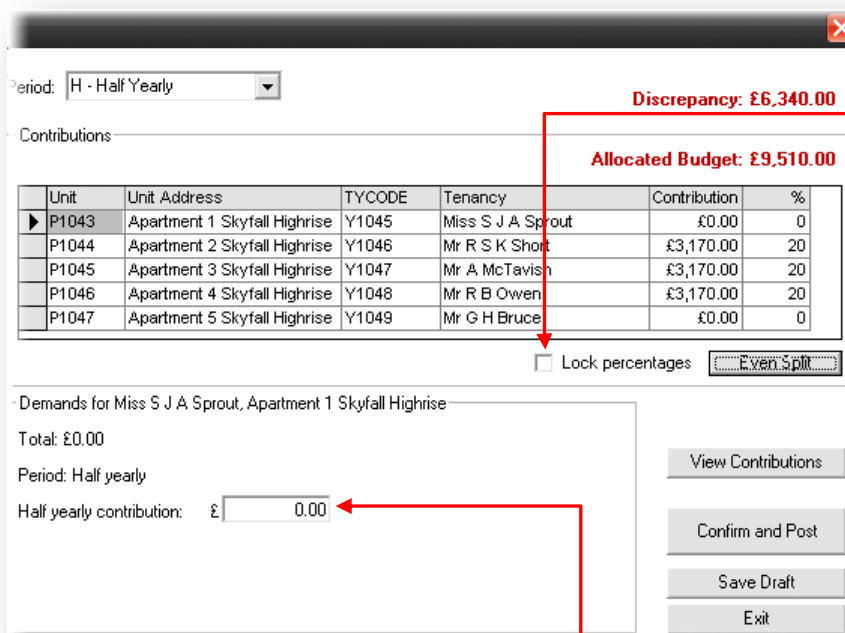
The **Demands** section at the foot of the form will also update to inform the user how much the specified unit will be charged per invoice, together with any rounding that needs to be applied to the first invoice. As well as specifying a unit's contribution as a percentage, the user can specify a units overall contribution towards the schedule as an amount. The **Contribution** column is used for this purpose.

Once an amount has been entered or modified for a particular unit, the **Percentage** column will update to inform the user what percentage of the estimated budget the unit is liable for. The **Demands** section at the foot of the form will also update to inform the user how much the specified unit will be charged per invoice, together with any rounding that needs to be applied to the first invoice.

Lock Percentages

If percentages or contribution amounts have been entered alongside the relevant units and the user then revisits the **Budget** section of the form to adjust a budget figure, the contribution column will remain as it was prior to the budget adjustment. But the percentage that each unit has been allocated will change to reveal the true percentage the contribution amount is, in relation to the total budget.

The user may prefer that the percentages remain the same if an adjustment is made to the budget.

To achieve this, once the percentage of liability for each unit has been specified, the **Lock Percentages** checkbox should be selected.

With this option in force, any adjustments to budget items that take place will force the system to recalculate how much of the total budget each unit is liable for, based on the specified percentage. The new recalculated figure will then appear in the contribution column for each unit.
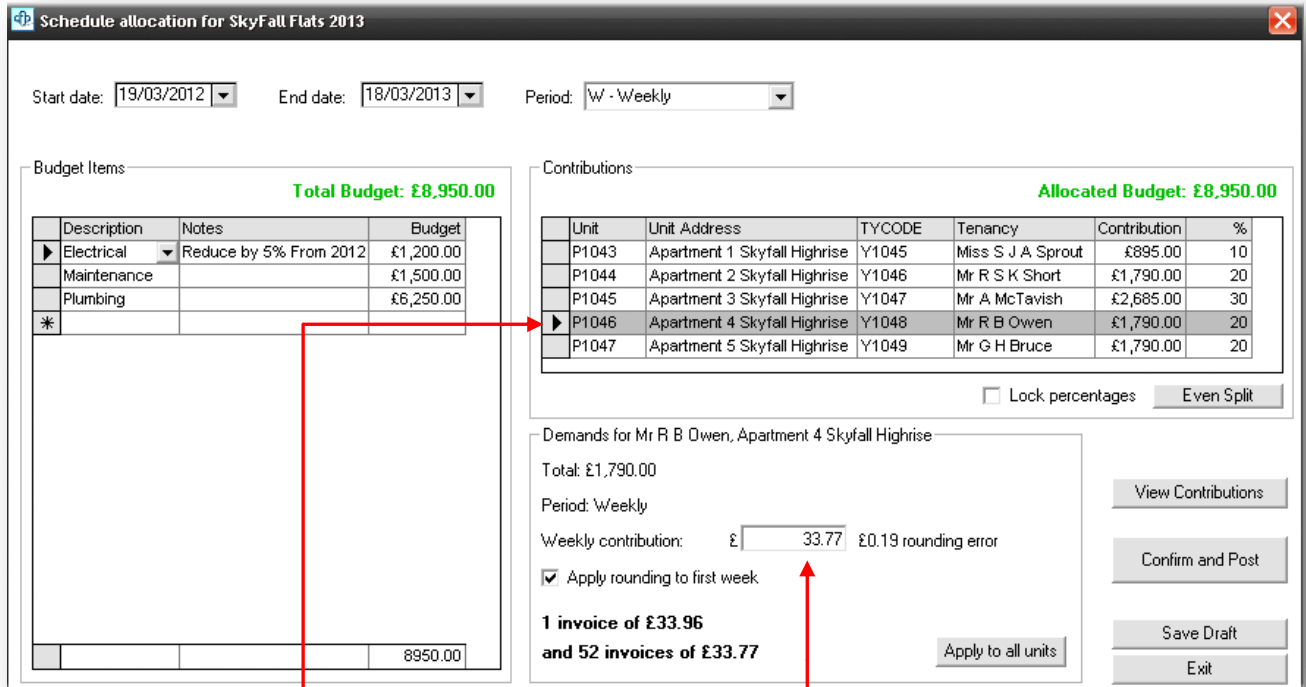
With the **Lock Percentages** option set, any adjustments made to an individual unit's contribution will automatically recalculate the contributions for all other liable units, based on their specified percentage.

Any changes made to the **Contributions** section of the form will force the **Demands** section of the form to recalculate how much a particular unit should be contributing for each period of the schedules duration.

If at any stage the **Total Budget** and **Total Allocated** figures do not match, the discrepancy between the two figures will be displayed in red at the top of the form.

Specifying Demands

The **Demands** section will constantly be adjusted to reflect any changes made to the contributions column. Its primary function is to show periodic invoice amounts for specified units.

The user must first choose which unit the demands section should report on.

The **Total Contribution** and **Period Frequency** will be displayed alongside the **Amount** each invoice will be.

The amount is calculated to be the largest figure each periodic invoice can be, without exceeding the contribution amount for the given unit. Once this calculation has taken place, if an amount is left over it will be reported as a **Rounding Error** (as shown in the above example)**.**

Rounding Errors

When a rounding error occurs the system will automatically increment the amount of the first invoice to include the rounding error. A couple of steps can then be undertaken by the user to adjust the periodic contribution of the unit.

Step 1

Users who prefer that the first invoice does not include the rounding amount, should deselect the checkbox labelled **Apply rounding to first (period)**.

Deselecting this checkbox informs the system that the **Contribution Amount** for the specified unit has been reduced by the amount of the rounding error.

The **Contribution** and **Percentage** columns for the unit will change to reflect this.

This reduction of the contribution amount will reduce the **Allocated Budget**.

In the example shown here, this created a discrepancy between the **Allocated budget** and the **Total Budget.**

If this step is undertaken with the **Lock Percentages** option selected, all the units in the schedule will retain their specified percentage but the contribution amounts for each unit will be automatically recalculated.

This will also create a discrepancy between the Total Budget and the Allocated Budget that will need to be addressed before the user attempts to post the schedule.

Step 2

Should a user prefer each periodic invoice to be a specific amount (so no rounding at all), this desired figure can be entered in the **Periodic Contribution** box.

Entering an amount in this box informs the system that the contribution amount for the specified unit has changed and so the **Contribution** column for the unit will now be recalculated to reflect the unit's new overall figure.

The **Contribution** and **Percentage** columns for the unit will change to reflect this.

This reduction of the contribution amount will reduce the **Allocated Budget**. In the example shown here this created a discrepancy between the **Allocated budget** and the **Total Budget.**

If this step is undertaken with the **Lock Percentages** option selected, all the units in the schedule will retain their specified percentage but the contribution amounts will be automatically recalculated.

This will also create a discrepancy between the Total Budget and the Allocated Budget that will need to be addressed before the user attempts to post the schedule.

If either of the steps are undertaken with the **Lock Percentages** option **selected,** all the units in the schedule will automatically recalculate their contributions, based on their specified percentage. If the **Lock Percentages** option is **deselected**, only the **Percentage** assigned to the specified unit will be recalculated.

Quick and Simple approach to creating a schedule

The **Demands** section of this form can prove to be significantly more useful if the user has already decided **exactly** how much each unit should be paying per period. The following steps indicate an optional method of approaching the schedule allocation form which may benefit users who find themselves in this situation.

Once the **Estimated Budgets** have been specified, the user can then select the first unit they wish to configure on the **contributions** panel.

The **Periodic Amount** can then be specified and the total for this will be reflected in the **Contributions** section. In the example above, there are four contributions of £400 giving a total contribution of £1600.

Should the user wish to apply this same amount to all of the units then the **Apply to all Units** button can be selected. The settings for these other units can still be modified.

Each remaining unit in the list can then be selected, and a periodic amount entered until the user is satisfied that all units have been catered for.

If the **Allocated Budget** and **Total Budget** amounts do not match, the user can make a note of the discrepancy amount and adjust the amounts on **Budget** section (by this amount), to bring them in line with the allocated budget. This is likely to be the quickest and simplest method of drawing up a schedule.

Sinking Funds

In addition to standard schedules, the user can also create a **Sinking Fund** schedule. This provides a method of obtaining a sum of money to cover the cost of irregular and expensive works such as structural repairs or lift replacements.
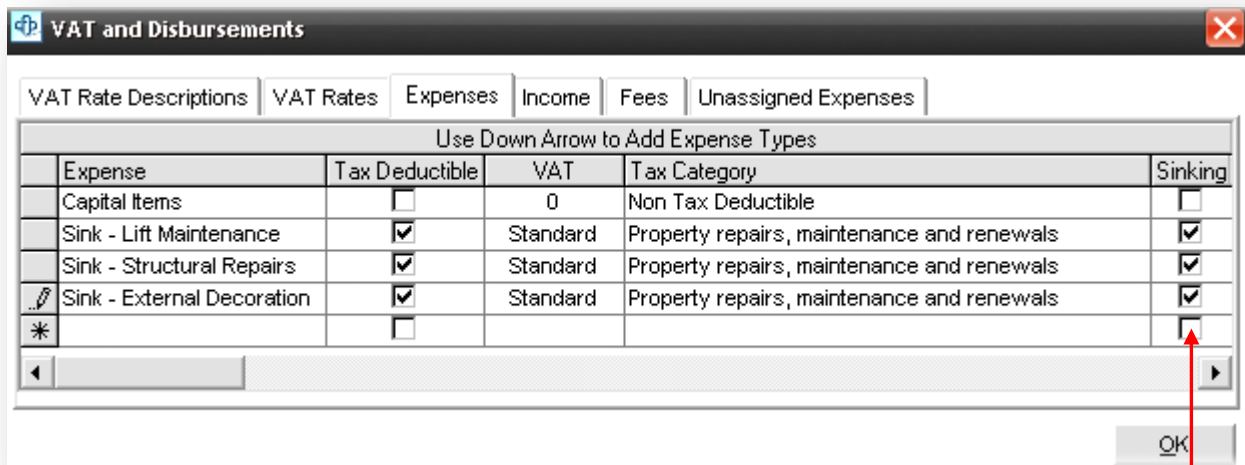
A typical sinking fund schedule, when implemented correctly, will ensure that all liable occupiers contribute towards the schedule, not just those who are in occupation at the time in which the works are carried out. The intention is to avoid large one-off bills, and assist with leaseholders' budgeting.

CFPwinMan caters for sinking fund schedules in the same way that it does for standard schedules.
The main difference occurs on the management company or landlord payment form where all sinking fund income and expenditure is dealt with separately from all other income and expenditure.

To create a sinking fund schedule the user can follow the same method used to create a standard schedule, but instead of choosing the standard budget types, sinking fund expense types must be chosen.

User Defaults contains a button labelled **Vat and Disbursements**, which shows a form containing a tab entitled **Expenses**. This tab lists all of the expense types in CFPwinMan.
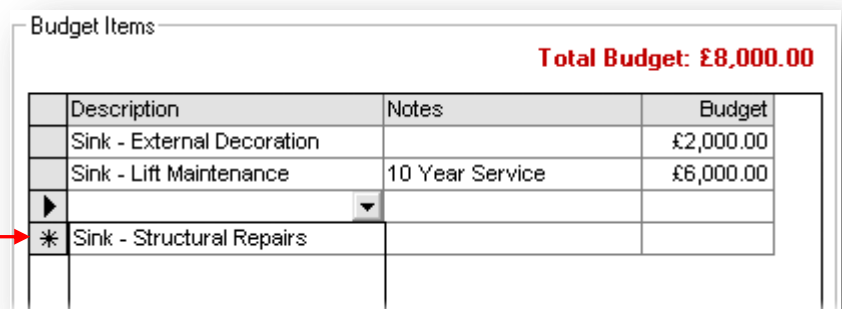
The user can create an expense type and mark it as **Sinking** by selecting the **Sinking** checkbox.

When the expense types are entered on the schedule allocation form, the user should choose the relevant sinking fund expense types.

Once a **Sinking** expense type has been specified, only other sinking fund expenses types can then be added to the schedule.

NOTE: It is not possible to create a schedule containing both sinking and non-sinking expense types.

The payment form for the Management Company or Landlord contains a **Statement Content** toggle setting. This setting enables the user to display either **Standard Service Charges** (default) or **Sinking fund** items only.

Paying a standard statement will never affect a sinking fund statements contents, and vice versa.

The user can specify which statement type is shown when the payment form is first loaded.

The **Statement Content** selection box situated on the bank details tab can be selected to carry out this task.

Multiple Landlord Payments contains a preference to filter which **Statement Type** summary is listed.

The **Landlord Preference** option will abide by the above setting.

The **All Statements** option will display both **Sinking** and **Standard** payment summaries alongside each other.
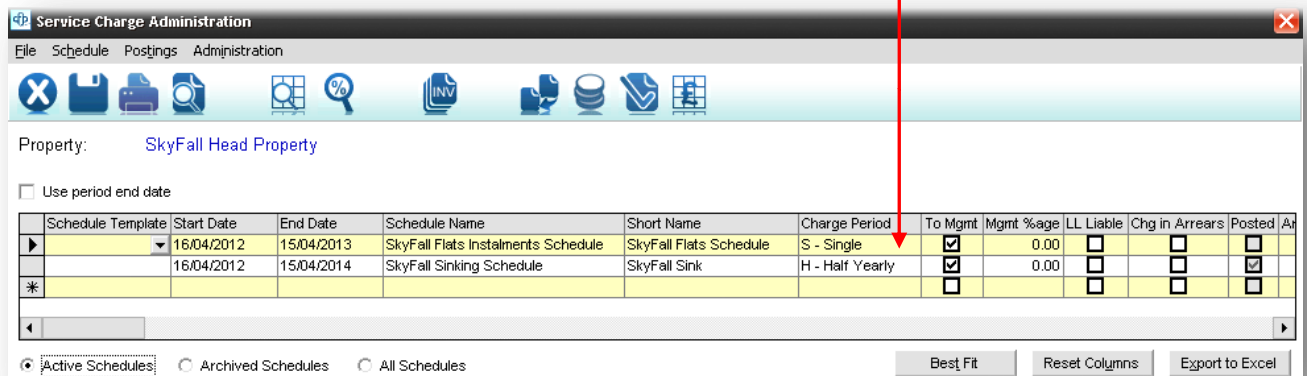
Instalment Plans

Introduction

Users have the ability to create a schedule whereby each liable client can contribute towards a schedule using a unique payment plan. These Instalment plans differ from the standard method of posting a schedule because they offer the following benefits:

- The ability to configure a tailored instalment plan for each liable client.
  For example one client could pay monthly whereby another could pay quarterly payments.

- The ability to start demanding monies midway through a schedule's duration.
  For example the first six months of a one year long schedule nothing is demanded,
  then monies are requested during the last six months of the schedule's duration.

- The ability to demand monies at the start of a schedule's duration for a set number of instalments.
  For example a two year long schedule can be configured to demand all the monies in four instalments during the first year.

- The ability to completely reconfigure a particular payment plan midway through a schedules duration, taking into account any monies already received by the liable client.

- The ability to draw up a payment plan and apply it to **ALL** liable clients.

- The ability to print or email a report detailing when and how much each instalment is due for each (or all) liable clients, with the ability to include a covering letter should the need arise.

Creating an Instalment plan

In order to create an instalment plan schedule, the user must specify a **Single** charge period when drawing up the schedule details on the **Service Charge Administration** form.

Once the **Single** period has been specified together with the schedule dates and schedule names, the schedule allocation form can then be used. The user draws up the schedule in the usual way, ensuring the **Total Budget** and **Allocated budget** figures match each other.

The **Contributions** section will contain a **Use Instalment Plans** checkbox. With this selected, the user can press the **Edit Instalments** button to configure the instalment plans.

With the **Instalment Plans** screen loaded, the user can select the checkbox entitled **Apply to All Units** to create an instalment plan to be applied to all of the units in the list. NOTE: Once this has been applied the user will be able to override a particular unit's instalment plan if necessary.

Apply to all Units

In order to create an **All Units** instalment plan, the user must begin by entering the date that the **First Instalment** is due. The system will not accept a date earlier than the schedule start date.

The period can then be selected from the dropdown menu, followed by the number of instalments. The **No Instalments** default value will be automatically calculated based on the first instalment date and the period of the schedule payments. This figure can be reduced to no less than one payment.

Once these details have been supplied, they will automatically be applied to each of the units in the list. The ability to override an individual unit's instalment plan is provided by selecting the **Apply at Unit Level** checkbox, which will be covered on the next page.

Apply at Unit level

The **Apply at Unit Level** selection box can be selected to create a new instalment plan alongside a unit or to adjust a pre-filled instalment plan that was created by the **Apply to all units** routine.

If a particular unit is not contributing towards the schedule, the **Reqd** column can be deselected to exclude the unit from running instalment plans.

To create an instalment plan against a unit the **First Instalment** date should be entered.
The period can then be selected from the dropdown menu, followed by the number of instalments.

The **No Instalments** default value will be automatically calculated based on the first instalment date and the period of the schedule payments. This figure can be reduced to no less than one payment.

Once all the required instalment plans have been created, the user will be able to preview or print a list of instalments for either all units or an individual unit. NOTE: This report can also be produced as part of the **Estimated / Confirmed Budget** reports where the ability to email and include covering letters is provided. The section of this user guide entitled **Estimated / Confirmed Budget** reports will explain this in more detail.

If a rounding issue is encountered when the system calculates the amount for each instalment, the first due amount will be adjusted to ensure all the remaining due amounts are the same.

Here is an example of this.

Mr J Smythe,
Flat 2 SkyFall Flats,
SkyFall Flats,
SkyFall Head Property,
SkyFall Head Property,
SKYFALL HE

Unit: P1027
Tenancy: Y1024
Date: 17/04/2013

Instalment Management Plan for
SkyFall Flats Instalments Schedule

Date	Instalment	Amount
16/04/2012	Instalment 1	37.52
23/04/2012	Instalment 2	37.74
30/04/2012	Instalment 3	37.74
07/05/2012	Instalment 4	37.74

Once the user is satisfied that the instalment plans have been configured correctly the instalment plan form can be closed and the schedule can be posted. to create the instalment plan invoice(s).

Instalment Plan Invoices

Once an instalment plan schedule has been posted each of the clients that are contributing towards the schedule will find a single invoice present on the invoice form. The suggested date range of the invoice will cover the whole duration of the schedule. This description can be altered if the user wishes to do so.

These invoices can be raised straight away even if monies are not due for some time.
Providing the **Apply Instalment Plans** option is ticked on the **Receipt** form, the **Amount Outstanding** column (and **Total Outstanding** figure) will be calculated based on the instalment plan.

This same checkbox can be deselected to reveal how much of the total invoice is outstanding irrespective of instalment plans.

User Defaults contains a **Service Charges** tab with a checkbox entitled **Apply instalment plans on receipt**, which provides the user with the ability to choose how this tick box behaves upon the loading of the receipt form.

Instalment Plans Managing Arrears

The **Arrears** section of the **Organiser** will take instalment plans into account when reporting due figures.
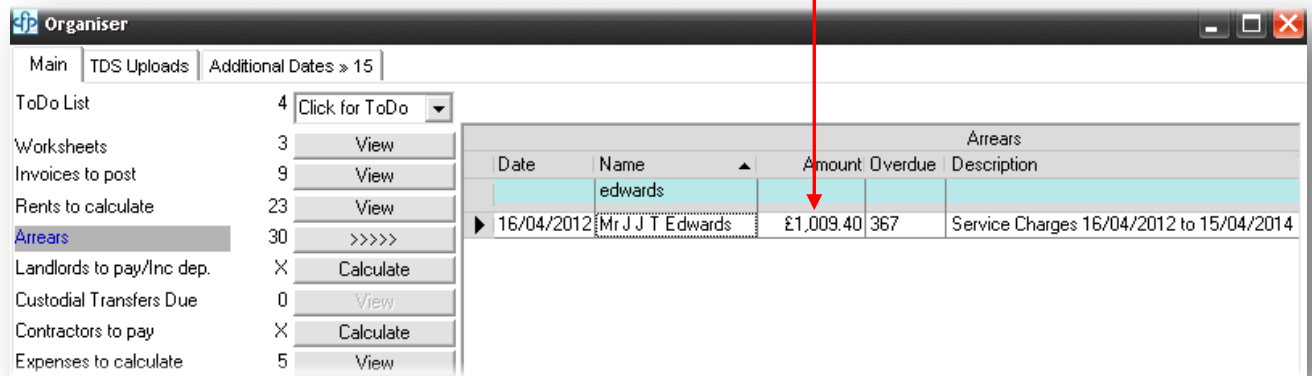
The figure reported above (£1009.40) is approximately half of the overall invoice amount of £2000.
This is because just over 50% of the schedules duration has elapsed.

Should the need arise to chase a tenancy for outstanding arrears using the **Tenancy Arrears Letter** utility, the following merge codes may come in useful. The examples listed below reflect the above scenario.

TYARREARS

Produces a table of all individual arrears taking instalment plans into account as seen on the receipt screen.

Date	Description	Amount	Outstanding
16/04/2012	Service Charges 16/04/2012 to 15/04/2014	1009.40	1009.40
		1009.40	**1009.40**

TYTRUEBAL

This will take instalment plans into account and list the outstanding amount as a negative -1009.40.

TYBAL

This will take instalment plans into account and list the outstanding amount as a positive 1009.40.

TYBALACTUAL

This doesn't take instalment plans into account so the outstanding amount will be listed as a positive 2000.

TYTRUEBALACTUAL

This doesn't take instalment plans into account so the outstanding amount will be listed as a negative -2000.

Itemised Arrears

The **Tenancy Information** form contains a button entitled **Account.** The **Itemised Arrears** report available at the foot of this form produces a report using the same format as the **TYARREARS** code listed above.
This report also takes instalment plans into account.
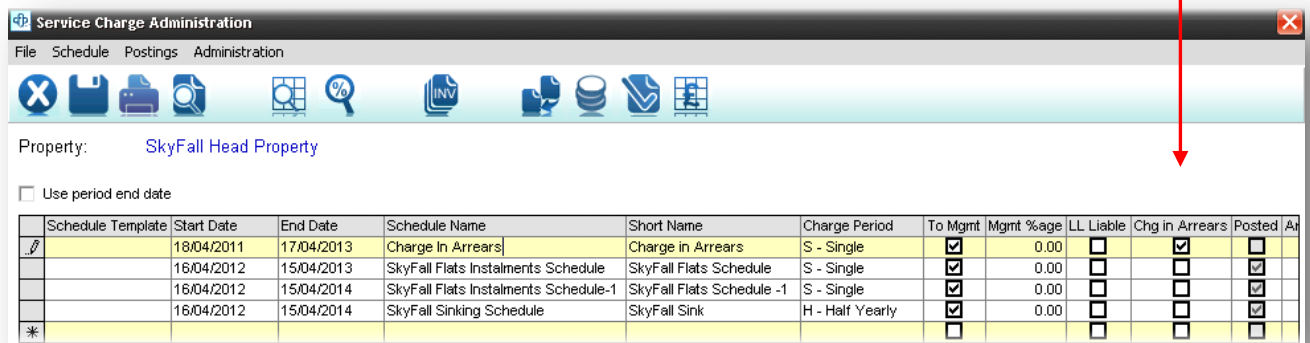
Charge in Arrears Schedules

The ability to create a schedule with no estimated expenditure is available. The idea is that expenses are posted to the schedule during the schedules duration. As each expense is posted the budget items are created on the schedule allocation form with running totals. When the schedule end date passes the user is able to post invoices that match exactly that of the expenditure amassed during the life of the schedule.
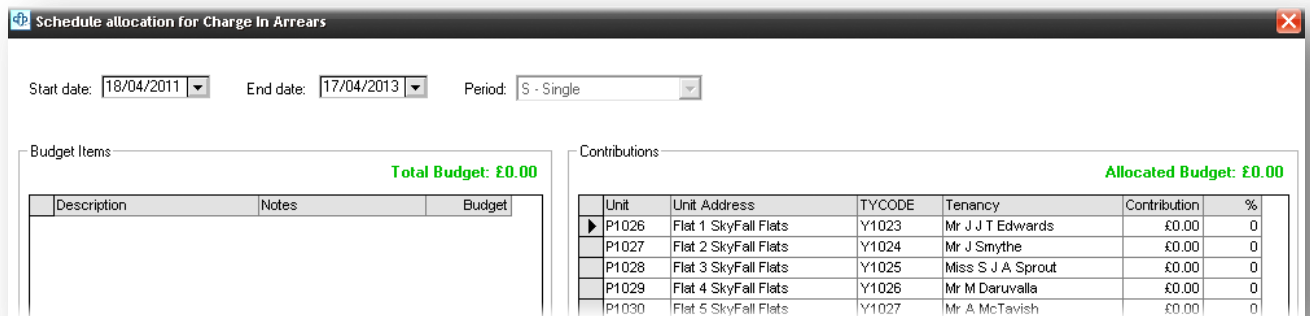
Creating a Charge in Arrears Schedule

In order to create a charge in arrears schedule, the user must specify a **Single** charge period when drawing up the schedule on the **Service Charge Administration** form. The **Chg in Arrears** checkbox must then be selected to instruct the system to deal with the schedule using the charge in arrears format.

The **Schedule Allocation** form will not provide the ability to add expense types to the schedule, or enter monies into the **Contributions** or **Demands** sections. The user will be able to assign percentages to each unit, but this process can be left until the end of the schedules duration, should the user desire it.
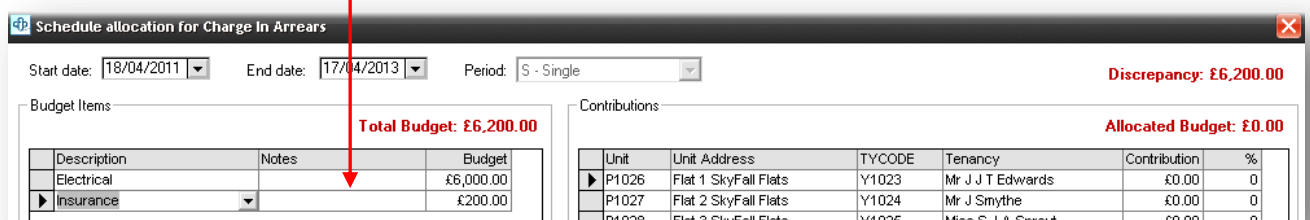
The user will not be able to (and does not need to) post a charge in arrears schedule until the end date has been reached. During the period the schedule is intended for, expenses can be posted to the schedule. There is no limit to what expense types can be posted to the schedule, with the exception of sinking fund types. At any given time a visit to the **Schedule allocation** form will provide an overview of the expense types and amounts that have been amassed so far.

Posting Charge in Arrears Invoices

Once the end date of a charge in arrears schedule has passed the user will be able to post the invoices to recoup the expenditure accumulated during the life of the schedule. The user must ensure that no **Discrepancy** is present before attempting to post the schedule.

The user will be able apportion the expenditure across the units using the same rules outlined in the **Creating a Schedule** section of this user guide. However the **Budget items** section of the form cannot be changed. The **Contributions** and **Demands** sections will need to be adjusted to apportion the liability. Once the **Total Budget** and **Allocated Budget** figures match, the schedule can be posted.

When a charge in arrears schedule is posted, one invoice will be posted to each tenancy reflecting their apportioned contribution of expenditure, this invoice will be due as of the end date of the schedule.

Schedule Templates

Users may find themselves re-treading old ground when it comes to creating budget items for some schedules. To address this issue the ability to create a schedule template is available.

User Defaults contains a tab entitled **Service Charges**. The **Schedule Definitions** section of this form enables the user to create a schedule template.

Once a **Template Name** has been entered a **Schedule definition** button can be selected to specify the expense types that make up the schedule template.
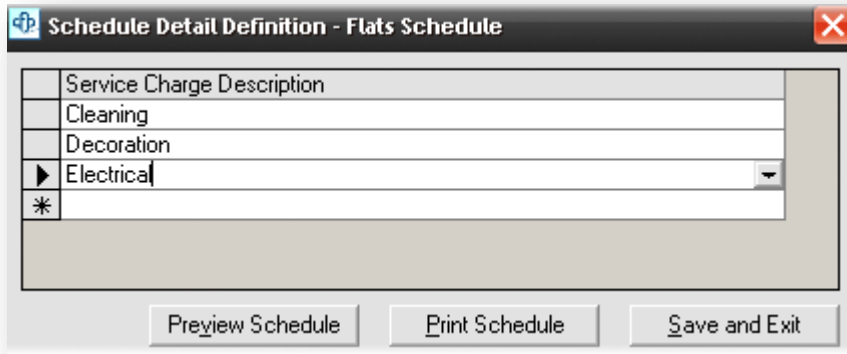
Once the user has completed listing expense types, an ability to preview or print a list of the expense types is provided.

Providing the user is satisfied with the expense types, the save and exit button can be used to store the template.

The user can choose to specify whether the schedule is intended for a **Management Company**, how much **Commission** is to be charged by the agency for service charge income, and whether the schedule's invoices can be assigned to the landlord when a unit becomes vacated during the course of the schedule.
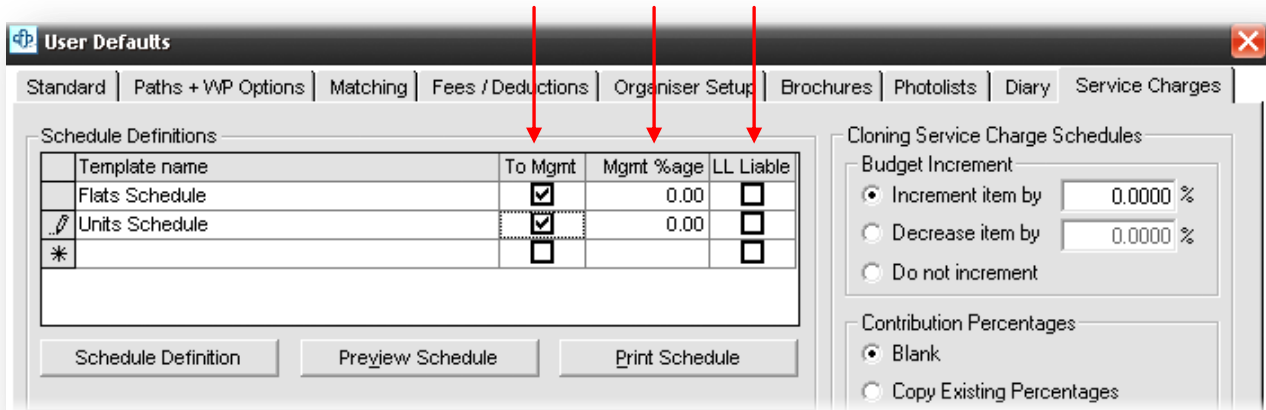
The **Service Charge Administration** form will now contain any saved schedule templates in its **Schedule Template** drop down **box**. Choosing a template here and adding a start and end date will prompt the form to create a schedule name. This schedule name can be overridden should the need arise.
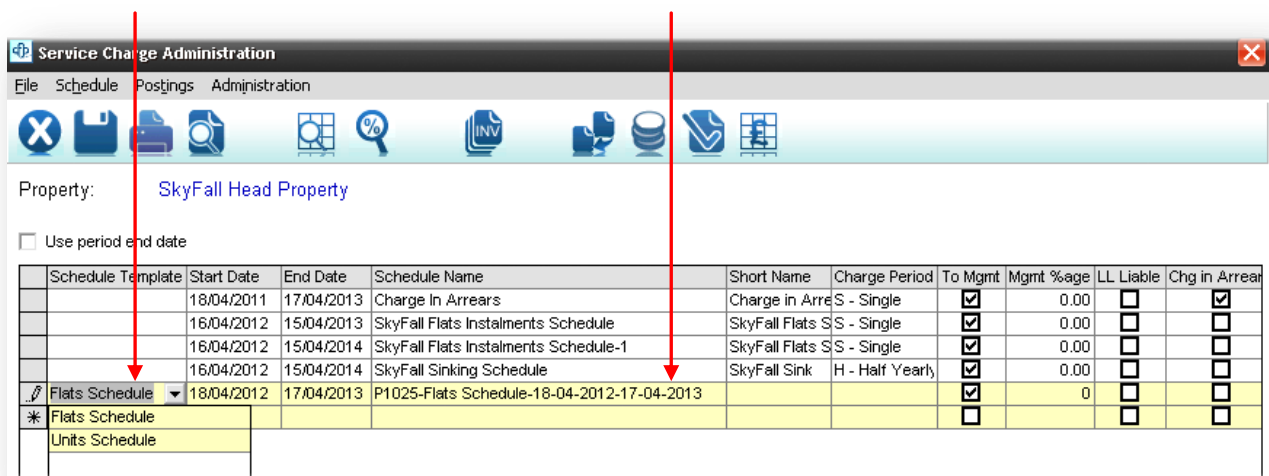
Once the user drills into the **Schedule Allocation** form, the expenditure items will be pre-filled as governed by the schedule template, Expense items within the schedule can still be added, modified or deleted.

Posting Service charges to old tenancies

Users have the ability to post service charges via a schedule to non-active tenancies. By default the **Schedule Allocation** form will list the **Active** tenancies against each unit. But if older vacated tenancies are required, the **Tenancy** drop down box can be selected, and previous tenancies can then be selected.

The tenancies specified in this column will be the recipients of the posted service charge invoices.

Cloning Schedules

Once a schedule reaches its end date, it may be beneficial to the user to be able to clone the schedule to be used for the next schedule period. This process is available within CFPwinMan. The User must first select the schedule they wish to clone and then select the **Clone Schedule** button from the top menu bar.

This will launch the **Clone Service Charge Schedule** form, shown on the next page.

The selected schedule to clone will be listed in the drop down box at the top of the form. This can be changed if necessary.

The original **Schedule name** and **Short name** will be appended with a number in order to prevent schedules existing with the same name. These suggested names can be modified by the user.

The **Start Date** of the cloned schedule will be the day after the **End date** of the original schedule. **End Dates** will be calculated based on the original schedules duration.

The ability to increment or decrease the budget figures from the old schedule is provided by entering a percentage in the relevant box.

An option to copy existing percentage allocations or blank them on the cloned schedule is available. The ability to perform an even split across all units is provided, where a decision to round either over or under will need to be made.

If any instalment plans exist on the original schedule a checkbox will be made available to specify whether these are also cloned.

Once the user is satisfied the form has been completed correctly, the confirm button can be selected to create an un-posted schedule.

User Defaults contains a tab entitled **Service Charges**. The **Cloning Service Charge Schedules** section of this form enables the user to specify the default values for the **Clone Schedule** form.

View Contributions

For both **Posted** and **Un-posted** schedules, the user can use the **View contributions** form to obtain an overview of each invoice that has been produced (or will be produced) making up the entire schedule. It is a worthwhile step to perform before actually posting a schedule.

To show the form, the relevant schedule should be selected followed by the **View contributions** button.

The **Detail** option of the form will provide a list of every tenancy that contributes to the schedule.
Invoices that have been raised will show in white.
Invoices residing on the invoice form (so not yet raised) will be shown in yellow.

Invoices that are not yet present on the invoice form will be shown in red.

The option to filter invoices so that only **Posted** or **Pending** invoices are shown, is available in the top right corner of the form. The user will also be able to specify a filter to show a particular **Unit's** or **Tenancy's** invoices by selecting the drop down selection boxes situated in the top left corner of the form.

The **Summary** version of the report will consolidate each tenancies contribution's into one line.

The **Totals** version of the report consolidates all information into one line.

A number of reports can be accessed from the **View contributions** form. All of these reports can be accessed from the **Service Charge Administration** form via the **Generate Service Charge reports** button. Explanations and examples of these reports will be covered in the **Reports** section of this user guide.

The above examples show that the **View Contributions** form displays each invoice that makes up a schedule.

In addition to this (and new to version 4 of CFPwinMan) the view contributions form will now also show each and every transaction of physical money that is posted into or out of a schedule.

These include **Bank Interest, Landlord** and **Contractor Payments** to a schedule, as well as any end of schedule transactions which take place to address deficit and surplus schedule balances.

The **View Contributions** form also includes **Reserve Fund Transfers**, **Refunds** and **Credit Notes,** these actions will be covered in more detail in the **Processing End of Schedule Transactions** section of this user guide.

Estimated / Confirmed Budget Report

Before schedules are posted, users can produce **Estimated Budget** reports for each of the liable clients.
NOTE: This report can also be produced for posted schedules using the **Confirmed Schedule** report.

The report will contain a breakdown of the overall expenditure that makes up the schedule together with the apportioned amount that the liable client is due to pay.

The amounts and frequency of payments for the intended client(s) will also be listed.
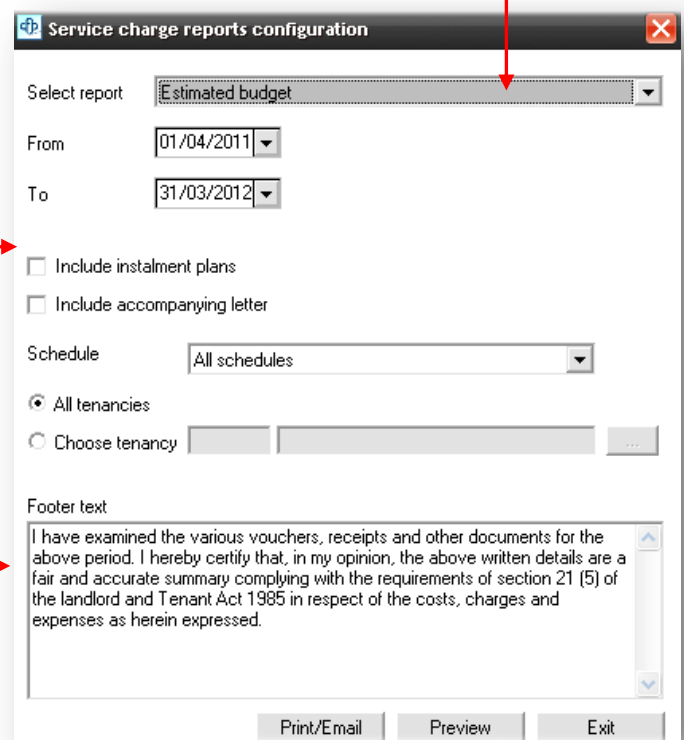
To create the report(s) the **Generate Service Charge** reports button should be selected from the **Service Charge Administration** form. The **Estimated Budget** report can then be selected from the dropdown box.

If instalment plans are in effect, there is an option to include a detailed breakdown of the payment plans. The ability to include and specify a covering letter is also available.

The report can be produced for all tenancies or filtered to a particular tenancy if required.

Footer text can be entered here for the report. The user will be able to change the default footer text for this form in the **Stationery** section of **User Defaults,** under the **Budget Reports** section of the **Service Charge Reports** tab.

As well as being able to print and preview the reports, the option to email it is also available, Providing the relevant tenancies have **email** specified as a send option.

Posting a schedule

Once a user is satisfied that a schedule has been configured correctly, the schedule can be posted.

This process can be achieved on the **Schedule Allocation** form by selecting the **Confirm and Post** button.
The schedule can also be posted on the **Service Charge Administration** form by selecting the required schedule followed by selecting the **Post Service Charges** button.

Posting a schedule will create one invoice (potentially reoccurring) on each liable clients invoice form. Prior to CFPwinMan version 4, these invoices would have been broken down into individual expense types.

So for example, a quarterly schedule addressing both *Gardening* and *Lift Maintenance* expenditure would have created two separate quarterly invoices, one for gardening and one for lift maintenance.

In CFPwinMan version 4 this will be addressed differently in that a single quarterly invoice will be created to reflect all of the expenditure that makes up the schedule for each liable client.
This simplifies the receipting and reporting process considerably.

Deleting and Reversing a Schedule

Unposted Schedules

The ability to delete a schedule before it has been posted is possible. The **Schedule line** will need to be selected first followed by the chevron symbol to the left hand side of the schedule line.
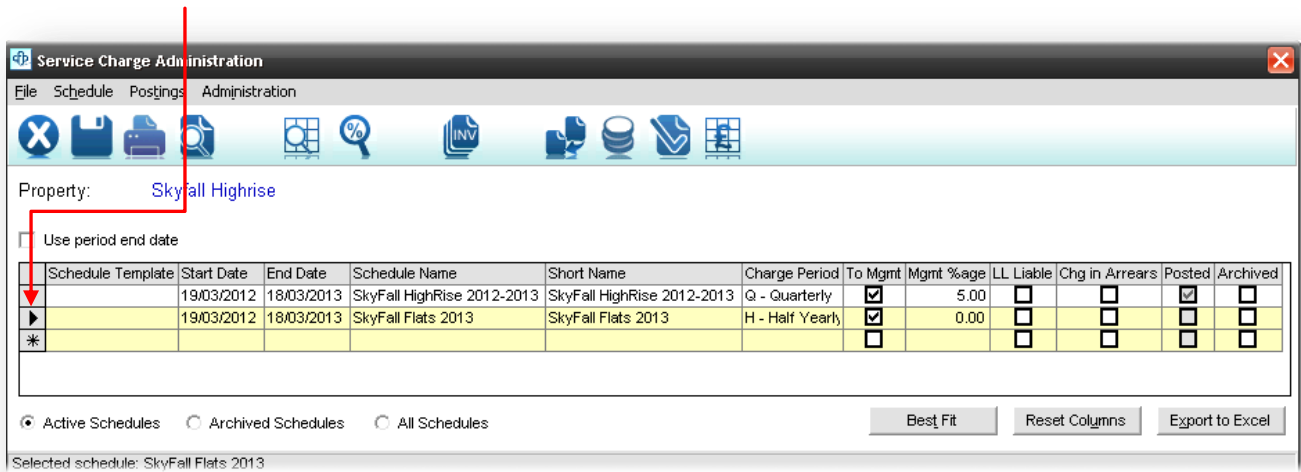
The [**Delete**] key can then be pressed on the user's keyboard to remove the schedule.

Posted Schedules

Deleting a posted schedule is not possible. However, in some cases the ability to reduce a schedule's budget to zero is possible. Schedules with a zero budget can be set to **Archived** and removed from the default view.

Monies not yet Received

If a schedule has just been posted and no money has been receipted towards it, the user will be able to adjust the total budget of the schedule to zero. In doing so the system will remove any posted and un-posted service charge invoices relating to the schedule. The section of this user guide entitled **Amending Schedule Budgets** will explain the process of changing a budget figure in more detail.

Monies Received

If a posted schedule contains invoices that have been receipted, the process of reversing the schedule becomes a lot more complicated. There is one method of approach that could address such a scenario.

The process involves a combination of receipt reversals and refunds that are designed to reduce the schedule income to zero. This will in turn permit the user to reduce the schedule's total budget to zero, effectively cancelling the schedule.
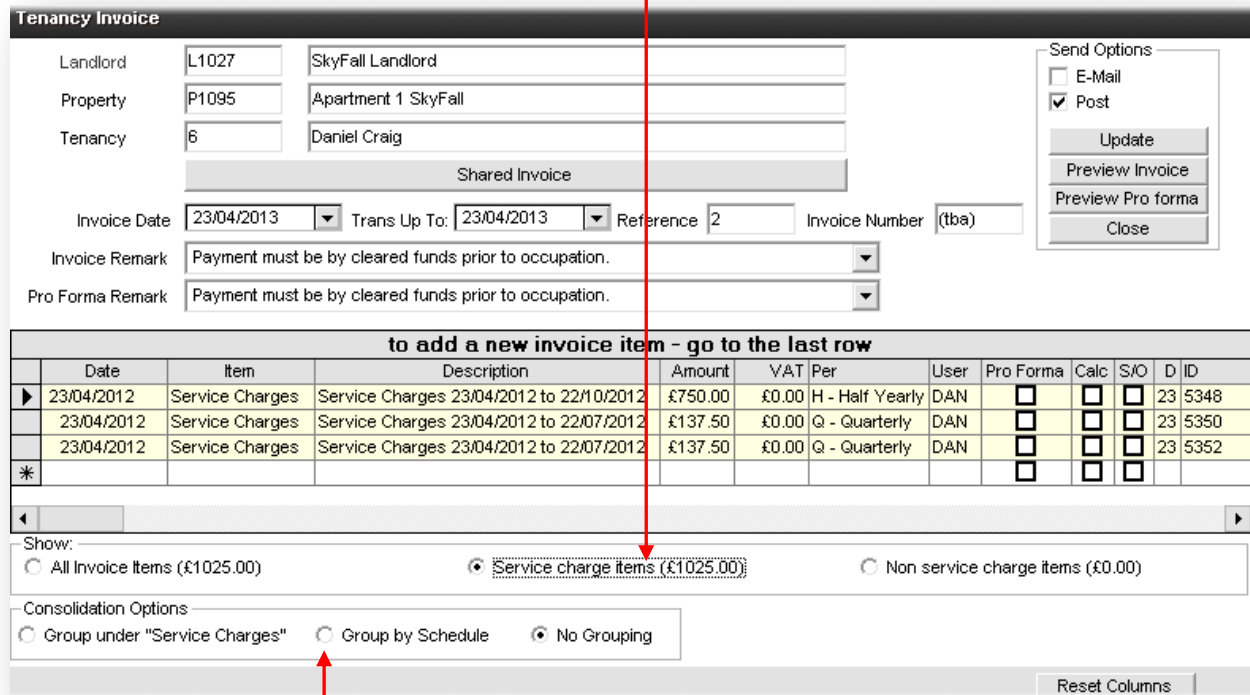
We strongly advise users to attempt the following steps in **Demo Mode** before attempting them in live data.

1. Locate a copy of each invoice receipt that has been produced relating to the schedule,
   note the *Tenancy, Standard amount* and *VAT amount* that was receipted for each invoice.
2. Attempt a receipt reversal for each of these received invoices. If some invoices remain because a receipt reversal could not be processed, these can be taken to step 3. Otherwise skip to step 4.
3. Carry out a tenancy refund for service charges for the exact amounts shown on the invoice receipts, ensuring the schedule is selected on the refund form before doing so.
4. Attempt to reduce the total budget for the schedule to zero. This should be permitted.

Schedule Income

Invoicing

The tenancy invoice form provides the ability to filter the invoices on display to only show service charge invoices. The **Service Charges** tab in **User Defaults** contains a section entitled **Default View on Tenancy Invoice form** which enables the user to choose the default setting for this option.

The above example shows three separate schedules, each with invoices that are due to be raised. The half yearly schedule is a sinking fund schedule. The **Consolidation Options** section provides the user with the ability to specify how these schedule demands appear on the invoice itself.

With the **No Grouping** option selected the invoice lines will appear individually as they do on the invoice form.

With the **Group by Schedule** option selected, the schedule name will appear in place of the date range description. If more than one invoice line exists for the same schedule (for other periods), these invoices will be consolidated into the one line that represents that schedule.

With **Group Under Service Charges** selected, all of the standard schedule invoices will be consolidated into one line with a description of **Service charges**, and any sinking fund schedule invoices will be consolidated into a line entitled **Sinking Funds.**

The **Service Charges** tab in **User Defaults** contains a section entitled **Invoice / Receipt Grouping** which enables the user to choose the default setting for this option. This default will also affect how the invoices will be represented on any receipts that are printed or emailed by the user.

Legal notices

Users can automatically produce section 153, 158 and 166 notices at the point of raising invoices for service charges, fees and ground rent respectively. There is a fair amount to take into account for users who wish to produce section 166 notices. For that reason there is a separate user guide that can be obtained from CFP for this purpose.

User defaults

The **Preferences** section of **User Defaults** contains a **Property Lease Details** tab. The **Legal Notices** section is where the user will be able to assign a CFPwinMan document template to be printed for each section notice.
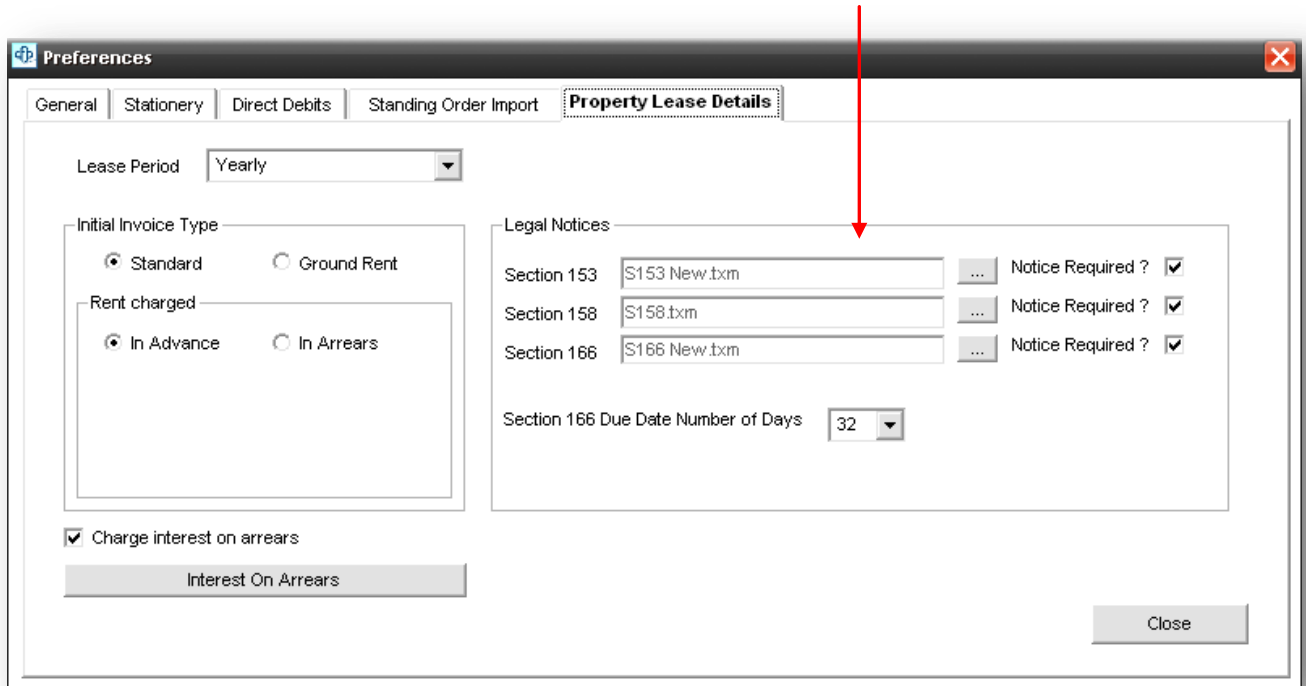
Txm files

Upon the release of this functionality in 2010 CFP initially provided TXM notices, which were installed on upgrade and assigned to the relevant fields. Since this date the content of such notices may have changed.

Whilst every precaution had been taken to ensure that these notices were up to date at the time of supply, it is the agents responsibility to ensure that all legal requirements are met and that the use of any supplied documents, notices and agreements is done with adequate knowledge of legal requirements and best practice. It is not CFP's responsibility to keep agencies up to date with the latest section notices.
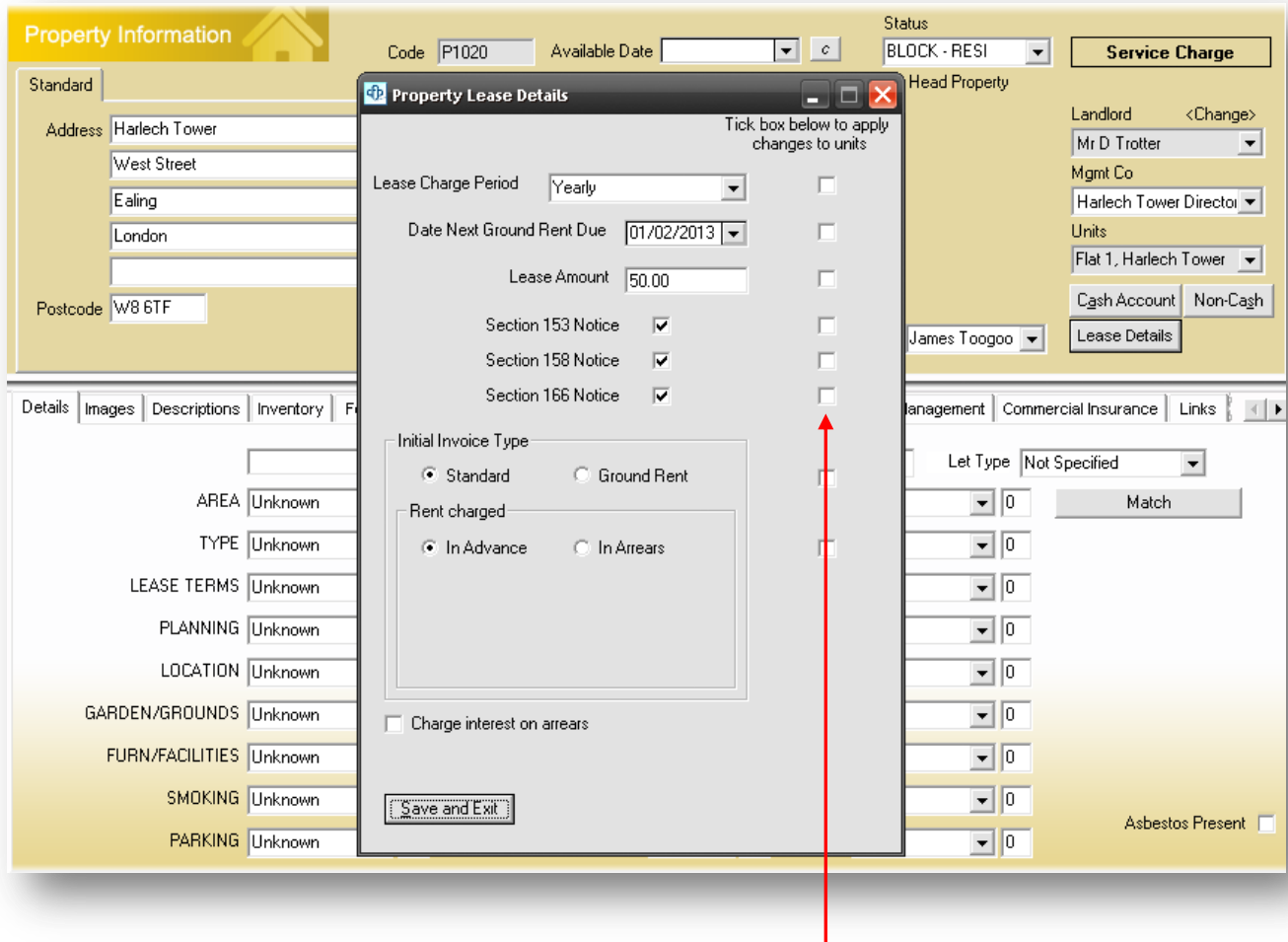
Making sure a notice is produced

If a user selects or deselects the **Notice Required** checkbox this instructs the system to apply these rules to any new properties which are added. The system will then ask the user whether all properties should adopt this setting.
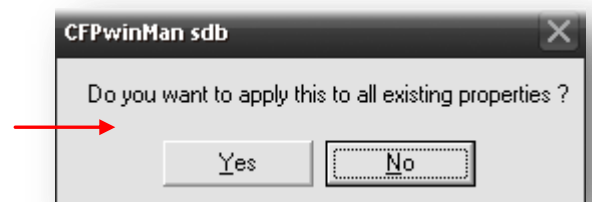
Property form

A **Lease Details** button will be available for selection on each property form in the system. Selecting this button launches the **Property Lease Details** from. The user will be able to see which legal notices are set to be produced when any relevant invoices are raised.

The **Property Lease Details** form for the **Head Property** (shown above) provides users with the ability to replicate whatever settings are in place on to any units that are associated with the head property. A Checkbox is present to the right side of each section notice to carry out this task.

Invoicing

The process of raising an invoice remains unchanged. However, depending on whether the notices are selected on the **Lease Details** form for the property, the relevant legal notice will be created and sent to the printer along with the invoice. So if a service charge is present on the invoice that is raised, a section 153 will be printed alongside it. Potentially the invoice may be accompanied by all three notices if all three types of money are being demanded at once.

If a notice is ticked to be produced but is not found (i.e. the defaults have not been set up or the letter has been moved, renamed or deleted) then a warning will ask you if you want to proceed with the update. Similarly if any of the lease details are not completed (section 166 only) then a message will appear. An additional warning will be issued if a ground rent invoice is being created where the period specified on the invoice differs from the Lease Period of the associated property.

Receipting

The receipt form provides the ability to group how invoices appear on printed receipts.

The default setting for these consolidation options is derived from the same user default that determines how grouping occurs on printed invoices. These default settings can be overridden at the foot of the form.

The **Invoice Form** section of this user guide (previous page) will provide an explanation of these settings.

Another option inherited from the invoice form is the ability to filter the invoices on display to only show service charges. The **Service Charges** tab in **User Defaults** contains a section entitled **Default View on Tenancy Receipt form** enabling the user to choose the receipt forms default setting for this option.

Users can identify which schedule a particular invoice relates to by scrolling the horizontal scroll bar to the far right of the receipt form, where the schedule **Short Name** will be listed alongside each invoice.

Auto allocation of receipts

Introduction

Users have the ability to control which outstanding invoices receive receipted money on both the **Receipt Screen** and **FastTrak Receipts**. The auto allocation section of user defaults allows users to setup a default behaviour that determines how received income is prioritised and allocated. Prioritising Service Charges over other income types and spreading income across all outstanding invoices is an example of what can be achieved.

User Defaults

User Defaults contains a button entitled **Auto Allocation**, selecting this button provides the user with a form that controls how money is automatically received on all receipt forms including fast track receipts.

The **Enable Auto Allocation of Receipts** checkbox determines whether the rules on the rest of this form are in force. Leaving this tick box deselected will result in the default behaviour for the receipting process.

Allocation Method

Top Down

Selecting top down allocation instructs the system to allocate as much of each item from the top of the grid working down until all the money is allocated. Because outstanding invoices are listed in date order (earliest at the top) this method will ensure that these earlier invoices are prioritised.

Percentage

Selecting the percentage allocation option instructs the system to spread the receipted money evenly across all outstanding invoices. However if the outstanding invoices contain different due dates, the earliest of these due dates will be favoured over older invoices with a more recent due date.

Priority

Setting the allocation priority to **Service charge Only** instructs the system to carry out its **Auto Allocation Method** (outlined above) against service charge invoices **only.**

If there are no service charge invoices outstanding then no auto allocation will occur. Also if all of the outstanding service charge invoices have been settled, the remaining amount will not be assigned to any invoices. The **Non-service charge only** option works the opposite way to this by only using money to satisfy non-service charge invoices.

Users who prefer to allocate money with no priority as to which invoice type should receive the funds can select the **All Items** option.

Rounding

Where monies cannot be exactly divided between the items in the list, the remaining money will be allocated based on the following **Rounding** selections:

- First entry against which money is allocated.
- Last item against which money is allocated
- Leave unassigned

Allocation of VAT

Where VAT is present on an outstanding invoice the allocation will be evenly split between net and VAT. (so if 30% of the outstanding amount is received then 30% net and 30% VAT will be allocated).

Receipt form

The behaviour of the receipt form has been changed with the introduction of auto allocation.

A checkbox entitled **Auto Allocation** reflects the default setting currently in force. If the checkbox is selected, then auto allocation is enabled.
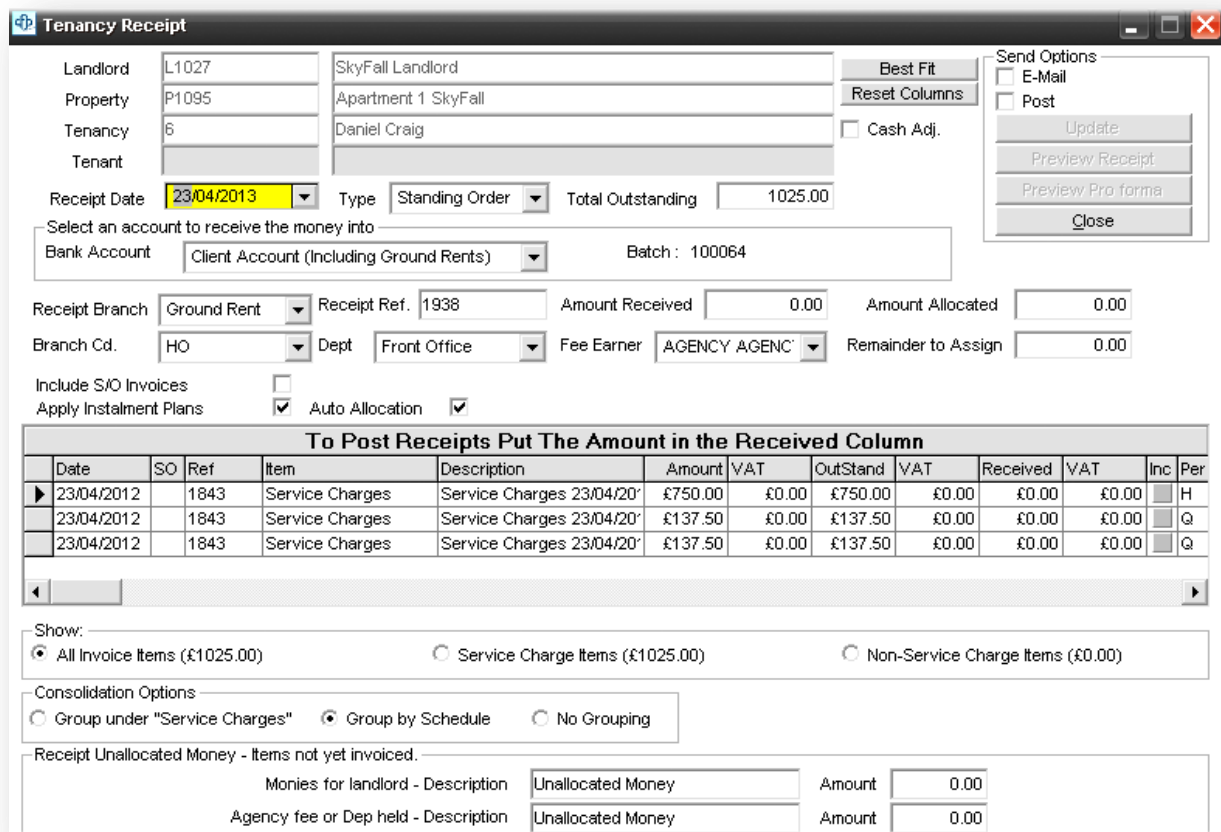
This checkbox can also be used to temporarily switch auto allocation on and off for the duration of the form without affecting the default setting. If auto allocation is temporarily switched on it will inherit all the associated settings currently in force. Hovering the mouse pointer over this checkbox will show a tooltip that describes what rules are currently in force at the time.

Unallocated money

Auto allocation also works in conjunction with unallocated money. If unallocated money is used and then some money is auto allocated, the unallocated money remains assigned in the list. Similarly, if auto allocation is used followed by the use of unallocated money, both amounts will remain.

Instalment plans

If instalment plan schedules are in use and the **Apply Instalment Plans** checkbox is selected then any automatically allocated money will be apportioned to what is currently outstanding on an instalment item and not against the full amount of the invoice.

FastTrak Receipts

The behaviour of **FastTrak** Receipts will also be changed if auto allocation is in force.
It will work in a similar fashion to the Receipt form.

- The user enters the amount in the **Amount Received** box.
- This figure is then automatically allocated to the outstanding invoices according to the auto allocation default settings.
- The fields entitled **Amount Allocated** and **Remainder to Assign** are used to show how much of the amount received has actually been allocated and what, if any, remains to be allocated.
- The [**OK**] button can only be pressed once the remainder to assign is zero.
- The auto allocation rules can be turned off temporarily by deselecting the **Auto Allocation** checkbox.

Other Schedule Income

Introduction

CFPwinMan offers a number of ways in which money can be contributed towards a schedule.
Bank interest can be posted to a particular schedule.
Landlord and Contractor invoices can also be raised and receipted against a schedule.

It is thought that most of these processes will be rarely used (with the exception of bank interest).
But if any of the above processes do take place, the money that is obtained will be treated aside from tenancy service charges once the schedule is finished. However, users will be able to use the moneys to address schedule deficits (should any exist). The ability to transfer any monies collected using these methods to a reserve fund, will also be available.
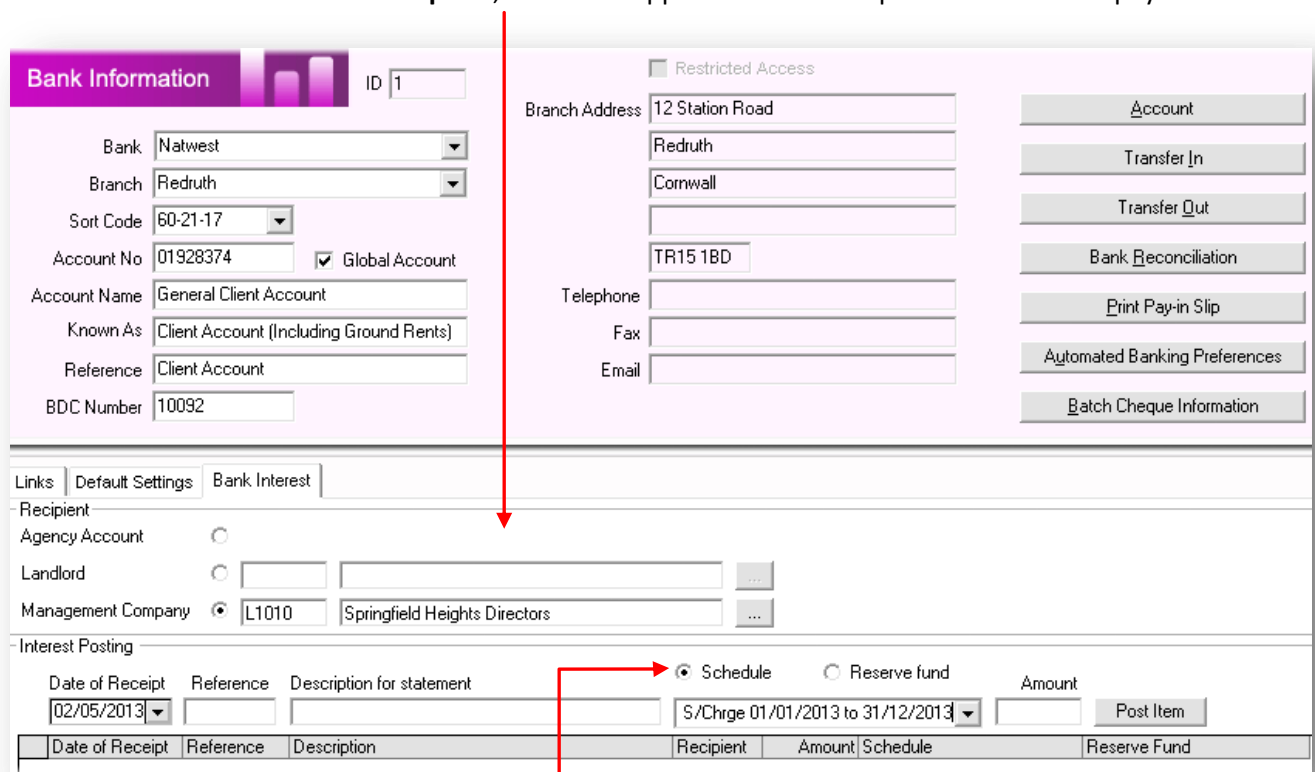
The section of this user guide entitled **Administer Accounts** will explain how the money can be processed once a schedule finishes.

Bank Interest

Users have the ability to post bank interest charges or payments to a schedule or reserve fund.
The **Bank Information** form contains a **Bank Interest** tab which is used to carry out these processes. The user must first select the relevant **Landlord** or **Management Company**, a **Reference** must then be entered.
It is also advisable to enter a **Description**, which will appear on various reports as well as the pay statement.

Post to Schedule

If the user is posting bank interest to a schedule, a dot should be placed in the **Schedule** checkbox.
The ability to select the schedule will then be presented using the provided drop down box.
The **Date of Receipt** will need to be between the **Start Date** and **End Date** of the target schedule.
Otherwise the schedule will not appear for selection in the Schedule drop down box.

Post to Reserve Fund

If the user is posting bank interest to a reserve fund, a dot should be placed in the **Reserve Fund** checkbox. The ability to select the reserve fund will then be presented using the provided drop down box. Users wishing to find out how reserve funds are created and handled within CFPwinMan should consult the section of the user guide entitled **Reserve Funds.**
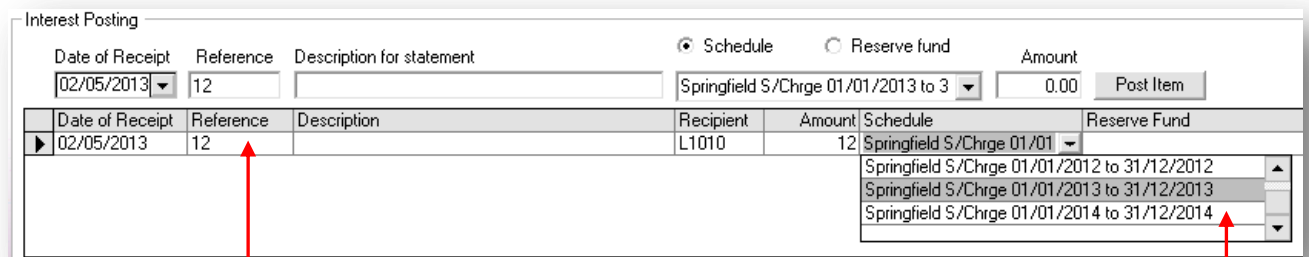
Once the schedule or reserve fund has been selected and the relevant amount specified, the **Post Item** button can be selected to process the bank interest. *NOTE: Positive & Negative bank interest can be posted.*

If a **Schedule** or **Reserve Fund** is not specified at the point of posting the bank interest, the monies will appear directly on the payment form for the specified client, bypassing any schedule associations.

After Posting

Bank interest that is posted to a schedule will appear on the management company or landlord payment form, depending on who is managing the schedule. Bank Interest posted in this way is essentially unallocated, until the user decides on which action to take with it. This will usually take place when the schedule reaches an end.

The grid section at the foot of this form will record all bank interest postings that have been entered in to the system. Users who accidentally post bank interest to the wrong schedule have an opportunity to change which schedule the bank interest has been posted too.

Selecting the **Schedule** drop down box in the grid alongside the wrongly posted transaction will provide the user with a list of other schedules in order to achieve this task. These reassignment steps can also be carried out on wrongly posted reserve fund bank interest.
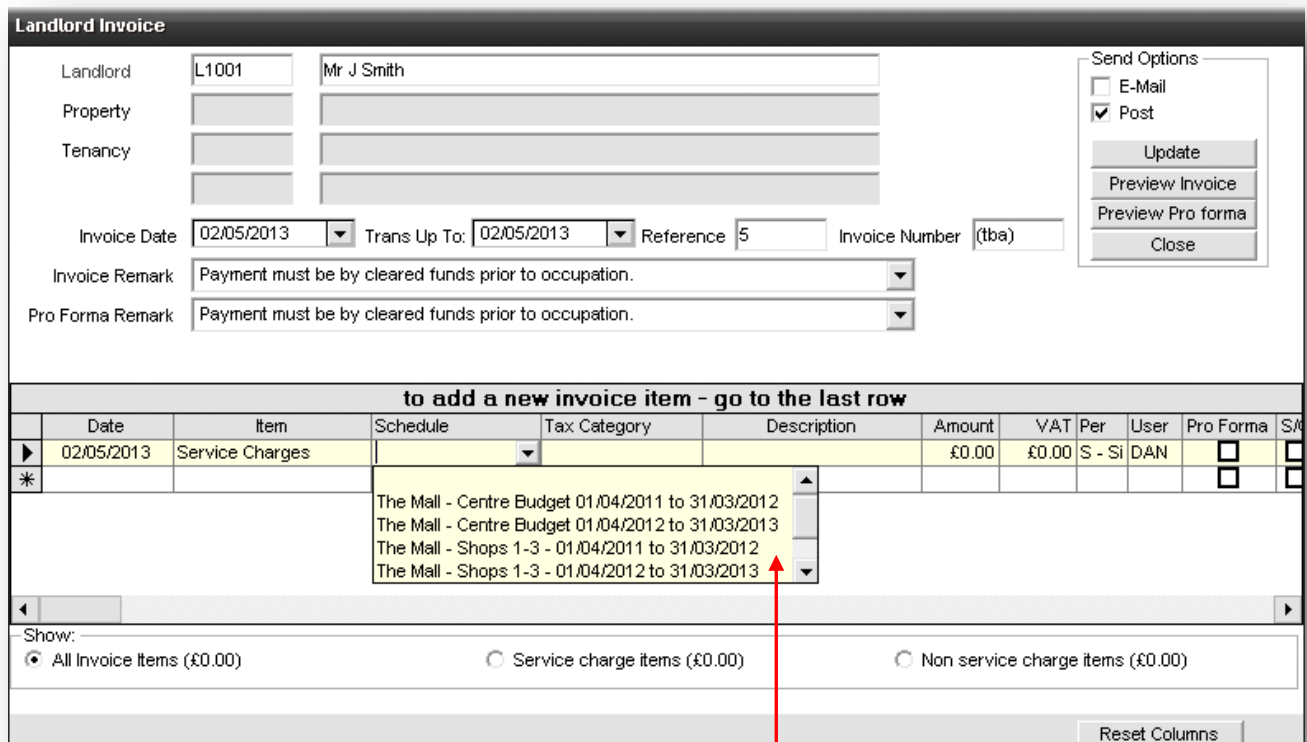
Users wishing to reverse a posting of bank interest can do so by posting a contra entry using the same dates and associations that were specified for the original posting.

Landlord Contributions

Users have the ability to draw up service charge invoices to be posted against a schedule from a landlord. CFPwinMan labels these transactions as **Landlord Contributions**.

*NOTE: This should not be confused with **Landlord Liability** which is a process whereby the landlord can assume responsibility for outstanding tenancy service charge invoices due to vacated properties.*
*The section of this user guide entitled **Landlord Liability** will explain this in more detail.*

To create and post a landlord contribution, the **Landlords Invoice** form should be selected.

Once the **Service Charge** item type has been selected, the **Schedule** drop down box will contain all schedules that are linked to any of the landlord's properties. Once a schedule has been chosen the invoice can be raised and receipted in the normal way. *NOTE: Both positive and negative invoices can be posted.*
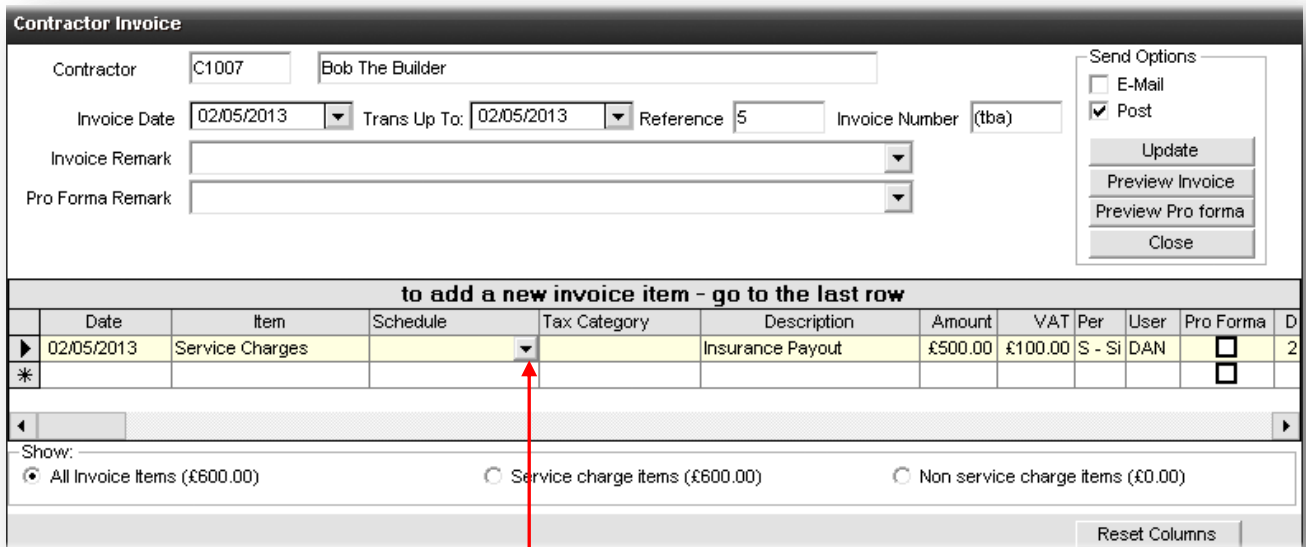
*NOTE: When a schedule finishes, if there are landlord contribution invoices outstanding, the user will be unable to enter the **Administer Accounts** form which is used to process surplus and deficit balances until these invoices are paid or removed. The system will provide an opportunity to automatically remove these invoices when the user attempts to enter this form.*

Landlord contributions that are posted to a schedule in this way will appear on the management company or landlord payment form, depending on who is managing the schedule. To begin with the money will be unallocated, until the user decides on which action to take with it. This will usually take place on the **Administer Accounts** form when the schedule reaches an end.

Contractor Contributions

Users have the ability to draw up service charge invoices to be posted against a schedule from a Contractor. CFPwinMan labels these transactions as **Contractor Contributions**.

To create and post a contractor contribution, the **Contractors Invoice** form should be selected.
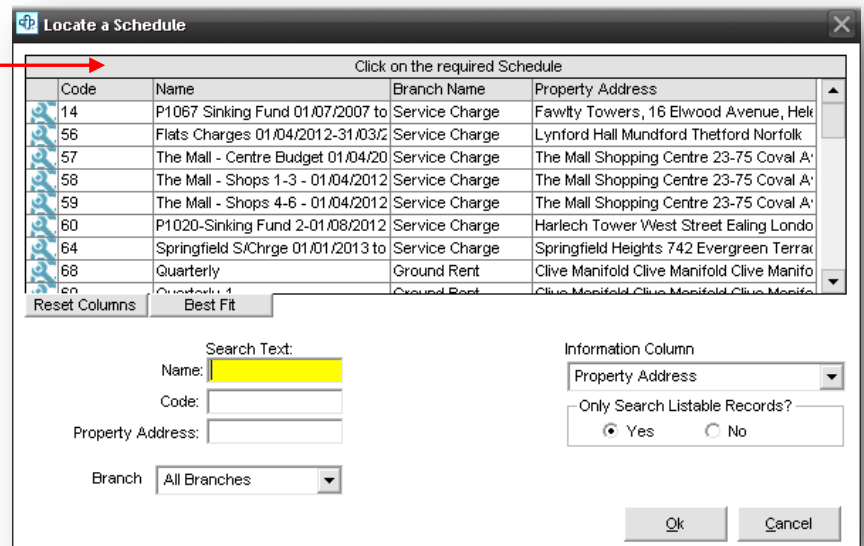
Once the **Service Charge** item type has been selected and the **Schedule** drop down box selected the system will launch the locate form where every active schedule in the system will be listed.

Once a schedule has been chosen the invoice can be raised and receipted in the normal way.

NOTE: Both positive and negative invoices can be posted.

*NOTE: When a schedule finishes, if there are contractor contribution invoices outstanding, the user will be unable to enter the **Administer Accounts** form which is used to process surplus and deficit balances until these invoices are paid or removed. The system will*

provide an opportunity to automatically remove these invoices when the user attempts to enter this form.

Contractor contributions that are posted to a schedule in this way will appear on the management company or landlord payment form, depending on who is managing the schedule. To begin with the money will be unallocated, until the user decides on which action to take with it. This will usually take place on the **Administer Accounts** form when the schedule reaches an end.

Service Charge Reassignment
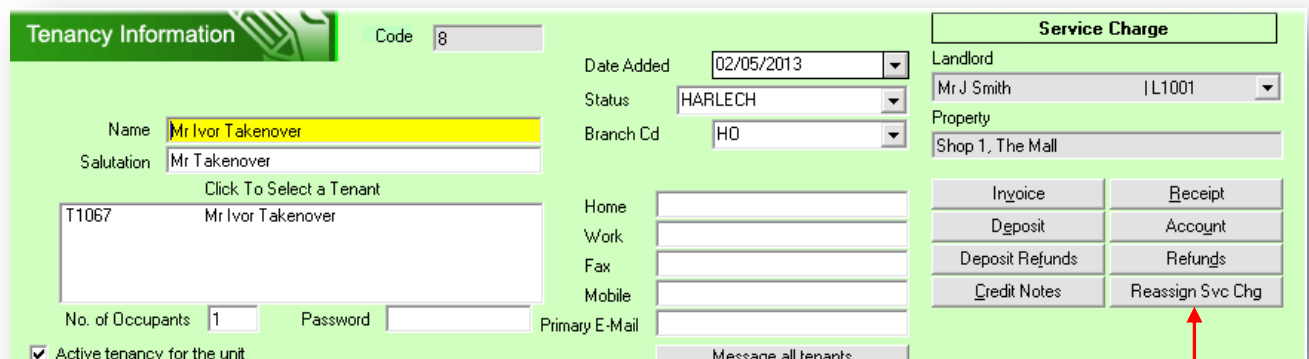
In the event that a new tenancy takes over from an older tenancy during the course of a schedule, the system provides the ability to reassign either some or all of the service charge invoices that are associated with the older tenancy, so that the new tenancy becomes liable for them.

When a new tenancy is created against a property it becomes the **Active** tenancy. After creation, when the **Tenancy Information** form is saved the **Service Charge Reassignment** form will open automatically.

The older tenancy is listed in the **From** section and the new tenancy in the **To** section at the top of the form. Any service charge invoices that were present on the old tenancy will be listed in the main section of the form. Invoices that have already been raised will be marked as **Outstanding.** Otherwise, un-raised invoices will be marked as **Invoice Not Raised.** All invoices will be grouped under their relevant schedule name and by default they will be ticked for inclusion in the reassignment process. If the user requires some of the invoices to remain against the older tenancy they can be deselected at this stage.

Selecting the **Update** button will assign all ticked invoices to the new tenancy. Each invoice will be posted to the invoice form, even if they had already been raised on the older tenancy.

The user is able to shelve the reassignment process and come back to it at a later stage, to do so close the form and a **Reassign Svc Chg** button will become available to access the form at a later date. Once the reassignment process has been completed the new **Active** tenancy will become liable for any further invoices.

Landlord Liability

If a property becomes vacated during the lifetime of a schedule, users will have the ability to assign the schedule invoices for the unit to the landlord. He will then become liable for them until a new tenancy takes over by occupying the property.
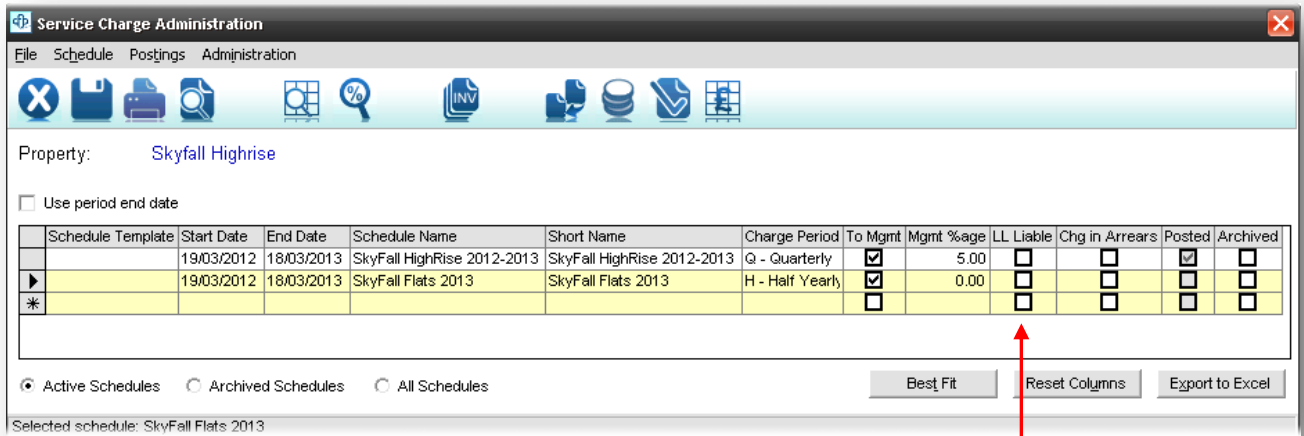
The **Service Charge Admin** form contains a checkbox alongside each schedule entitled **LL Liable**.
Only schedules that have been marked in this way will be permitted to re-assign invoices to landlords in the event of a vacated property. A schedule can only be marked as landlord liable before it is posted.

If a tenancy has invoices outstanding that relate to a landlord liable schedule, and the vacating date for the tenancy is in the past, the organiser report entitled **Vacant Units List** will list the tenancy.
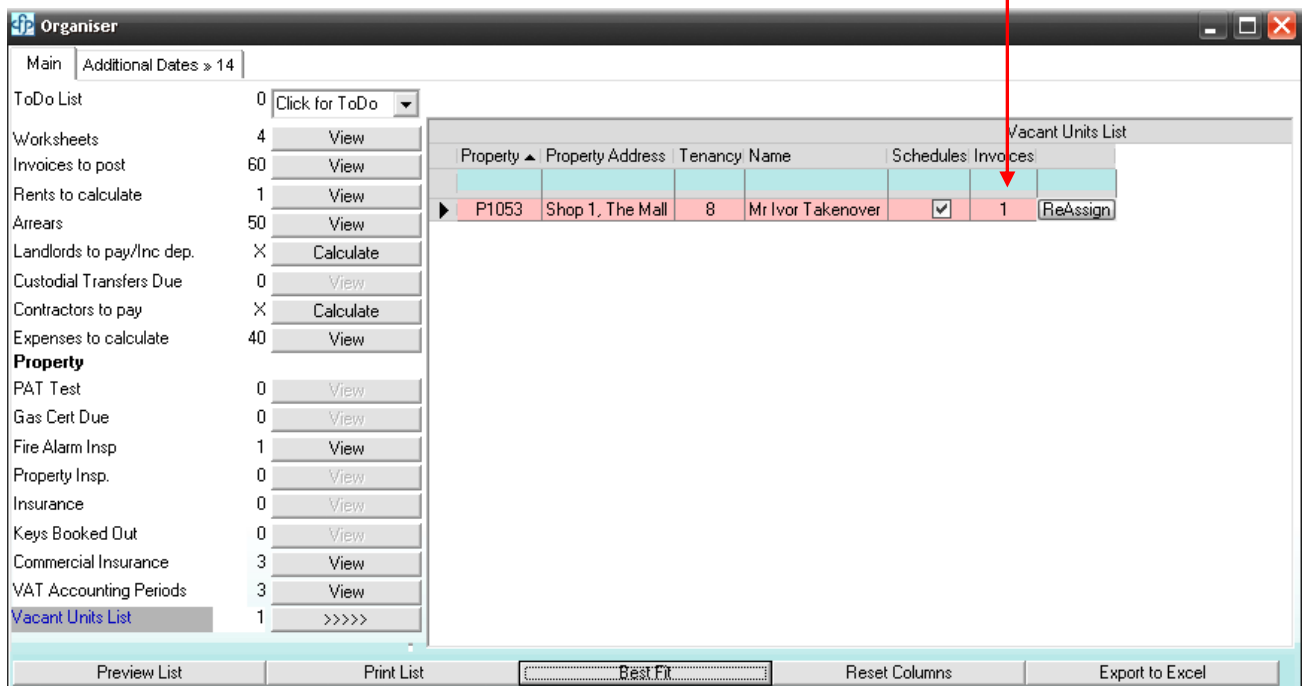
The report will list the amount of invoices that exist on the vacated property.

The system will remind the user of any vacated properties in this list (once daily) when they log in to the system.
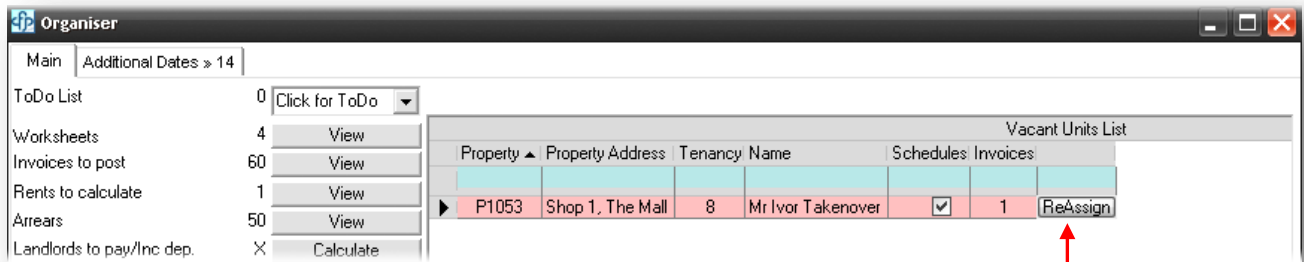
The **Service Charge Reassignment** form for the property can be launched by selecting the **ReAssign** button.
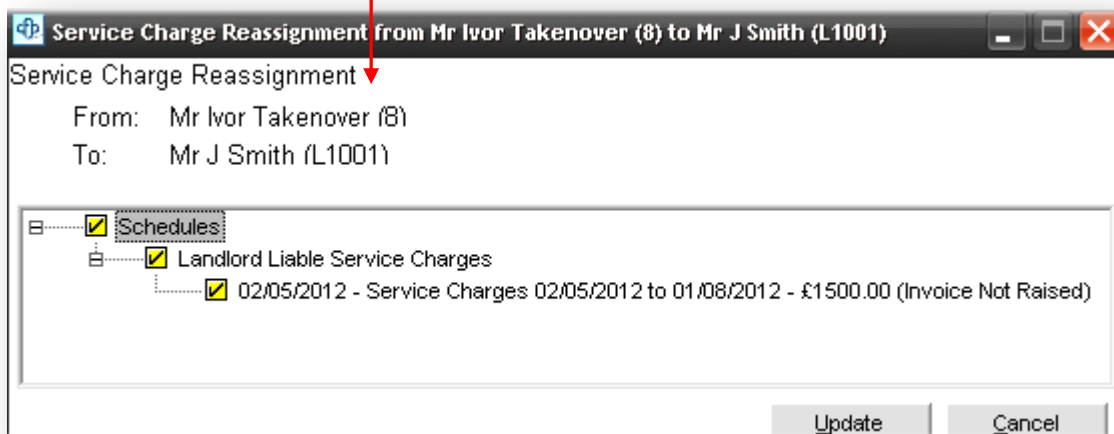
It is this form that enables the user to reassign service charge invoices from the vacated tenancy to the landlord. The vacated tenancy is listed in the **From** section and the landlord in the **To** section at the top of the form. Any service charge invoices that were present on the vacated tenancy will be listed in the main section of the form.

Invoices that have already been raised will be marked as **Outstanding.** Otherwise, un-raised invoices will be marked as **Invoice Not Raised.** All invoices will be grouped under their relevant schedule name and by default they will be ticked for inclusion in the reassignment process. If the user requires some of the invoices to remain against the older tenancy they can be deselected at this stage.

Selecting the **Update** button will assign all ticked invoices to the landlord. Each invoice will be posted to the landlords invoice form, even if they had already been raised on the vacated tenancy.
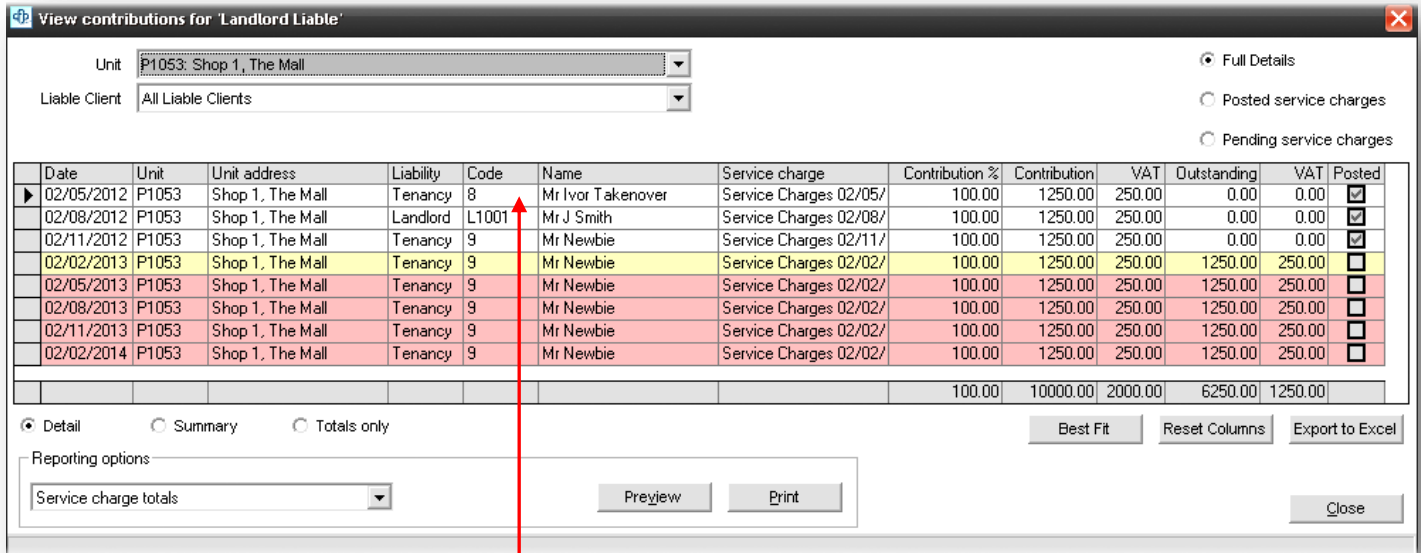
The user is able to shelve the reassignment process and come back to it at a later stage. To do so the form can be closed and the **Re-assign** button can be selected on the organisers **Vacant Unit** report at a later date.

Once the reassignment process has been completed correctly, the landlord will become liable for any further invoices. When a new tenancy occupies the vacant property the **Service Charge Reassignment** form will automatically load. This will provide the ability to reassign the invoices from the landlord to the new tenancy. The section of this user guide entitled **Service Charge Reassignment** will explain this process in more detail.

Reassignments – View Contributions

When service charge reassignments take place as a result of new tenancies taking over or vacated properties, it can be slightly confusing as to where each paid and outstanding invoice lies within the system.

The **View Contributions** form can be loaded to provide an overview of each invoice that makes up a schedule, the below example explains one units contribution towards a schedule over a two year period:

- The first quarterly invoice of the schedule was posted and paid to the tenancy with a code of 8.
- That tenancy must have then vacated, because the second invoice was settled by the landlord.
- A new tenancy with a code of 9 then takes over from the landlord and settles the third invoice.
- The new tenancy is now liable for the remainder of this schedules invoices associated with the unit.

The **View Contributions** section of this user guide will explain this form in more detail.

Amending Schedule Budgets

Introduction

Once a schedule has been posted, users will be able to make amendments to budget amounts and or include additional budget items. There are a few points worth noting before attempting to do so.
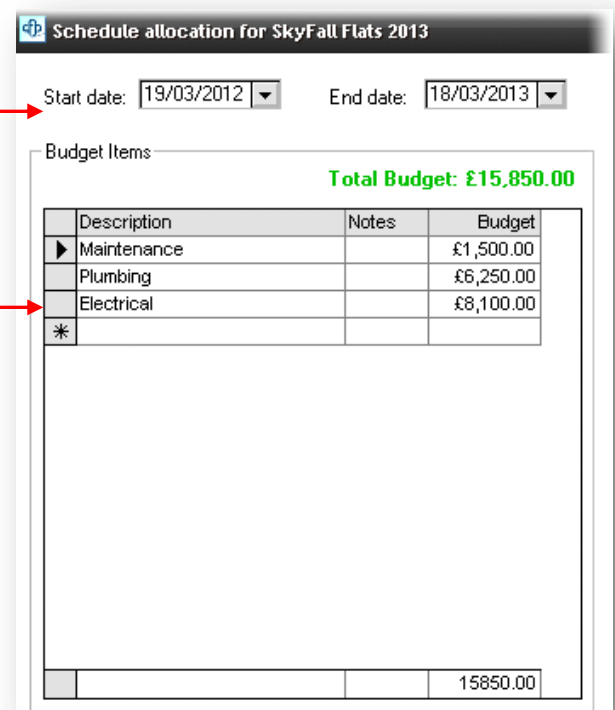
- The overall total budget cannot be reduced to less than zero.

- The overall budget cannot be reduced to a figure that results in one particular unit having paid more than their allocated share of the budget.

- Reducing a schedule's total budget to £0 will remove all invoices from all tenancies. This effectively cancels the schedule. However the ability to change a total budget to zero can only be undertaken if no invoices have been receipted.

- Contribution percentages will remain fixed and cannot be changed midway through a schedule.

- The system will remove any un-posted invoices after a budget adjustment and newly recalculated invoices will take their place. Raised invoices could also be removed if a large reduction of the total budget occurs.

- A budget change to a regular payment schedule will result in the system recalculating the invoice amounts and spreading them out evenly across the remaining charge periods.

Amending a budget

The **Schedule Allocation** form is where amendments to budget figures take place.

When making a change to the overall budget amounts of a schedule, the ability to enter new budget items is provided. However, the ability to remove schedule items is prohibited.

Once the required adjustments have taken place the **Confirm and Post** button will become available to process the schedule adjustment.

A typical adjustment of the total budget will result in the system attempting to leave the outstanding invoices for each unit and recalculate what hasn't been raised to be charged regularly between the date of the adjustment and the end of the schedule. How regularly depends on the schedules charge period.
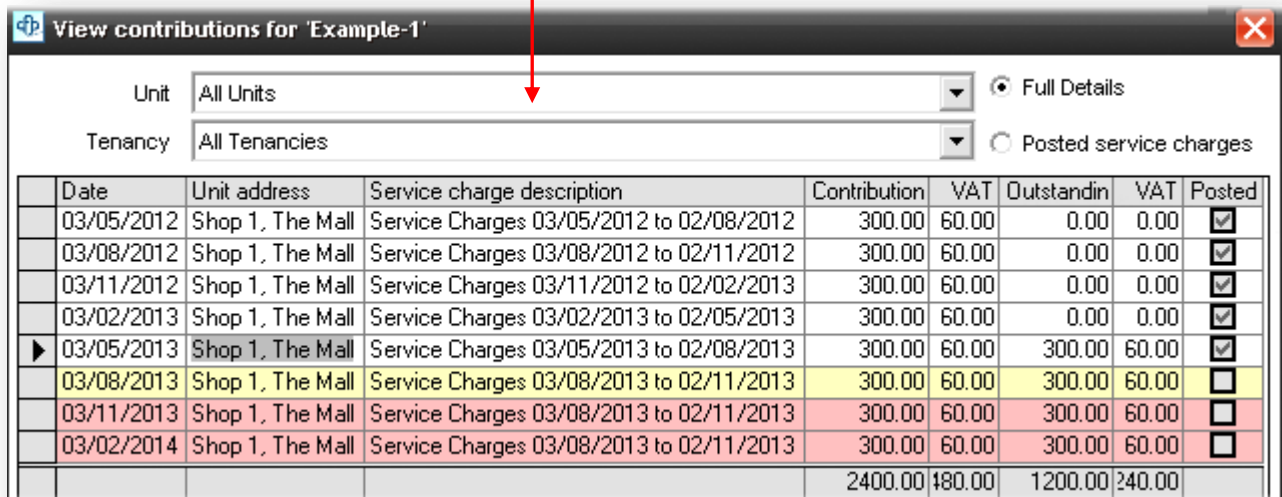
An example of both a reduction and increase in total budget is provided on the following pages.

Reducing a Schedule Budget - Example:

A quarterly schedule has been created for one unit spanning two years. Today's date is right in the middle of the schedules duration. The schedules original total budget was £2400.
Half of this has been received, and one of the quarterly invoices (£300 – due today) is outstanding.
A summary of this schedule is shown below.

View contributions for 'Example-1'

Unit: All Units — Full Details
Tenancy: All Tenancies — Posted service charges

Date	Unit address	Service charge description	Contribution	VAT	Outstanding	VAT	Posted
03/05/2012	Shop 1, The Mall	Service Charges 03/05/2012 to 02/08/2012	300.00	60.00	0.00	0.00	☑
03/08/2012	Shop 1, The Mall	Service Charges 03/08/2012 to 02/11/2012	300.00	60.00	0.00	0.00	☑
03/11/2012	Shop 1, The Mall	Service Charges 03/11/2012 to 02/02/2013	300.00	60.00	0.00	0.00	☑
03/02/2013	Shop 1, The Mall	Service Charges 03/02/2013 to 02/05/2013	300.00	60.00	0.00	0.00	☑
▶ 03/05/2013	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	300.00	60.00	300.00	60.00	☑
03/08/2013	Shop 1, The Mall	Service Charges 03/08/2013 to 02/11/2013	300.00	60.00	300.00	60.00	☐
03/11/2013	Shop 1, The Mall	Service Charges 03/08/2013 to 02/11/2013	300.00	60.00	300.00	60.00	☐
03/02/2014	Shop 1, The Mall	Service Charges 03/08/2013 to 02/11/2013	300.00	60.00	300.00	60.00	☐
			2400.00	480.00	1200.00	240.00	

Reducing the budget from £2400 to £2000 results in the following:

View contributions for 'Example-1'

Unit: All Units — Full Details
Tenancy: All Tenancies — Posted service charges

Date	Unit address	Service charge description	Contribution	VAT	Outstanding	VAT	Posted
03/05/2012	Shop 1, The Mall	Service Charges 03/05/2012 to 02/08/2012	300.00	60.00	0.00	0.00	☑
03/08/2012	Shop 1, The Mall	Service Charges 03/08/2012 to 02/11/2012	300.00	60.00	0.00	0.00	☑
03/11/2012	Shop 1, The Mall	Service Charges 03/11/2012 to 02/02/2013	300.00	60.00	0.00	0.00	☑
03/02/2013	Shop 1, The Mall	Service Charges 03/02/2013 to 02/05/2013	300.00	60.00	0.00	0.00	☑
▶ 03/05/2013	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	300.00	60.00	300.00	60.00	☑
03/05/2013	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	125.00	25.00	125.00	25.00	☐
03/08/2013	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	125.00	25.00	125.00	25.00	☐
03/11/2013	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	125.00	25.00	125.00	25.00	☐
03/02/2014	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	125.00	25.00	125.00	25.00	☐
			2000.00	400.00	800.00	160.00	

Because the total of what has been received, together with what is posted and outstanding (=£1500) does not exceed the schedules new budget of £2000, the outstanding invoice is left outstanding, and the un-posted invoice amounts have been reduced to recoup the remaining schedule monies evenly across the remaining four charge periods.
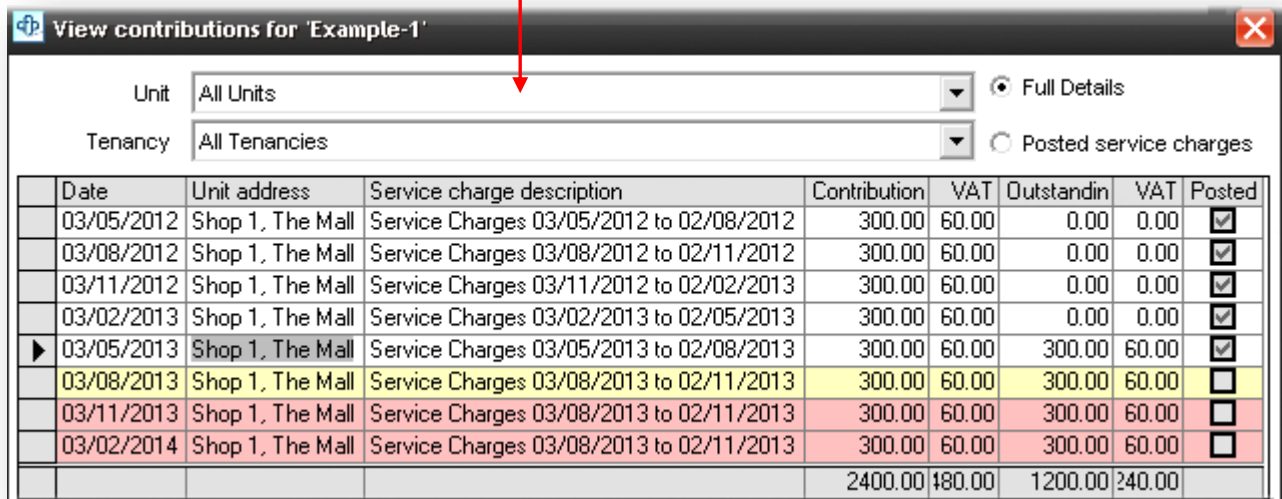
If we instead reduce the total budget to £1300, only £100 would be needed to complete the schedule. So the system would issue a credit note for the outstanding invoice, and replace it with four quarterly invoices of £25 each beginning today.

Increasing a Schedule Budget - Example:

As before a quarterly schedule has been created for one unit spanning two years. Today's date is right in the middle of the schedules duration. The schedules original total budget was £2400.
Half of this has been received, and one of the quarterly invoices (£300 – due today) is outstanding.
A summary of this schedule is shown below.

View contributions for 'Example-1'

Unit: All Units   ⦿ Full Details
Tenancy: All Tenancies   ○ Posted service charges
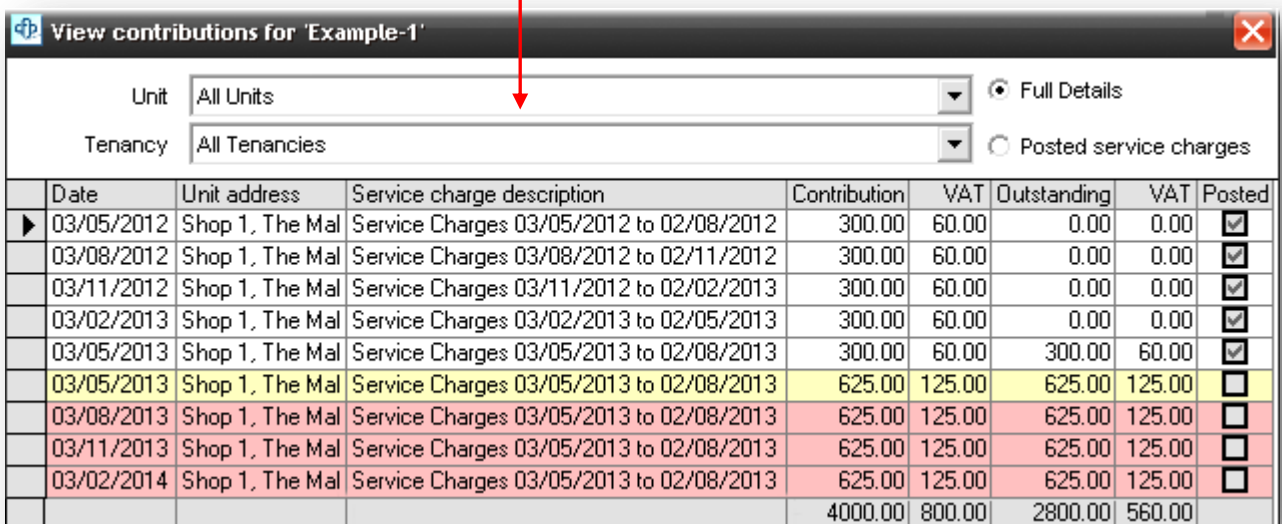
	Date	Unit address	Service charge description	Contribution	VAT	Outstandin	VAT	Posted
	03/05/2012	Shop 1, The Mall	Service Charges 03/05/2012 to 02/08/2012	300.00	60.00	0.00	0.00	☑
	03/08/2012	Shop 1, The Mall	Service Charges 03/08/2012 to 02/11/2012	300.00	60.00	0.00	0.00	☑
	03/11/2012	Shop 1, The Mall	Service Charges 03/11/2012 to 02/02/2013	300.00	60.00	0.00	0.00	☑
	03/02/2013	Shop 1, The Mall	Service Charges 03/02/2013 to 02/05/2013	300.00	60.00	0.00	0.00	☑
▶	03/05/2013	Shop 1, The Mall	Service Charges 03/05/2013 to 02/08/2013	300.00	60.00	300.00	60.00	☑
	03/08/2013	Shop 1, The Mall	Service Charges 03/08/2013 to 02/11/2013	300.00	60.00	300.00	60.00	☐
	03/11/2013	Shop 1, The Mall	Service Charges 03/08/2013 to 02/11/2013	300.00	60.00	300.00	60.00	☐
	03/02/2014	Shop 1, The Mall	Service Charges 03/08/2013 to 02/11/2013	300.00	60.00	300.00	60.00	☐
				2400.00	480.00	1200.00	240.00	

Increasing the budget from £2400 to £4000 results in the following:

View contributions for 'Example-1'

Unit: All Units   ⦿ Full Details
Tenancy: All Tenancies   ○ Posted service charges

	Date	Unit address	Service charge description	Contribution	VAT	Outstanding	VAT	Posted
▶	03/05/2012	Shop 1, The Mal	Service Charges 03/05/2012 to 02/08/2012	300.00	60.00	0.00	0.00	☑
	03/08/2012	Shop 1, The Mal	Service Charges 03/08/2012 to 02/11/2012	300.00	60.00	0.00	0.00	☑
	03/11/2012	Shop 1, The Mal	Service Charges 03/11/2012 to 02/02/2013	300.00	60.00	0.00	0.00	☑
	03/02/2013	Shop 1, The Mal	Service Charges 03/02/2013 to 02/05/2013	300.00	60.00	0.00	0.00	☑
	03/05/2013	Shop 1, The Mal	Service Charges 03/05/2013 to 02/08/2013	300.00	60.00	300.00	60.00	☑
	03/05/2013	Shop 1, The Mal	Service Charges 03/05/2013 to 02/08/2013	625.00	125.00	625.00	125.00	☐
	03/08/2013	Shop 1, The Mal	Service Charges 03/05/2013 to 02/08/2013	625.00	125.00	625.00	125.00	☐
	03/11/2013	Shop 1, The Mal	Service Charges 03/05/2013 to 02/08/2013	625.00	125.00	625.00	125.00	☐
	03/02/2014	Shop 1, The Mal	Service Charges 03/05/2013 to 02/08/2013	625.00	125.00	625.00	125.00	☐
				4000.00	800.00	2800.00	560.00	

Because the total budget has increased, the outstanding invoice is left outstanding and the un-posted invoice amounts have been incremented to recoup the remaining schedule monies evenly across the remaining four charge periods. If the amendment takes place on the same day as a due date for one of the invoices this may result in two invoices being charged for the same charge period (see 03/05/2013 above for an example of this).
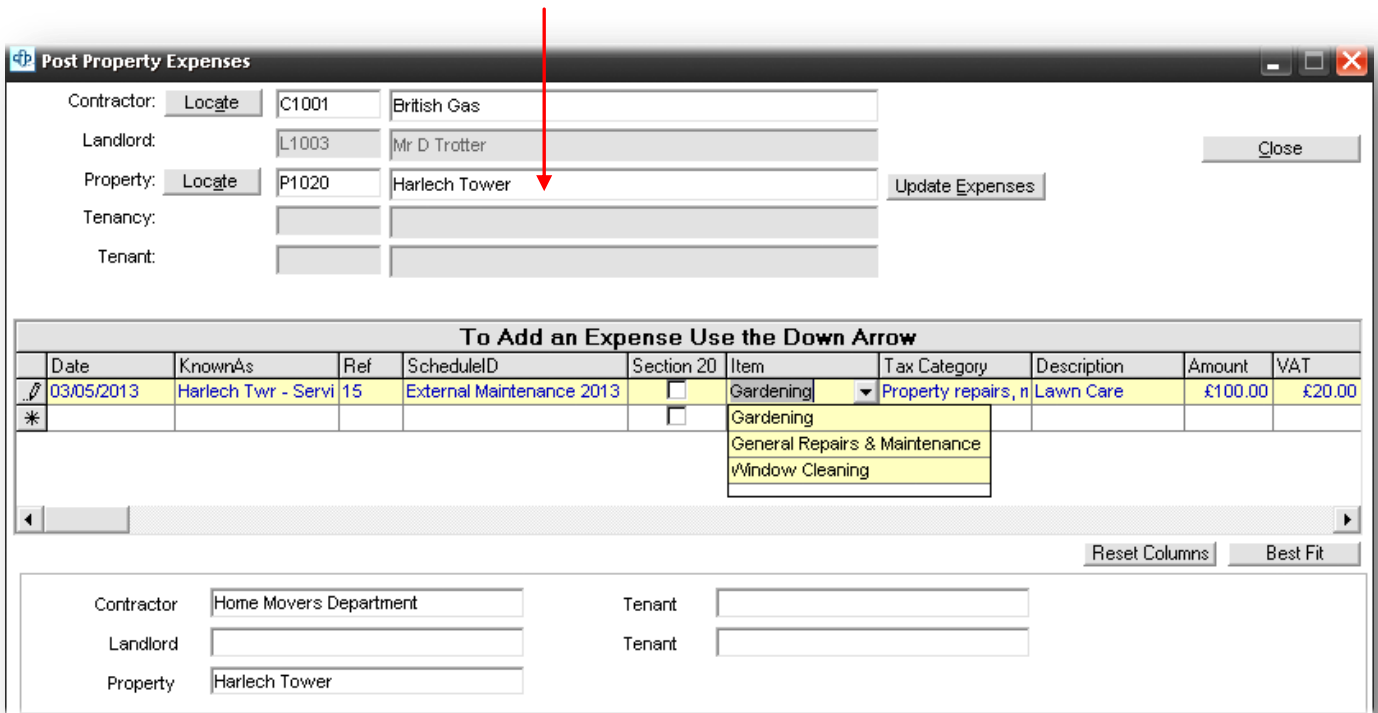
If a user amends a budget on or after the last day of a schedule, one invoice will be produced reflecting the whole of a unit's contribution and this will be due immediately.

Schedule Expenditure

This section of the user guide is intended to address all aspects of assigning expenditure to a schedule.

Post Property Expense

The **Post Property Expense** button available on the **Contractor Information** form can be selected to post expenditure to a schedule. The **Head Property** should be chosen on the **Locate Property** selection box.

The **Date, Account, Reference, Amount** and **Description** can be entered on the available line in the grid section of the form. In order to associate the expense to a schedule the relevant schedule must be chosen from the **ScheduleID** drop down box. When it then comes to selecting the **Item** of the expense, the available options in this dropdown box will be limited to the expense types that make up the schedule.

Works Order

The **Works Order** button available on the **Contractor Information** form can also be selected to post expenditure to a schedule. This form also provides the ability to produce a worksheet to be supplied to the contractor. To begin with the **Head Property** should be chosen with the **Locate Property** selection box.
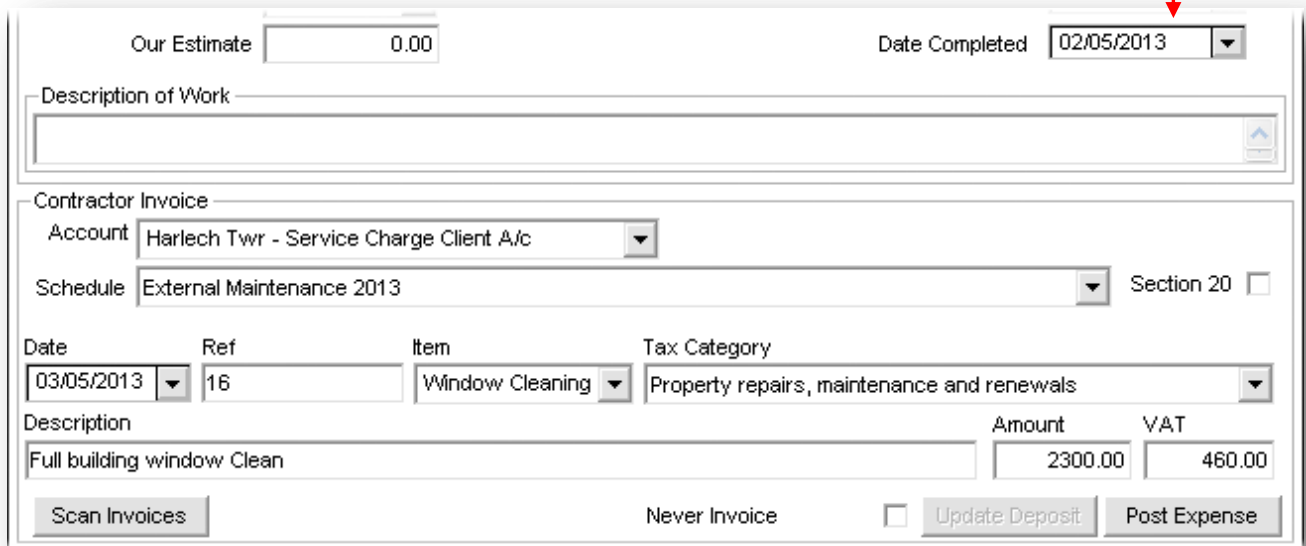
The user will be able to post an expense for the works that have been carried out as soon as a **Completed Date** has been entered on to the worksheet.
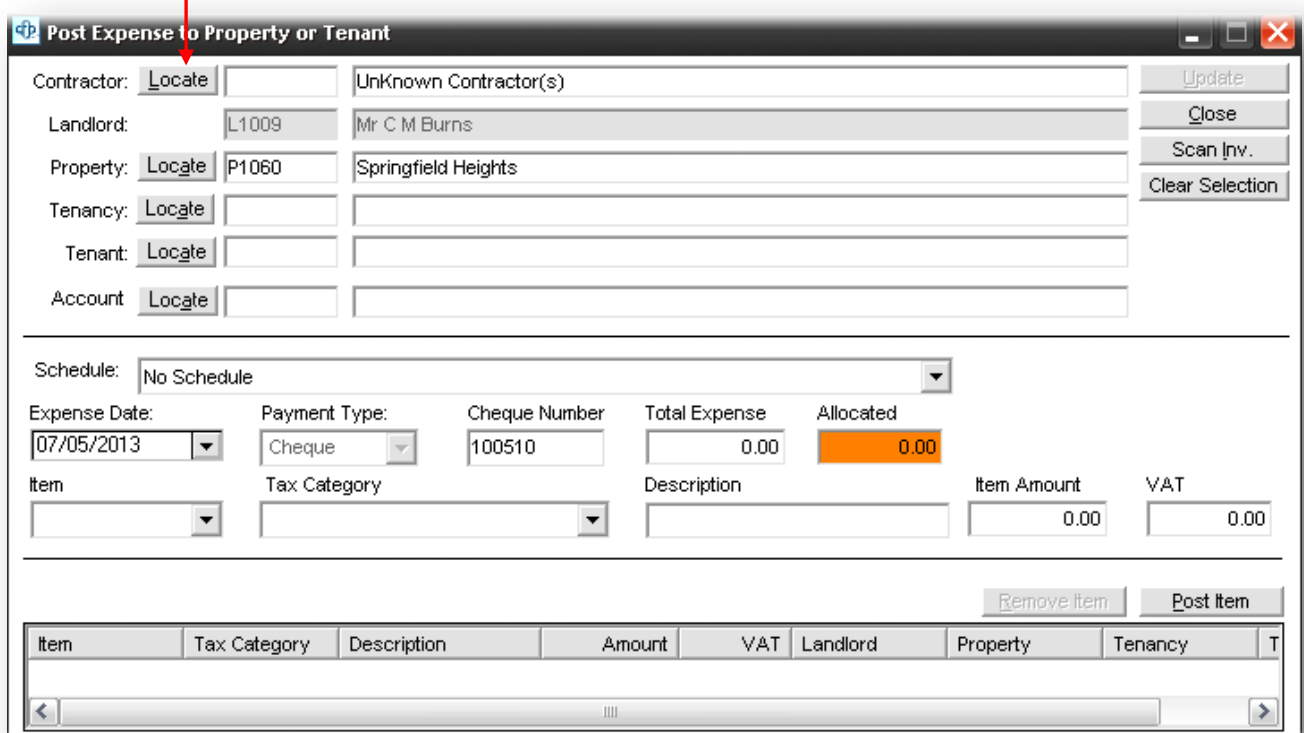
The **Date, Account, Reference, Amount** and **Description** can be entered at the foot of the form.

In order to associate the expense to a schedule the relevant schedule must be chosen from the **Schedule** drop down box. When it then comes to selecting the **Item** of the expense, the available options in this dropdown box will be limited to the expense types that make up the schedule

Postings – Expenses

The **Expenses** option available from the **Postings** menu heading can be selected to post expenditure to a schedule. Raising an expense on this form will pay the contractor immediately. To begin with the **Head Property, Contractor** and **Account** should be chosen using the relevant **Locate** buttons.
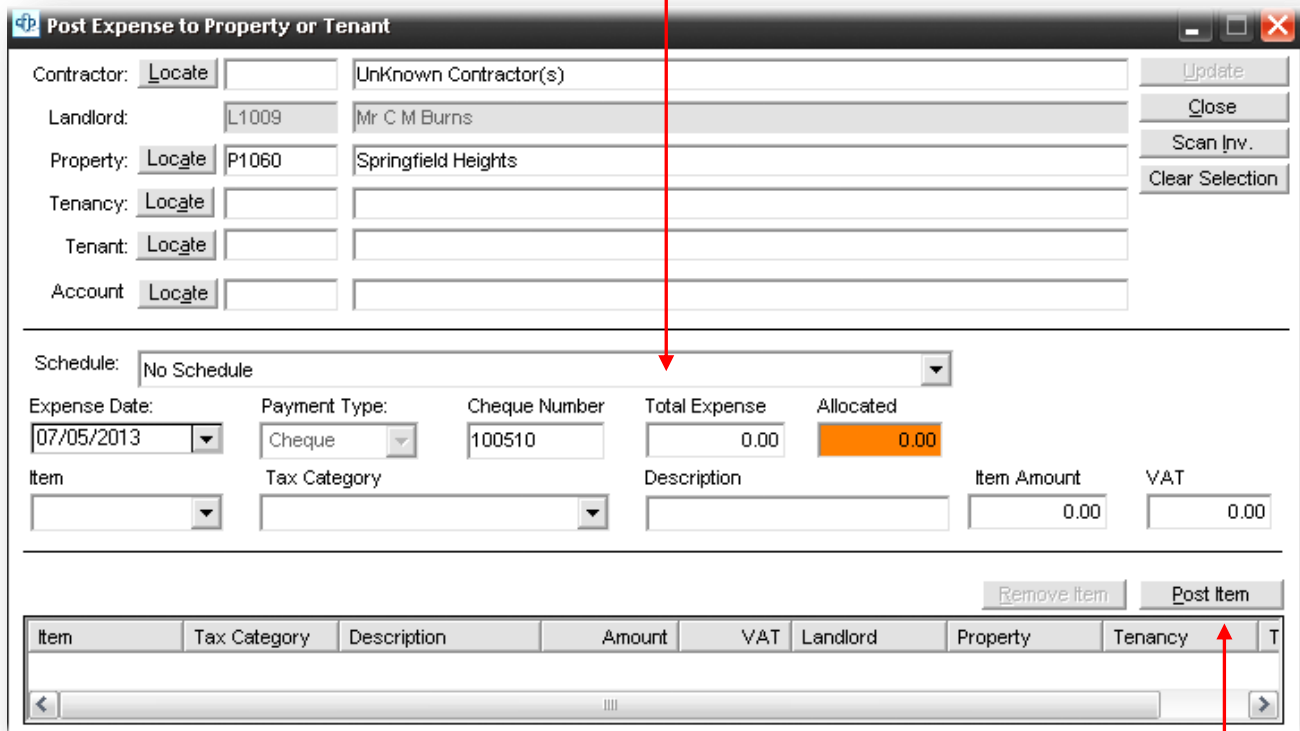
The relevant schedule can then be selected using the **Schedule** dropdown box. The usual description, reference, item type and amounts can then be selected to draw up the expense.

The **Post Item** button can then be selected to add the expense to the grid section at the foot of the form. The **Update** button can be selected to post the expense once the user is satisfied the details are correct.

Section 20 Expenses

Introduction

Page 37 of the RICS consultation document states, in respect of reserve funds, that "*separate items of expenditure in respect of which notices were issued under section 20 of the Landlord and Tenant Act 1985 should be clearly identifiable*".

The system does not allow the posting of expenses directly to a reserve fund. Instead users will have to post expenditure to a schedule and then transfer the money to/from a reserve fund.

The section 20 notification is required for any expense that falls within certain criteria, most notably, any expense which requires one or more leaseholder to pay more than £250.

Expenses falling under section 20 require a consultation process to be formally undertaken.
This would normally take place before the expense is posted.

Various reports in the system such as the **Balancing Statement** and **Service Charge Statement** will group section 20 expenses apart from normal expenses. The reports section of this user guide will explain these reports (and how they represent a section 20 expense) in more detail.

Posting Section 20 Expenses

The **Works Order**, **Post Property Expense** and **Postings - Expenses** forms each contain a checkbox entitled **Section 20**. This **checkbox** must be selected prior to updating the expense in order for the expense to become marked as a section 20 expense.

These three images indicate the presence of the **Section 20** checkboxes on each of the three forms.
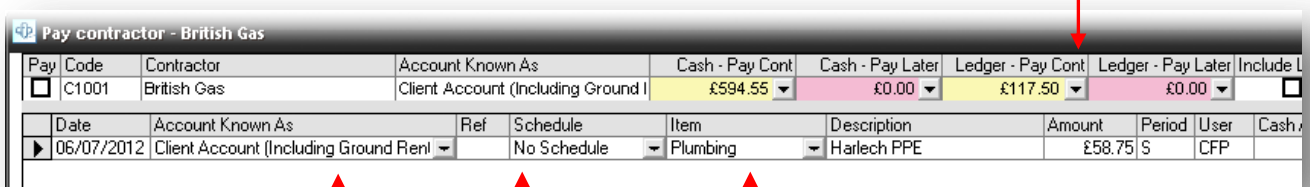
Adjusting and Deleting a Posted Expense

Adjusting an Expense

The **Pay Contractor** button on the **Contractor information** form provides the ability to change certain details of a posted expense. If an expense has been posted to an incorrect **Schedule, Account** or **Item Type**, the following steps can be carried out to adjust these settings without having to delete the expense.

If an expense exists where the cash from the liable client has yet to be deducted for it, the expense will appear in the **Ledger** section of the pay contractor form.
The user has the ability to drill down into this section by selecting the relevant drop down arrow.
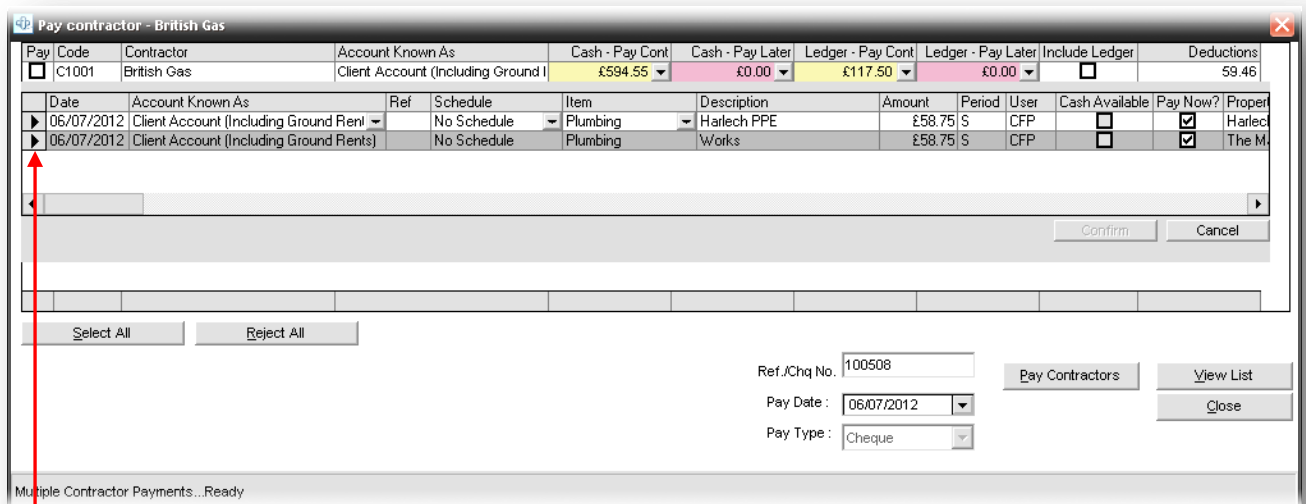
The user can change the **Account, Schedule** or **Item type** of an expense by selecting the relevant drop down arrow. The **Confirm** button can then be selected to proceed with any changes that have been made.

Expenses where cash has been made available from the liable client(s) will appear in the **Cash** section of this form. The **Account** for these expenses cannot be altered in the same way as above. However, the ability to change the **Schedule** or **Item Type** will be available.

Deleting an Expense

In some cases the ability to delete an expense maybe required by the user.

This is carried out by selecting the **Black Arrow** head alongside the expense. The expense line will turn a dark grey colour and the user will then be able to press the [**Delete**] key to remove the expense entirely.

Expenses where cash has been made available from the liable client(s) will appear in the **Cash** section of this form. These expenses cannot be deleted in the same way as above.

End of Schedule Processes

Introduction

Due to most budgets being estimated at the start of a schedule, it's unlikely that the total expenditure amount will match the total income amount that has been amassed during the life of the schedule. This section of the user guide will explain the many ways to process **Surplus** and **Deficit** schedule balances.

The ability to make use of **Reserve Funds** will also be covered in this section of the guide. This provides the user with the ability to transfer monies either from or to a reserve fund. The ability to then use these reserve fund monies to address other schedule balances will then also be covered.

Reserve Funds

Introduction

The user can create and associate multiple reserve funds with a head property.
The user will be able to set up an opening balance for each fund. Any surplus monies can be assigned to a reserve fund and any schedules that are in deficit can transfer monies from a reserve fund in order to balance the schedule (providing enough funds exist). Any transfers to or from a reserve fund will be represented on the relevant payment statements and reports.

Creating a Reserve Fund

The **Service Charge Administration** form contains a button to launch the **Reserve Funds** form.
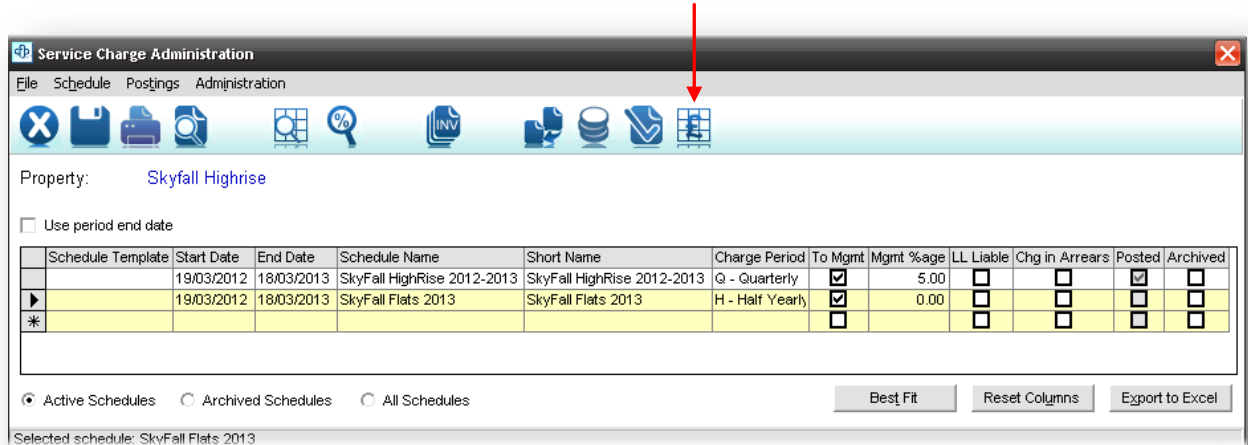
A reserve fund can be created by entering a **Name** and a **Description** on a blank line in the grid section of the form, followed by clicking the save icon.
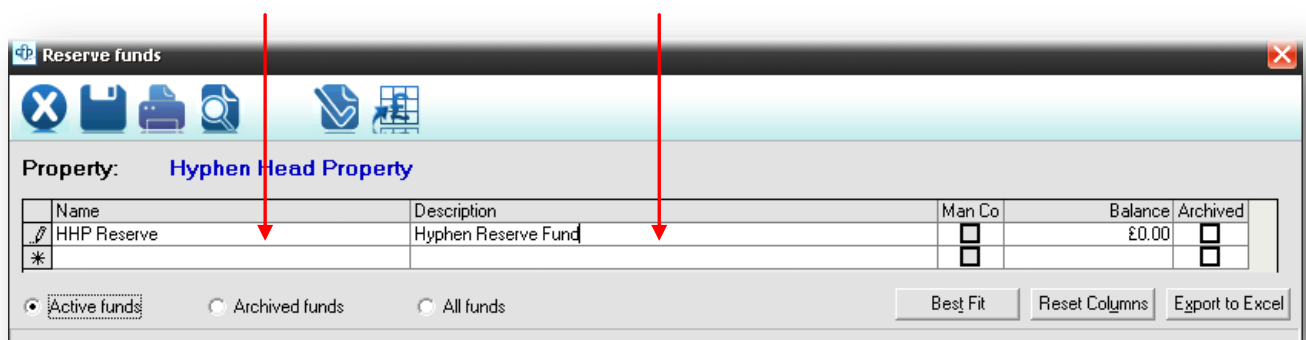
A decision will then need to be made as to whether the reserve fund is to be associated with either **Management Company** or **Landlord** Schedules. If a management company is associated with the property the system will automatically assume the reserve fund is to be associated with the management company.

To specify whether a reserve fund is to be associated with a management company the **Man Co** checkbox can be selected. Leaving this deselected will inform the system that the reserve fund is for Landlord schedules.

Opening Balances

A **Set Opening Balance** button has been provided for users wishing to enter an opening balance.
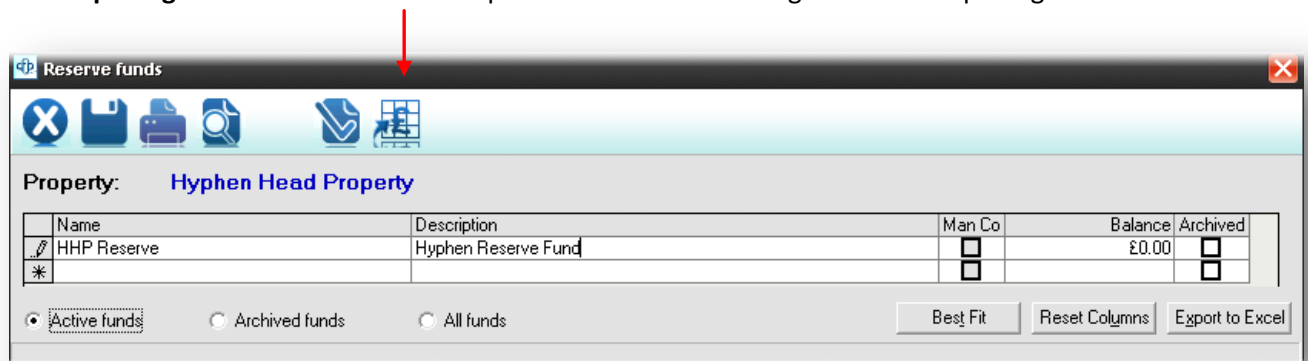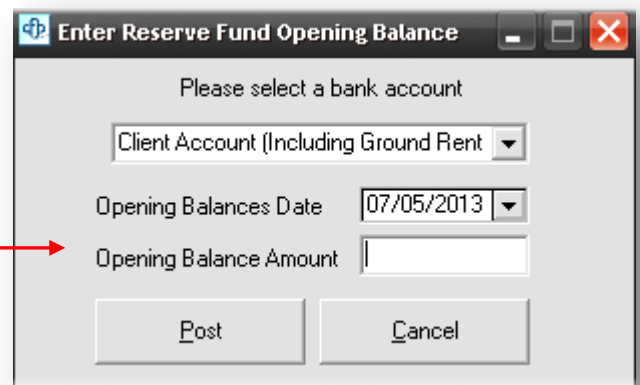
Users who select this button will be presented with the **Enter Reserve Fund Opening Balance** form.

The user will need to choose an **Account** together with a posting **Date** and **Amount**. The **Post** button can then be selected to post the balance.

A negative amount can be posted by the user. The ability to make further postings is also available.

The above **Reserve Fund** form will reflect the balance of the reserve fund in the **Balance** column.

Account Listing Report

The ability to report on the transactions that make up a reserve is available in two formats.
The **Reserve Fund Account Listing** button is available for this purpose.

This button launches the familiar grid view of the transactions that make up the reserve fund.
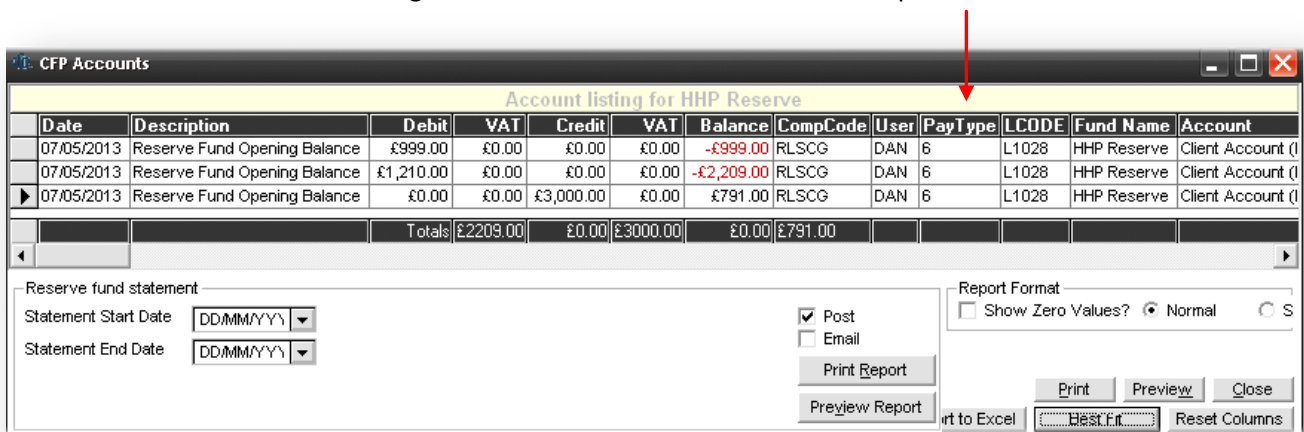
The ability to specify a date filter is available to narrow down the transactions that are on show.

Selecting either the **Print Report** or **Preview Report** button will produce a report similar to the pre-existing **Tenancy Statement** report (shown below). Selecting the **Email** checkbox before printing the report will instruct the system to create an email of the report with a blank recipient.

Reserve Account Income for HHP Reserve

Accounts details between 07/05/2013 and 07/05/2013

Date	Reference	Description	Debit	Credit	Balance
07/05/2013		Reserve Fund Opening Balance	999.00	0.00	-999.00
07/05/2013		Reserve Fund Opening Balance	1,210.00	0.00	-2,209.00
07/05/2013		Reserve Fund Opening Balance	0.00	3,000.00	791.00
			2,209.00	3,000.00	791.00

Points Worth Noting

Bank Interest can be posted directly into a reserve fund. The section of this user guide entitled **Other Schedule Income** contains a section for **Bank Interest** which explains this in more detail.

With the exception of bank interest the ability to transfer money into or
out of the reserve fund can only take place on the **Administer Account** form.
The section of the user guide entitled **Administer Accounts** will explain these processes in more detail.

The system will only permit the **Administer Accounts** form to transfer money out of a reserve fund if the reserve fund balance is a positive figure. If a transaction is attempted that would change the balance of the reserve fund from a positive figure to a negative figure the ability to process the transaction will be denied.

Any transactions into or out of a reserve fund will be listed on the landlord or management companies payment statement. Transfers to a reserve fund will be listed as expenditure, whereas transactions out of a reserve fund will be listed under the income section.

A reserve fund can be archived providing the balance of the fund is zero. This can be achieved by selecting the **Archived** checkbox alongside the reserve fund. Various filters can be activated to either show or hide archived reserve funds.

Administer Accounts

Introduction

Once a schedule has passed its end date, there is a need to ensure that the schedule's **Total Income** matches its **Total Expenditure**. In most cases the user will need to deal with whatever surplus or deficit monies exist in order to balance the schedule in this way.

The **Service Charge Administration** form contains a button which launches the **Administer Accounts** form. It is this form that is used to carry out any necessary transfers in order to balance a schedule.
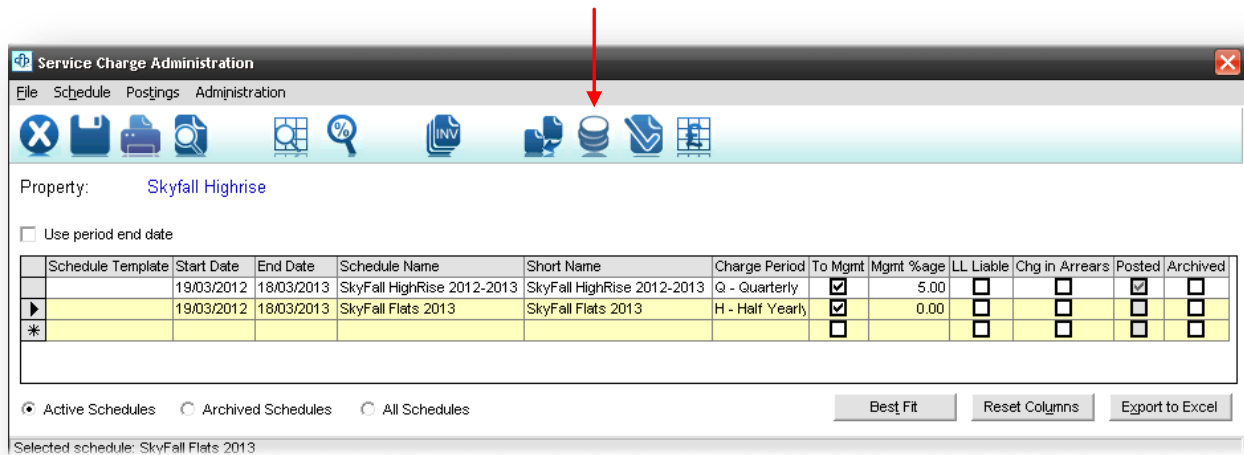
The user must first choose which schedule they wish to administer prior to selecting this button.

The system will prevent access to the **Administer Accounts** form if the schedule:

- Has an end date in the future.
- Has un-raised invoices set against tenancies (Outstanding tenancy invoices are fine).
- Has un-raised or outstanding invoices relating to the schedule awaiting payment from a landlord or contractor. (Known to CFPWinMan as Landlord & Contractor Contributions)

Regarding the latter point above, if the system does encounter any landlord or contractor invoices relating to the schedule, the opportunity will be provided to remove these invoices when the user attempts to enter the **Administer Accounts** form.
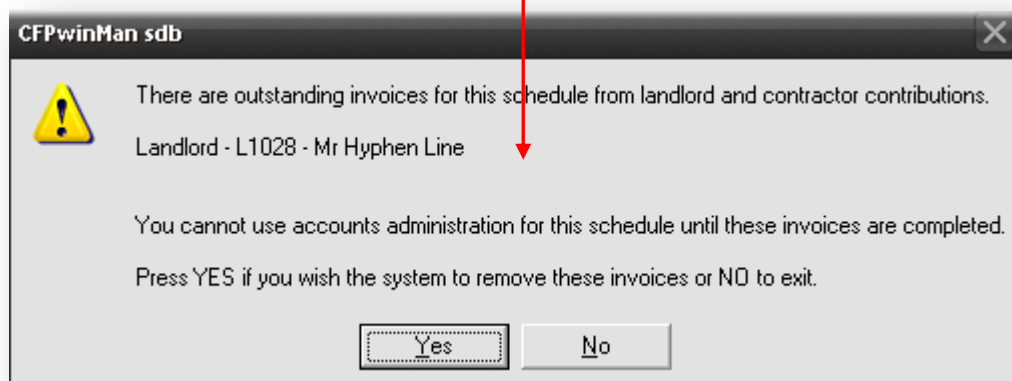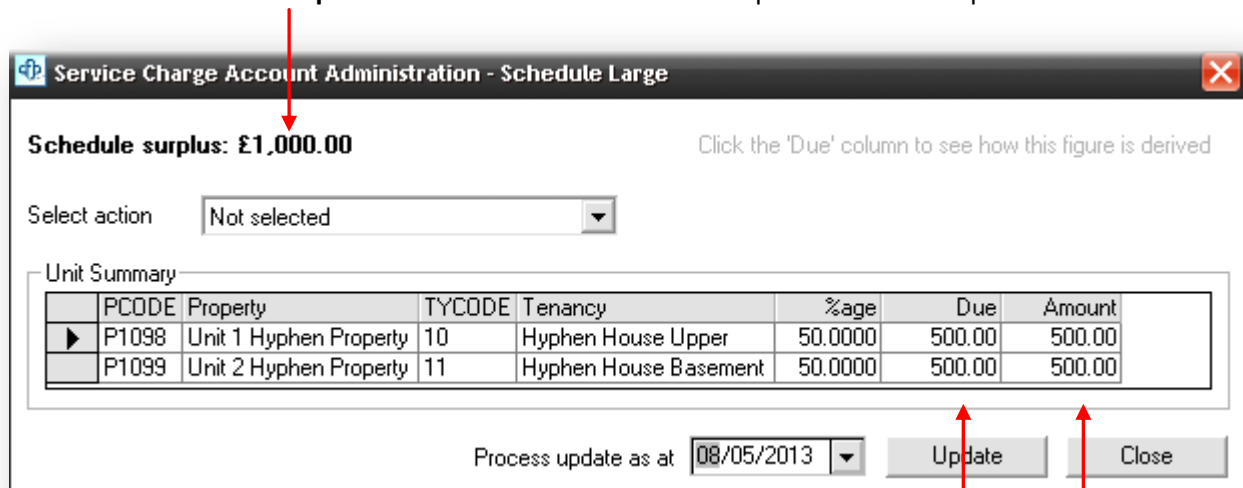
Service Charge Account Administration Form

The **Service Charge Account Administration** form will list all of the units that are contributing towards the schedule together with their **Percentage of liability**. There are three different variants of the form depending on the status of the schedule, either a **Surplus, Deficit** or **No Discrepancy** status will be shown. The idea is to carry out the necessary steps on a **Surplus** or **Deficit** schedule in order for the forms status to change to **No Discrepancy**. It is only when this form is shown that we know the schedule is in balance.

An explanation of the layout of each form is provided below:

Schedule Surplus form

The invoices (whether receipted or not) amount to more than the overall expenditure of the schedule.
The combined total of **Surplus Monies** for the schedule will be provided at the top of the form.
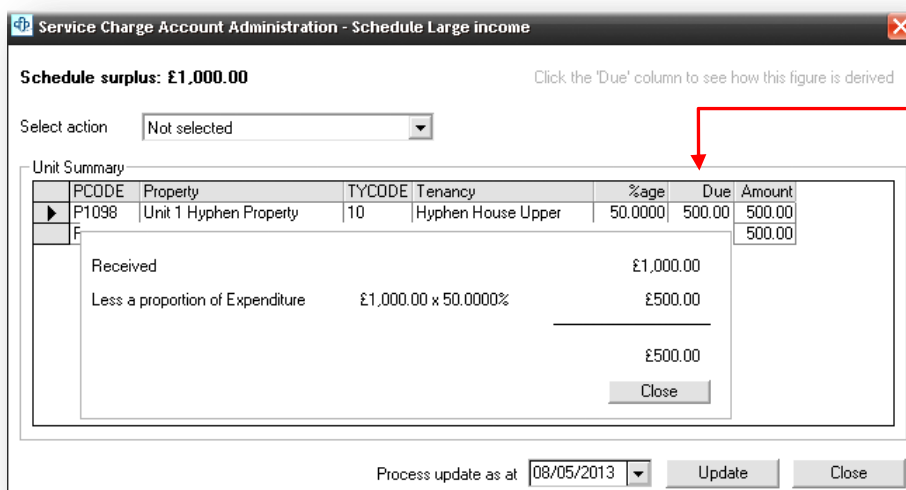
The **Due** column reflects how much each unit is in surplus by. The **Amount** column is the suggested amount to be processed for each unit in order to address the overall surplus. This figure can be adjusted by the user.
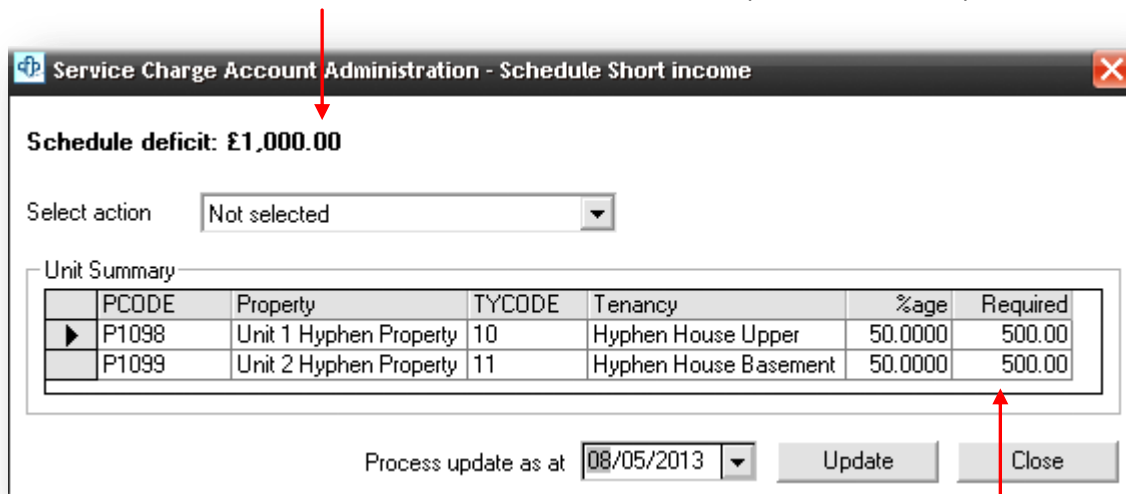
The user will be able to select the **Due** column alongside a unit in order to see how the figures have been calculated.

The example on this page shows that the estimated schedule budget was £1000 too much, therefore because the schedule is split 50/50 between the two units, £500 for each unit can be refunded back or transferred elsewhere.

The section of this user guide entitled **Processing Surplus Monies** will explain how to carry out the necessary transfers in order to address a schedule with a surplus status.

Schedule Deficit form

The invoices (whether receipted or not) amount to less than the overall expenditure of the schedule.
The combined total of **Deficit Monies** for the schedule will be provided at the top of the form.
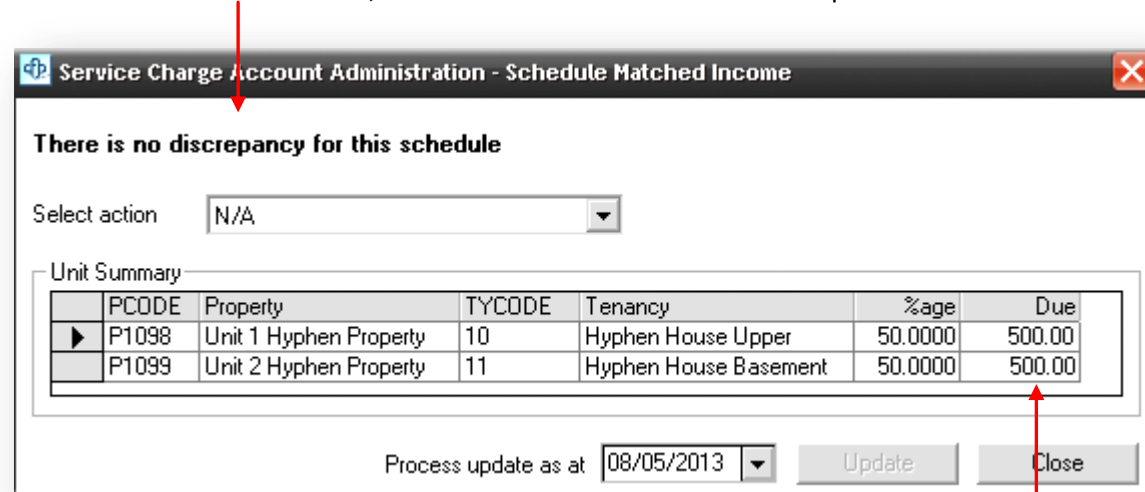
The amounts **Required** from each unit in order to address the deficit will be listed alongside the units.
The above example shows that the estimated schedule budget was £1000 short, therefore because the
schedule is split 50/50 between the two units, £500 will be required from each unit to address the deficit.
The section of this user guide entitled **Processing Deficit Monies** will explain how to carry out the
necessary transfers in order to address a schedule with a deficit status.

No Discrepancy form

The invoices (whether receipted or not) amount to the same as the overall expenditure of the schedule.
The line at the top of the form labelled **There is no discrepancy for this schedule** will reflect the fact
that the schedule is in balance, therefore no further action will be required.

The **Due Amount** of each unit's outstanding invoices (should any exist) will be listed alongside the unit.
The above example shows that the estimated budget of the schedule was accurate. Despite the fact that the
two units both have outstanding invoices of £500 each, no action will be required on this form either before
or after those monies have been received. *Note: The landlord or management company pay form
(depending on schedule type) will not balance until all outstanding invoices have been received.*
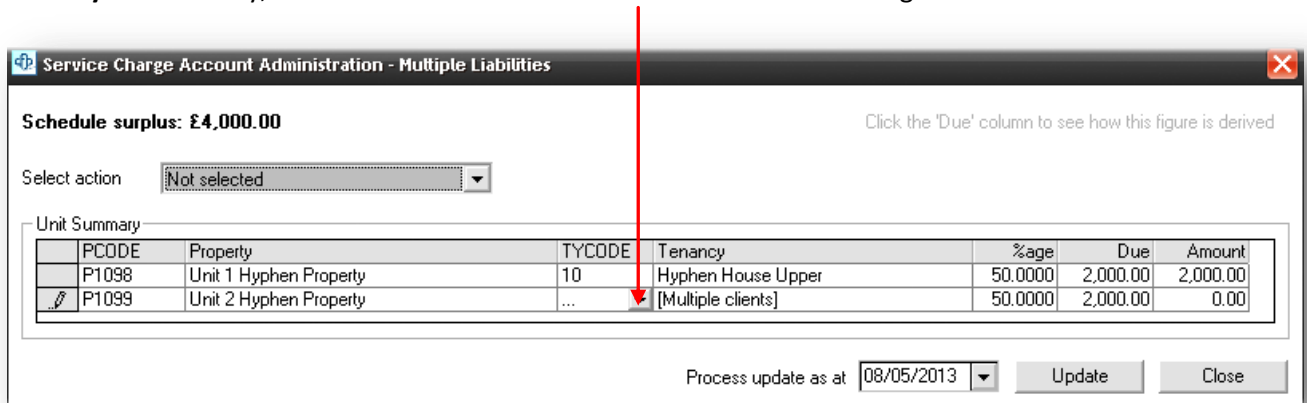
How Multiple Contributors Are Represented

When one tenancy replaces another for a given unit CFPwinMan provides the ability to reassign the vacated tenancies service charge invoices to the new tenancy via the **Service Charge Reassignment** functionality.

The ability for landlords to become responsible for service charges when a unit becomes vacated is also available via the **Landlord Liability** functionality.

NOTE: Each of these processes have already been covered and have their own section in this user guide.

When the **Service Charge Account Administration** form encounters a unit containing multiple parties which have contributed towards a **Surplus** schedule using either the **Service Charge Reassignment** or **Landlord Liability** functionality, three dots will be shown in the TYCODE column alongside the unit.
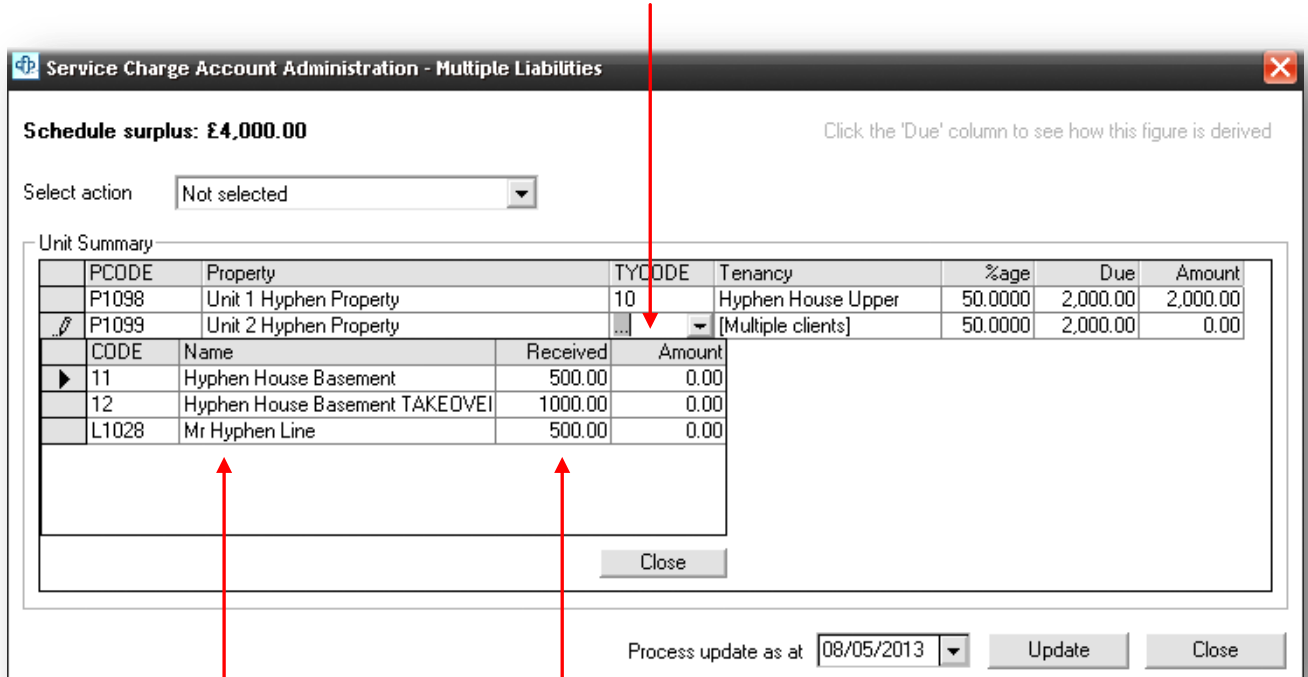
Selecting the three dots in the TYCODE column will expand the form so that the name of each provider of income towards the unit's contribution amount is listed.
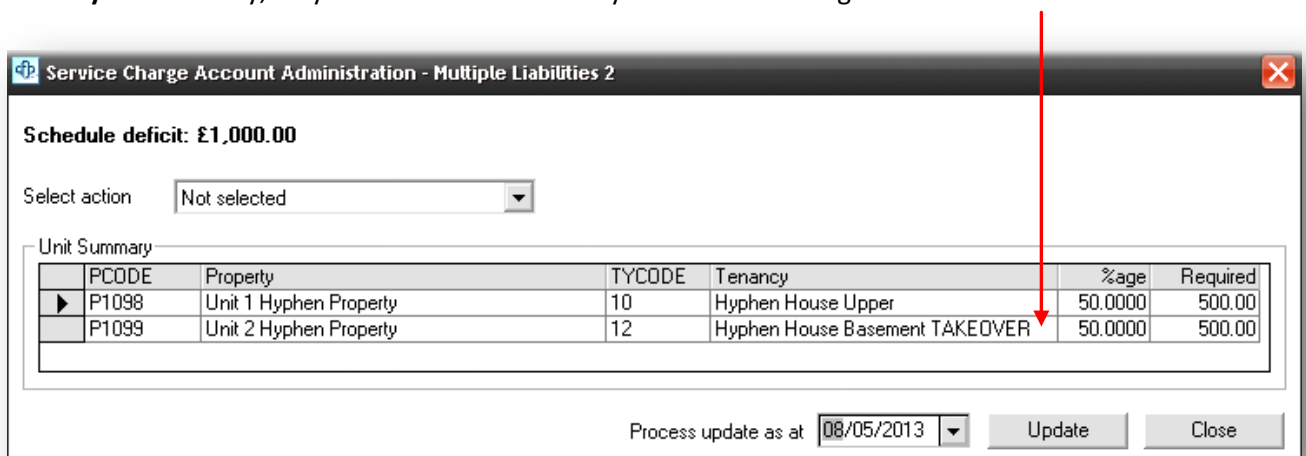
Alongside each name, in the **Received** column, will be the amount each client has paid towards the unit's share of the schedule. The above example shows that a unit has had two separate tenancies contributing, together with the landlord who also contributed £500 towards the units share of service charges.

The reason the system lists other contributors of income towards a unit's allocated share of a schedule is because with the schedule being in a surplus state, there is money left over which the user may wish to refund back to the contributors.

The section of the user guide entitled **Processing Surplus Monies** will explain how to process surplus monies for multiple clients.

When the **Service Charge Account Administration** form encounters a unit containing multiple parties which have contributed towards a **Deficit** schedule using either the **Service Charge Reassignment** or **Landlord Liability** functionality, only the most recent tenancy will be listed alongside the unit.

This is because when a schedule has a deficit status, the system is only interested in recouping money from the active (most recent) tenancy in order to balance the schedule. It is assumed that all other contributors have been invoiced their share of income towards the unit's allocated share of service charges. Therefore, there is no need to list them alongside the unit in the grid section of the form.
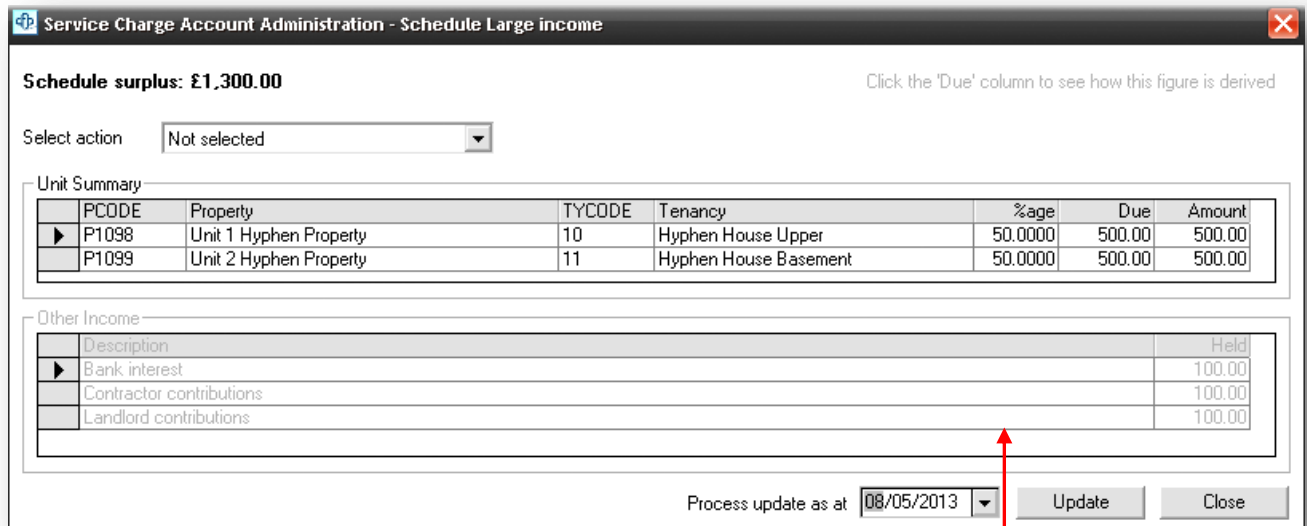
How Other Income Is Represented

The **Other Income** section of this user guide, explains the **Landlord Contribution** & **Contractor Contribution** methods of posting income to a schedule together with the ability to post **Bank Interest.**
As the title of this section suggests CFPWinMan identifies these monies as **Other Income.**

The **Service Charge Account Administration** form will deal with this income differently depending on whether the schedule is in surplus or deficit.

If the schedule balances without the need for external income the **Other Income** items will be listed at the foot of the form. This is also true for schedules that are in **surplus** without the need for external income. These **Other Income** items will remain listed at the foot of the form until they processed.

If a schedule has a **Deficit** status prior to taking any **Other Income** amounts into consideration, the system will check to see if the **Other Income** amount can be used to address the schedules lack of income:

- If there is not enough other income to balance the schedule, the schedule status will remain as **Deficit**, but the deficit figure will be reduced by the amount of other income. The other income monies will have been consumed by the schedule, therefore not listed at the foot of the form.

- If there is exactly enough other income to balance the schedule the status of the schedule will change to **No Discrepancy.** The other income section will not be listed at the foot of the form because this would have been consumed by the schedule.

- If there is more than enough other income to balance the schedule the status of the schedule will change to **Surplus.** The surplus figure will reflect the amount of other income that remains after applying what was needed to balance the schedule. The other income section will be listed at the foot of the form listing the full amount that was received.

The Sections of this user guide entitled **Processing Surplus Monies** and **Processing Deficit Monies** will explain how to process any **Other Income** items listed at the foot of the form.

*NOTE: Other Income types such as **Bank Interest** can potentially be negative figures.*
The system is able to cope with such figures using the same rules outlined above.

Processing End of Schedule Transactions

Introduction

This section of the user guide will explain how to convert an unbalanced schedule (a schedule in surplus or deficit) to a schedule with no discrepancy. It is assumed that the user has read and understood the section of this user guide entitled **Service Charge Account Administration Form** before proceeding with this chapter.

One of the most crucial points worth noting is that a schedules status (such as **Deficit** or **Surplus**) and the figure reported alongside this status, is calculated by comparing the **Total Expenditure** with the **Total of Received Income + Any Outstanding invoices relating to the schedule.**

For Example: A schedule is posted with an estimated budget of £1000. But none of the invoices relating the schedule have been received, the expenditure for the schedule equates to £900. This schedule will be listed as having a surplus of £100, despite the fact that no income towards the schedule has been received.

To process end of schedule transactions, the relevant schedule should be selected from the **Service Charge Administration** form. The **Administer Accounts** button will then need to be selected.
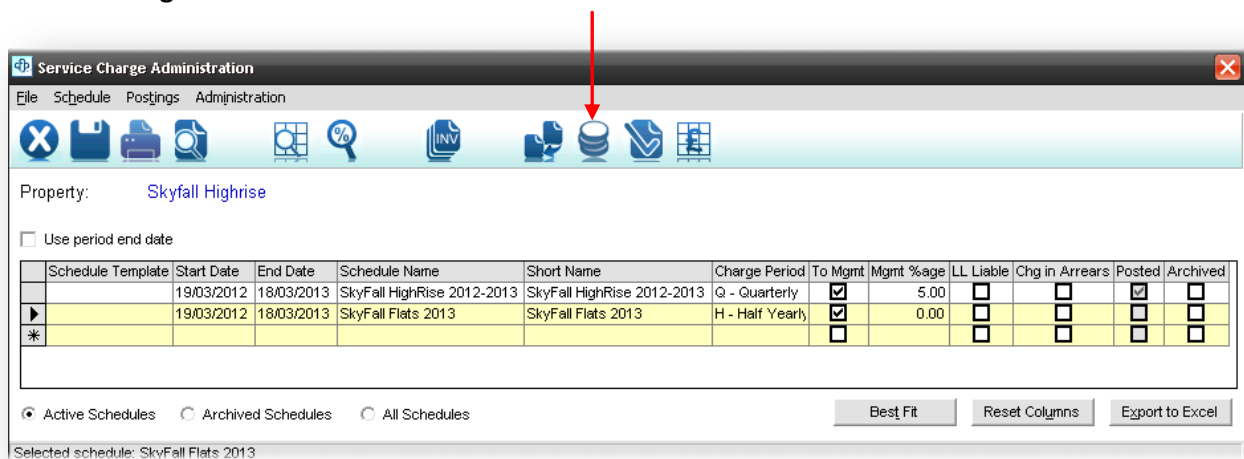
The **Service Charge Account Administration** form will then be provided detailing the status of the schedule.
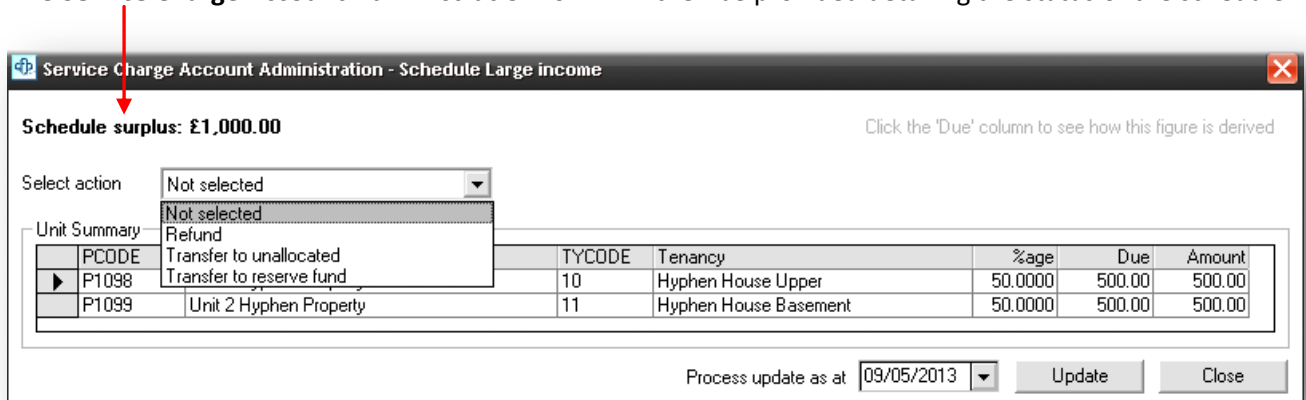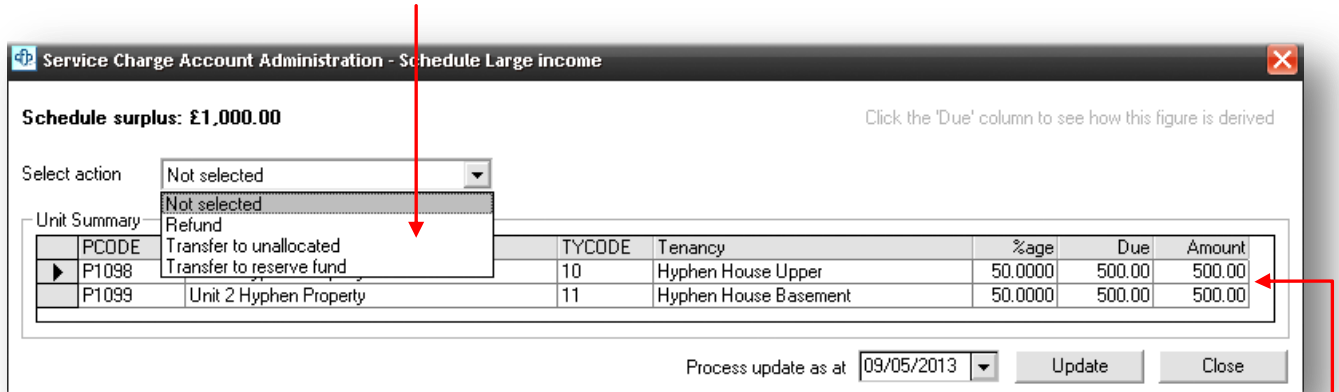
The form will behave differently depending on the status of the schedule. The next sections of this chapter provide guidance on how to address unbalanced schedules for each of the schedule status types.

Processing Surplus Monies

If the expenditure for a schedule is less than estimated, or more income has been assigned to the schedule then was anticipated, the schedule status will be listed as **Schedule Surplus**, together with the amount of the surplus.

The user will need to make a decision as to what they wish to do with the excess funds received during the life of the schedule. The monies will need to be moved out of the schedule in order for it to balance. The **Service Charge Account Administration** form provides three different options to move the monies:

The user must choose the **Action** they wish to perform in order to move monies out of the schedule by selecting the **Select Action** dropdown box. The three possible actions a user can undertake to process surplus monies are:

- Refund monies back to the client.
- Transfer monies to the client's unallocated pot.
- Transfer monies to a reserve fund.

Once an **Action** has been selected the user must specify the monies that are to be processed using the **Amount** column alongside each unit. By default the system assumes that all surplus monies for each unit will be processed, so the full amount of each individual units surplus will be listed, although this figure can be adjusted.

NOTE: The system will not allow the user to specify a figure in the amount column which is more than the unit's surplus amount or a negative figure.

Once the user has specified their required **Action** and the **Amount** they wish to process for each unit, the ability to enter a date for the transaction is provided in the **Process Update As At** box at the foot of the form. With these three points addressed, the **Update** button can be selected to carry out the transactions.
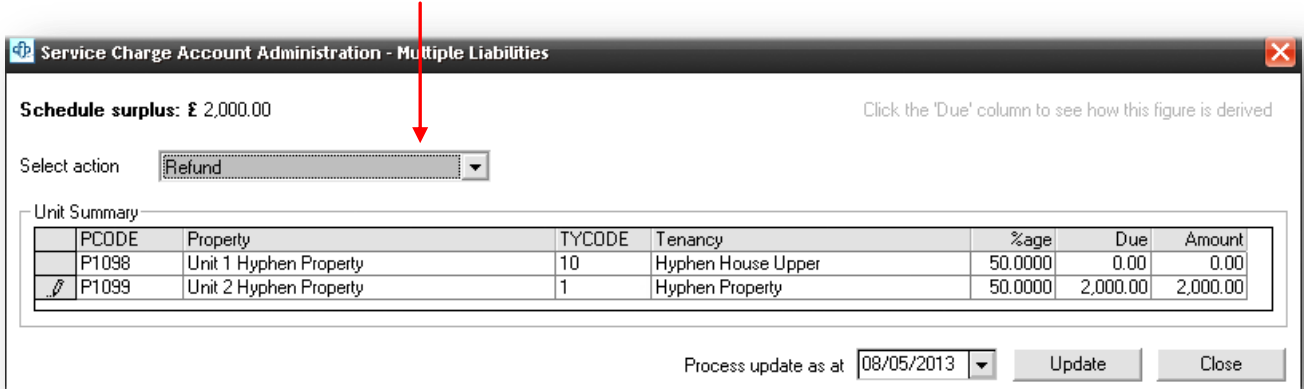
The user will be able to use a combination of the three available actions. So for example £100 from each tenancy can be transferred to a reserve fund, and the remaining monies refunded back to each client.

After carrying out an action the system will reload the form. The remaining surplus monies for each unit will be recalculated and the **Amount** column will be repopulated with these figures.

Once each unit's surplus monies have been processed, the amount column for each unit will read zero and the status of the schedule will be changed to **No Discrepancy**. A thorough explanation for each of the three **Actions** which can be performed, is provided on the next page.

Refund

If a user chooses to action a **Refund** for a particular unit's surplus monies, the following events will occur.
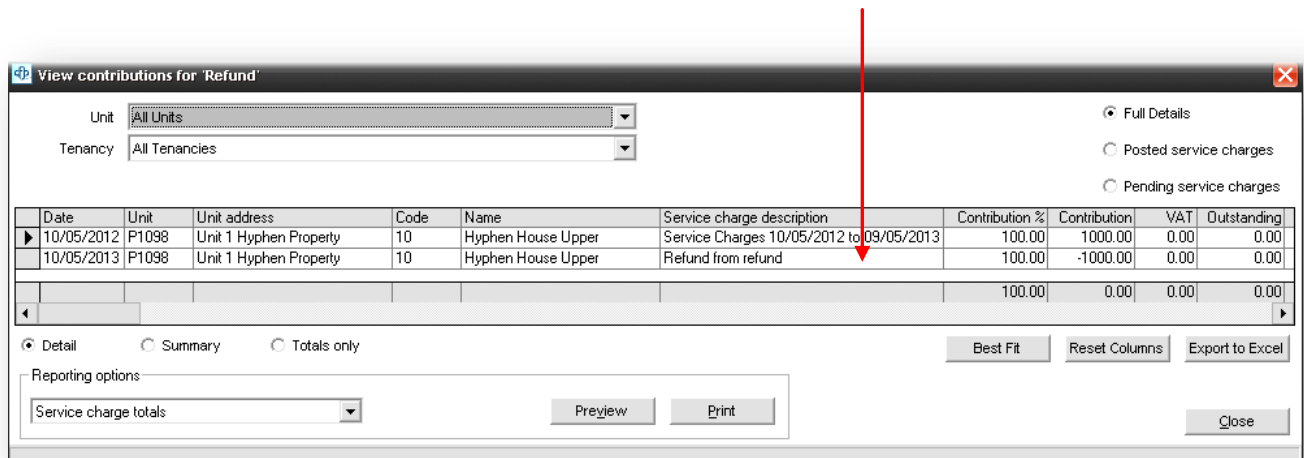
- The **Service Charge Account Administration** form will recalculate taking the refund into account.

- Monies will be refunded back to the tenancy and an entry will be placed in the **Bank Reconciliation**.

- An option to print the **Refund** note will be provided.

- A refund note will be placed in the **History Log** should the user need to reprint or email it.

- The **Pay Statement** for the Landlord or Management Company will contain the transaction (labelled as **Refund From)** with a negative amount in its income section. The **Schedule Name** will be mentioned alongside it.

- Any reports relating to the schedule such as the **Service Charge Statement** will include the refund transaction in its calculations.

- If it is the first **Action** to be processed on the **Service Charge Account Administration** form and the need to raise a **Credit note** is required, a credit note will be raised.
The section entitled **Credit Notes** in this chapter of the user guide will explain this in more detail.

- The transaction is recorded on the **View Contributions** form, to provide the user with an overview.

Transfer to Unallocated

If a user chooses to action a **Transfer to Unallocated** for a particular unit's surplus monies, the following events will occur.

- The **Service Charge Account Administration** form will recalculate taking the transfer into account.

- Monies will be refunded back to the tenancies (landlord) unallocated pot.

- The **Pay Statement** for the Landlord or Management Company will contain the transaction (labelled as **Trans From)** with a negative amount in its income section. The **Schedule Name** will be mentioned alongside entry.

- Any reports relating to the schedule such as the **Service Charge Statement** will include the transfer transaction in its calculations.

- If it is the first **Action** to be processed on the **Service Charge Account Administration** form and the need to raise a **Credit note** is required, a credit note will be raised.
  The section entitled **Credit Notes** in this chapter of the user guide will explain this in more detail.

- The transaction is recorded on the **View Contributions** form, to provide the user with an overview.

Note: The user will be able to use these monies to pay off outstanding service charge invoices for any subsequent schedules.

Transfer to Reserve Fund

If a user chooses to action a **Transfer to Reserve Fund** for a particular unit's surplus monies, a reserve fund must be selected from the drop down box which appears in the top right of the form.

The transfer can then be processed, in which the following events will occur:

- The **Service Charge Account Administration** form will recalculate taking the transfer into account.

- The monies will be transferred into the specified **Reserve Fund**.
  (These reserve fund monies can then be used to address schedules with a **Deficit** status).

- If surplus **Other Income** monies exist, they will be transferred into the reserve fund alongside the surplus tenancy monies. The **Other Income** section of this chapter explains this in more detail.

- The **Pay Statement** for the Landlord or Management Company will contain the transaction (labelled as **Trans From**) in its expenditure section.
  The **Schedule Name** and **Reserve Fund name** will be mentioned alongside the entry.

- If it is the first **Action** to be processed on the **Service Charge Account Administration** form and the need to raise a **Credit note** is required, a credit note will be raised.
  The section entitled **Credit Notes** in this chapter of the user guide will explain this in more detail.

- The transaction is recorded on the **View Contributions** form, to provide the user with an overview.

Note: Users will be able to transfer these monies back into the system to address schedules that are in deficit.

Example: If the user wishes to perform an action (refund) on one tenancy, but carry out a different action (transfer to un-allocated) on another, the following steps would need to be taken in order to achieve this.

- Specify the amount to be refunded against tenancy **one**. Here we have left the suggested £2000.
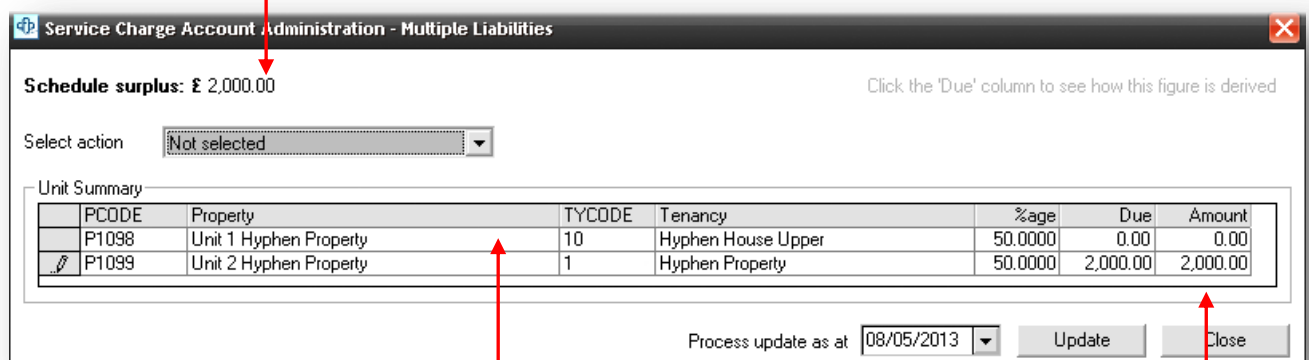
- Reduce the amount to be refunded against tenancy **two** to zero.
- Select the **Refund** action from the **Select Action** dropdown box and choose **Update**.
- The system will now refund tenancy one's £2000, reducing that units surplus to zero.
- The form will then be re-calculated. The resulting form is shown below.
- The overall **Surplus Figure** has now been recalculated as £2000.

- Unit1 no longer has any surplus monies to process.
- The system assumes the user wants to process unit2's full surplus amount of £2000.
- The **Transfer to Unallocated** action can now be chosen and the **Update** button selected to transfer this units surplus £2000 to the tenancy's unallocated pot.
- The schedule status will now change to **No Discrepancy,** as all surplus monies have been dealt with.

*NOTE: The **View Contributions** form will provide an overview of the above transactions.*

Credit Notes

If the system encounters tenancies that have yet to pay their full share of schedule expenditure, despite the fact that the overall schedule status is in surplus, the tenancies will be listed with £0 in the **Due** column.
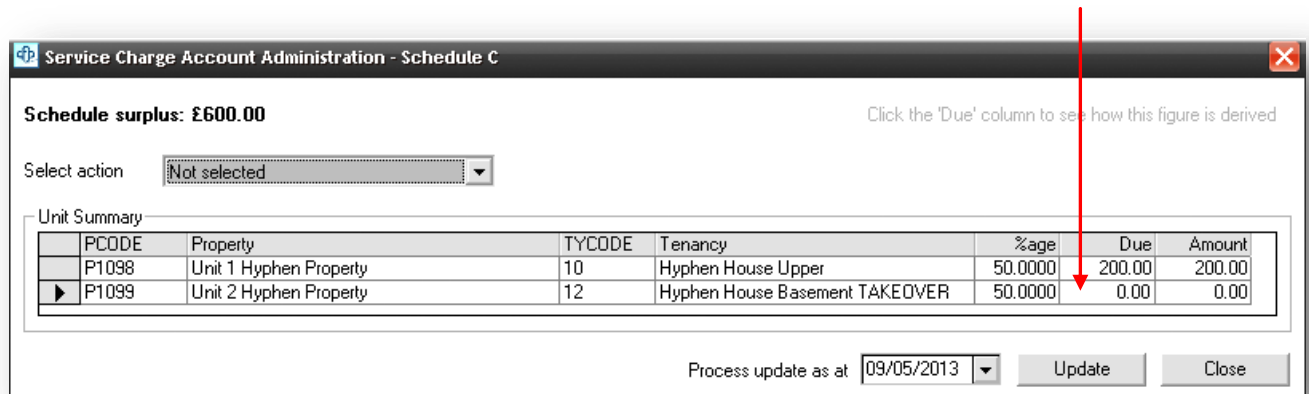
When the user performs an action such as a **Refund** or **Transfer to Reserve Fund**, the system will post credit notes to these tenancies that, when combined with their outstanding invoices, reduces the amounts owed to figures that reflect the tenancies exact share of expenditure, minus what has already been received.

For example: The above image was obtained from a schedule split 50/50 between two units where the following steps have occurred:

- The total estimated schedule budget was set at £1000.
- Unit 1 Paid £400 out of its £500 outstanding service charge invoices.
- Unit 2 Paid £100 out of its £500 outstanding service charge invoices.
- The expenditure assigned to the schedule amounted to £400 (so each unit should contribute £200)

Unit1 – Has paid £200 too much to balance the schedule. So the system allows the user to process the £200 surplus for the unit. When this is processed the system will automatically raise a credit note for £-100 to erase the outstanding amount of £100 present on the tenancy receipt form.
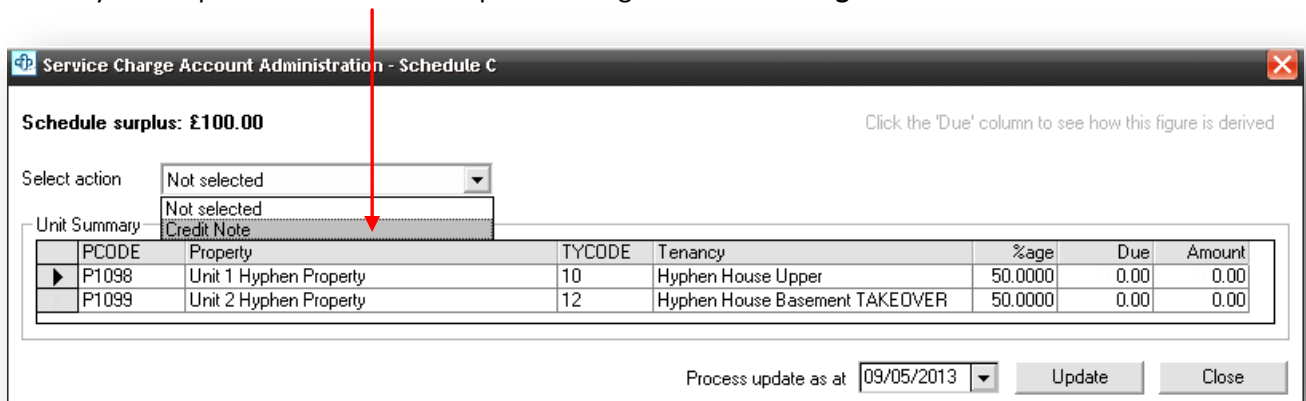
Unit2 – Still owes £400, but only £100 of this amount is needed to balance the schedule. So when the surplus monies for unit1 are processed, the system automatically raises a credit note of £-300 to reduce what is owed to £100.

This example not only demonstrates that credit notes will be issued to tenancies that have yet to pay their allocated share of expenditure towards a surplus schedule, but also (as with **Unit1**), tenancies that have paid more than their share of expenditure yet still have monies outstanding, will be provided with a credit note in order to erase any outstanding invoices.

The system produces **all** credit notes the first time an action (such as refund) is processed for the schedule. The total for all **Credit Notes** will be deducted from the **Schedule Surplus** amount the second an action is processed, any monies that have been processed will also be deducted from the **Schedule Surplus**.

If the user decided to refund unit1's surplus of £200 back to the tenancy, unit1 would receive a credit note of £100 and unit2 a credit note of £300. These three amounts total £600 the same as the schedules overall surplus, therefore the schedule would be balanced, and its status would change to **No Discrepancy**.

If each unit within a surplus schedule has yet to pay enough to money to satisfy their individual share of expenditure, there will be no surplus money to process, therefore only the action of credit noting each tenancy will be presented to the user upon entering the **Service Charge Account Administration** form.
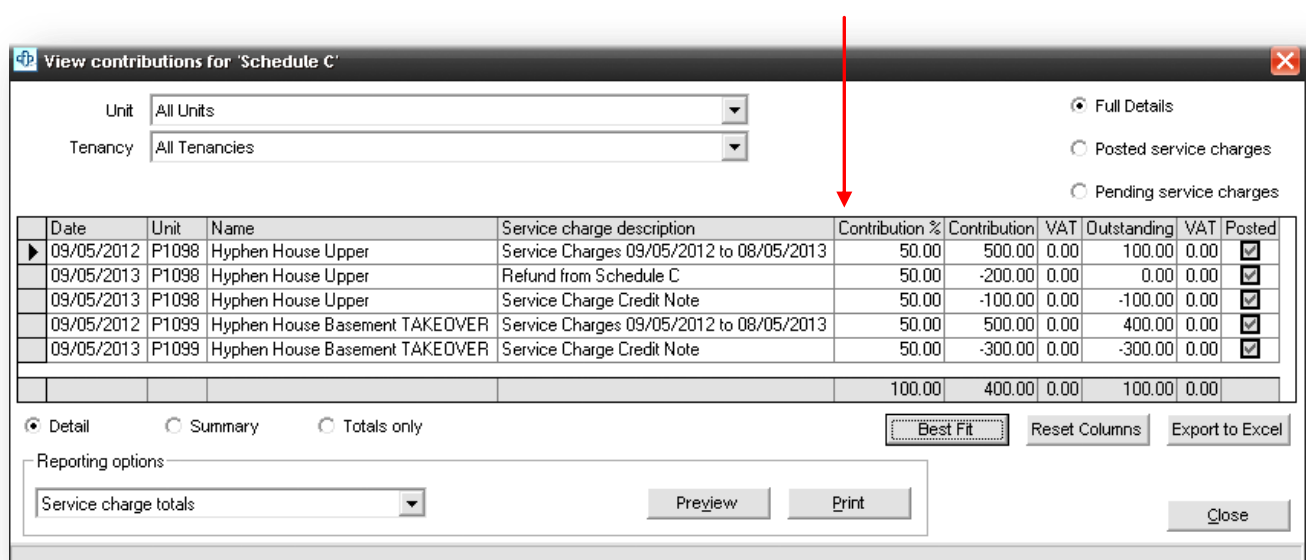
When the system posts a **Credit Note** to a tenancy, it will be posted directly to the tenancy receipt form. Therefore, the amount due for the tenancy will be immediately affected by the raising of the credit note.

If the credit note amount is an exact (opposite) match to the outstanding amount, the credit note and outstanding invoice will cancel each other out and so both invoices will cease to exist on the receipt form.

The **View Contributions** form records all credit notes and schedule transactions that have occurred for a schedule. This can be particularly useful to provide clarity when any confusion occurs.
The below **View Contributions** form reflects the scenario in the example outlined on the previous page.

Notice both credit notes (100 and 300), the refund (200) and the amount still outstanding (100).
Selecting Unit2 in the unit filter at the top of the form, reveals the fact that Unit2 (P1098) owes the £100.
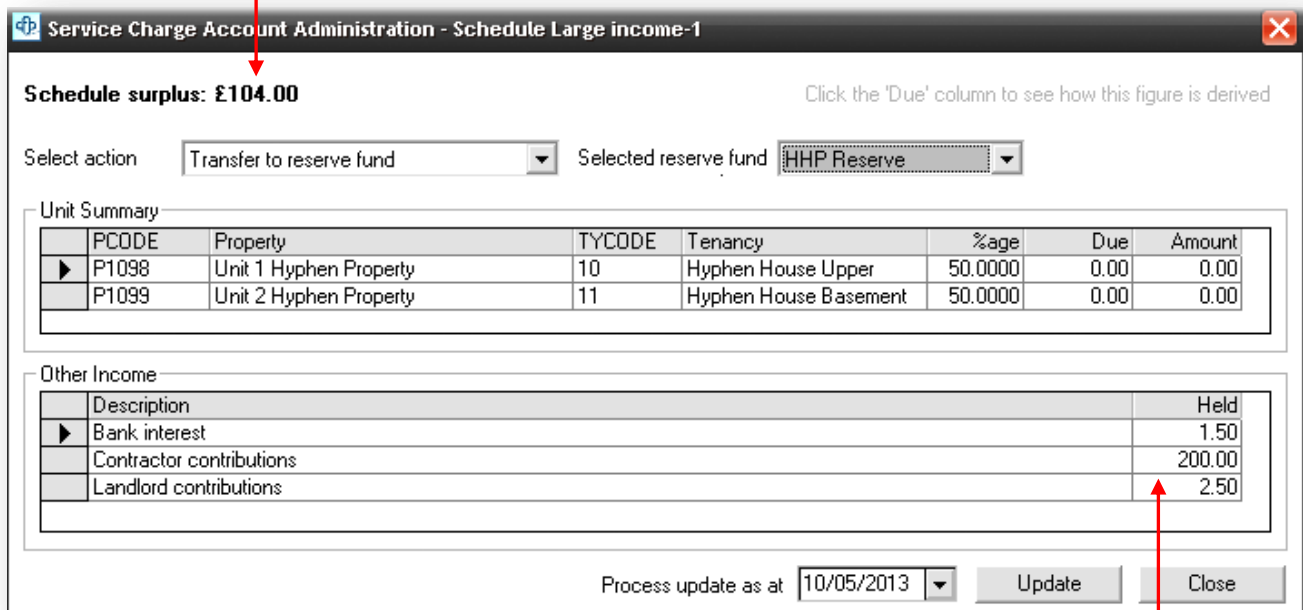
When a credit note is raised for a particular tenancy the option to print the credit note will
be provided and an entry will be placed in the history log should the user need to reprint it.

If a surplus schedule contains **Other Income** or a particular unit has received money from **Multiple Clients**, the next sections of this chapter explain how to process surplus schedules which contain such transactions.

Other Income

If other income types such as **Bank Interest**, **Landlord** or **Contractor Contributions** have been posted to a schedule, the full amount that was received for each of these three types will be listed at the foot of the form. However, they will only be listed if:

- The monies were not needed to balance the schedule, so are surplus to requirements.
  (in which case these monies will be added to the **Schedule Surplus** figure for the schedule).

- Or some (but not all) of the monies have been used up in order to address a deficit schedule.
  (in which case the remaining monies will make up the full **Schedule Surplus** figure for the schedule).

This latter point is demonstrated in the above image. We can see that three types of other income have been posted to the schedule totalling £204. However, the schedule surplus figure is £104.
This is because without the **Other Income** this schedule would have been in deficit by £100.

However, with the other income monies (automatically) included, the schedule uses £100 of this income to address the deficit, leaving £104 remaining. The remaining monies need to be transferred in order to balance the schedule, and so they make up the **Schedule Surplus** figure listed at the top of the form.

If surplus **Other Income** monies exist, the user will be able to carry out a **Transfer to Reserve** in order to address these monies. The ability to **Refund** or **Transfer to Unallocated** these monies will not be available.

If the user carries out a **Transfer to Reserve** action for any tenancy monies listed in the **Unit Summary** section of the form, any surplus **Other Income** monies will automatically be transferred alongside them.

As soon as any **Other Income** monies are transferred, the other income section will be removed from the foot of the form, the **Schedule Surplus** figure will then be reduced by the amount that was transferred. The **View Contributions** form will record all transactions relating to **Other Income.**

The section of this user guide entitled **How Other Income is Represented** will explain how **Other Income** is handled in more detail.

Processing Surplus Schedules – Where multiple clients exist.

If for a **Surplus Schedule** multiple clients have contributed to an individual unit's share of service charge invoices, the ability to specify a figure to be processed in the **Amount** column will be prevented.
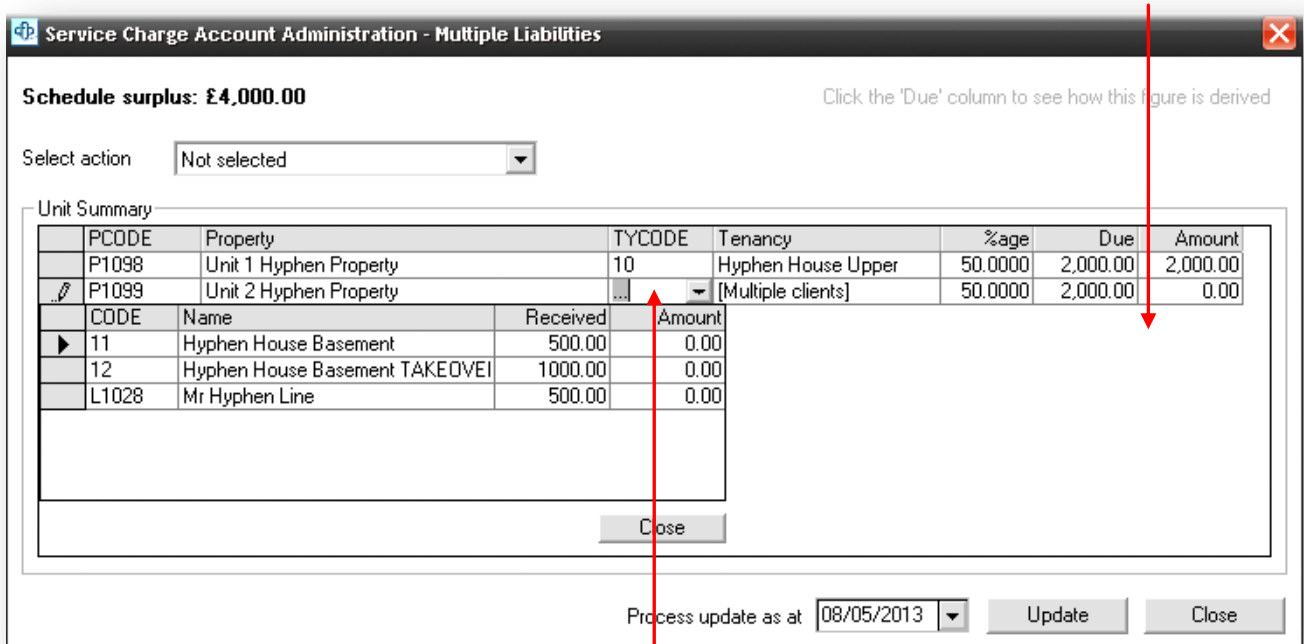
The user will instead need to select the **Dropdown** button in the **TYCODE** column, whereby a list of all contributors towards the units share of service charges will be provided. The **Amount** that has been received from each client will be listed alongside their name in the **Received** column.
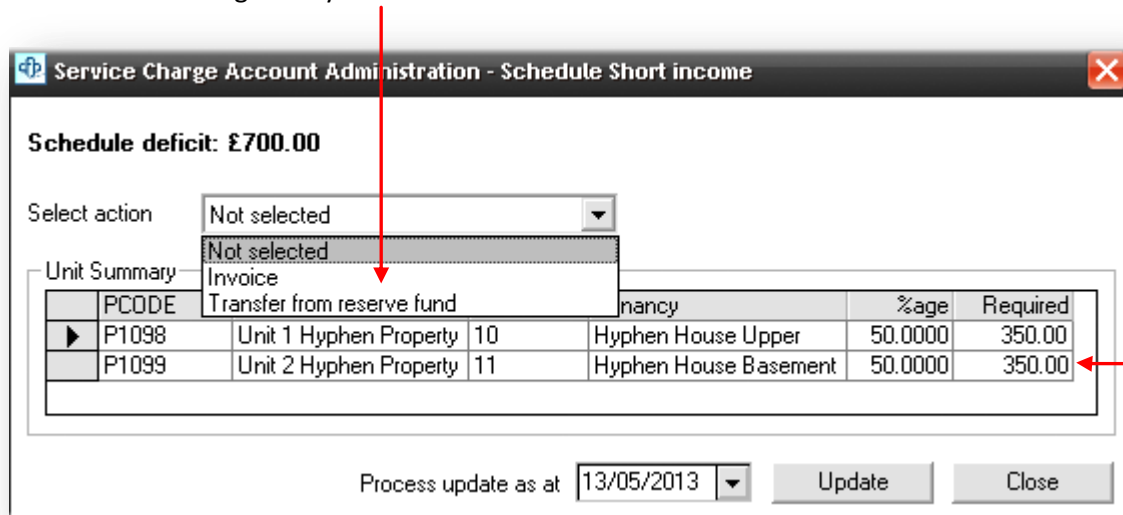
The user will then be able to specify the amount they wish to action for each client in the **Amount** column alongside each contributor. The system will prevent the total of the specified amounts from exceeding the total surplus monies for the unit. Once the figures have been entered the close button can be selected and the form can then be processed in the usual way.
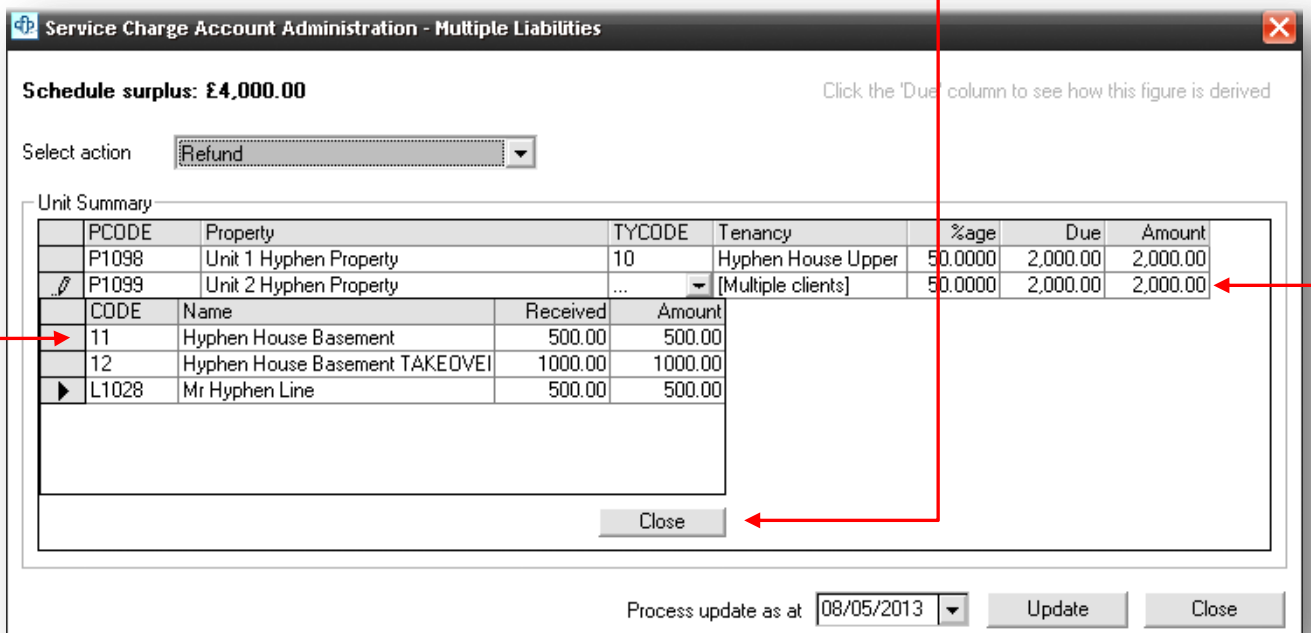
Processing Deficit Monies

If the actual expenditure for a schedule is more than what was estimated, the schedule status will be listed as **Schedule Deficit**, together with the amount the schedule is in deficit by.

The user will need to make a decision on how they wish to bring more money into the schedule in order to make it balance. The **Service Charge Account Administration** form provides two different options that can be undertaken to bring money into the schedule:

The user must choose the **Action** they wish to perform in order to bring monies in to the schedule using the **Select Action** dropdown box. The possible actions a user can undertake to obtain monies are:

- Invoice all tenancies for the remaining monies (based on their percentage of liability)
- Transfer monies in from a reserve fund.

The system will calculate how much of the **Schedule Deficit** figure each client is liable for, based on the particular units percentage of liability. The **Required** column is used to report this figure.

The above example shows that the two units should each pay half (£350) of the overall deficit of £700, due to the fact that the schedules liability is split 50/50 between the two units.
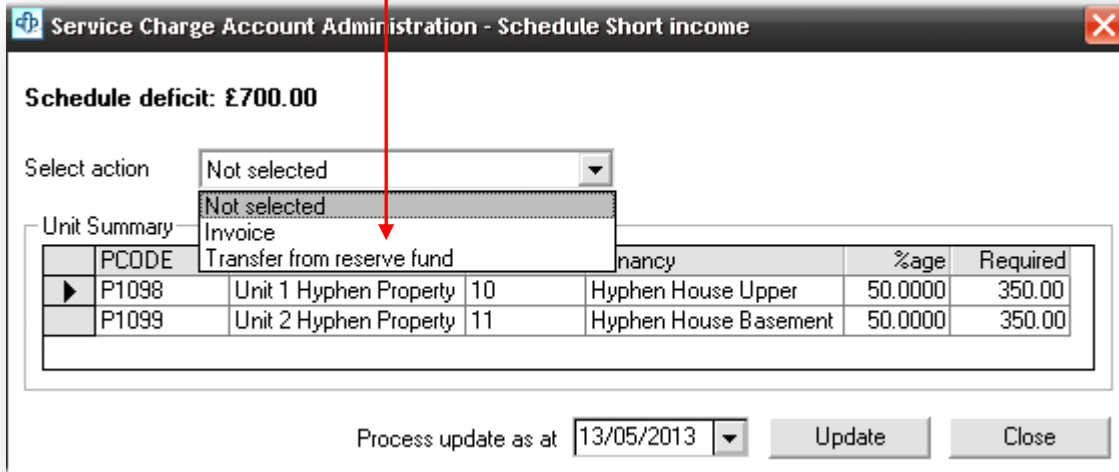
Once the user has specified their required **Action**, the user can enter a date for the transaction in the **Process Update As At** box at the foot of the form. The **Update** button can then be selected to carry out the specified action.

Once the units have been processed, the status of the schedule will be changed to **No Discrepancy**.

A thorough explanation for each of the two **Actions** which can be performed, is provided on the next page.

Invoice

If a user chooses to process the **Invoice** action to address an overall schedule deficit, the following events will occur.
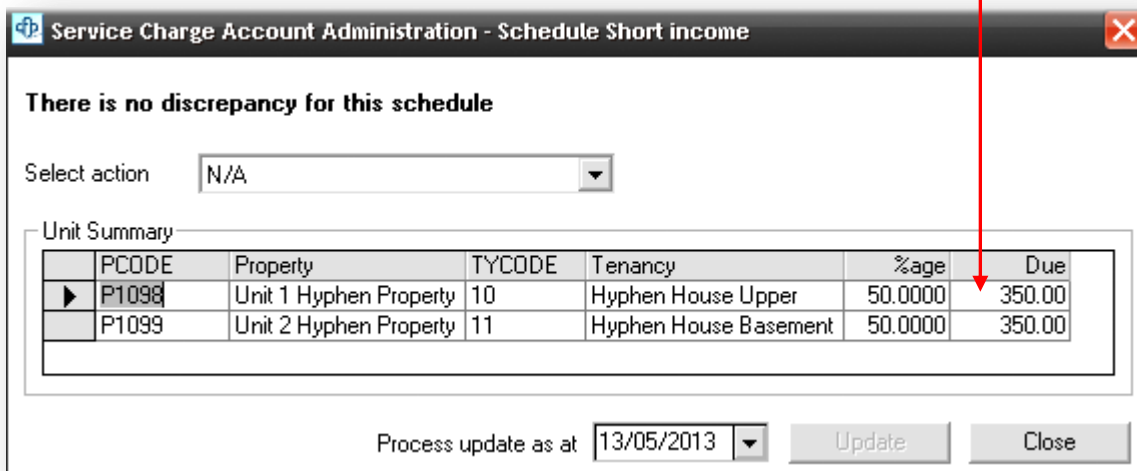
- The **Service Charge Account Administration** form will recalculate taking the newly raised invoices into account. A **Due** column will appear alongside each unit reflecting the new amount outstanding
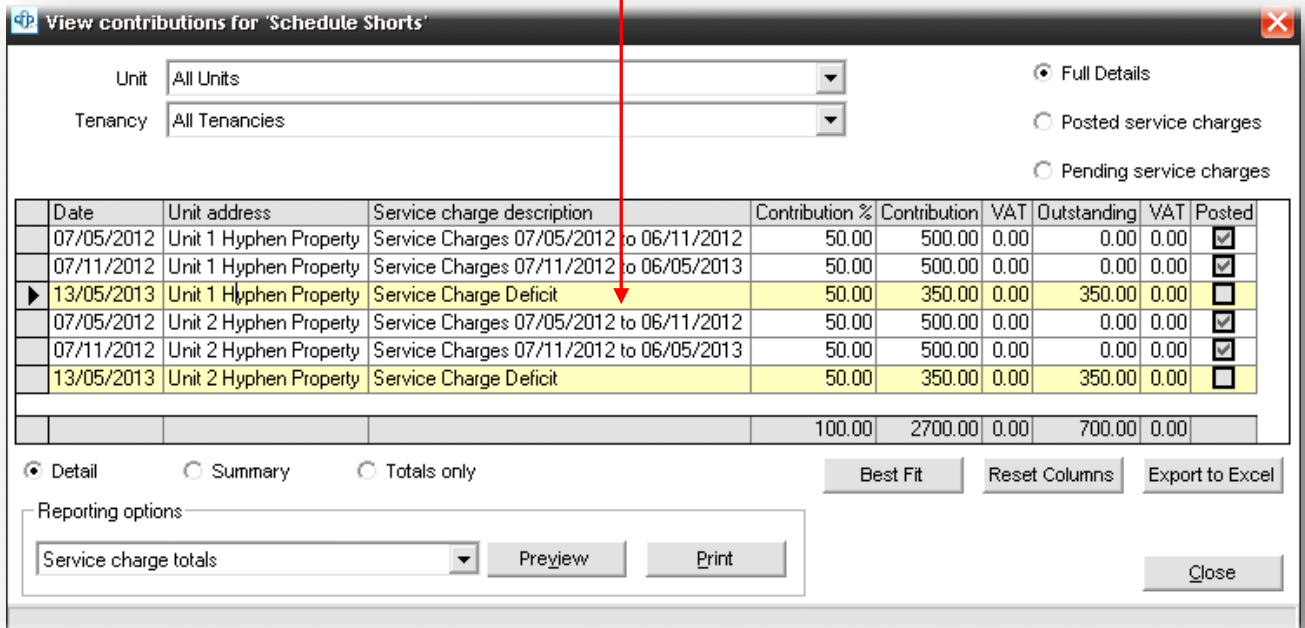
for each unit. The **Required** column will vanish as the schedule status changes to **No Discrepancy.**

- An invoice due today will be drawn up on each liable tenancy invoice form for the required amounts. The user will need to raise these invoices in order for them to become due.

- The Description of invoices raised in this way will read **Service Charge Deficit.**
  This description can be edited on the tenancy invoice form if required.

- Any reports relating to the schedule such as the **Service Charge Statement**
  will include the raised invoices in their calculations.

- The **View Contributions** form will record the fact that invoices have been raised to provide the user with an overview.

	Date	Unit address	Service charge description	Contribution %	Contribution	VAT	Outstanding	VAT	Posted
	07/05/2012	Unit 1 Hyphen Property	Service Charges 07/05/2012 to 06/11/2012	50.00	500.00	0.00	0.00	0.00	☑
	07/11/2012	Unit 1 Hyphen Property	Service Charges 07/11/2012 to 06/05/2013	50.00	500.00	0.00	0.00	0.00	☑
▶	13/05/2013	Unit 1 Hyphen Property	Service Charge Deficit	50.00	350.00	0.00	350.00	0.00	☐
	07/05/2012	Unit 2 Hyphen Property	Service Charges 07/05/2012 to 06/11/2012	50.00	500.00	0.00	0.00	0.00	☑
	07/11/2012	Unit 2 Hyphen Property	Service Charges 07/11/2012 to 06/05/2013	50.00	500.00	0.00	0.00	0.00	☑
	13/05/2013	Unit 2 Hyphen Property	Service Charge Deficit	50.00	350.00	0.00	350.00	0.00	☐
				100.00	2700.00	0.00	700.00	0.00	

Screen heading: View contributions for 'Schedule Shorts'

Unit: All Units
Tenancy: All Tenancies

○ Full Details ○ Posted service charges ○ Pending service charges

○ Detail ○ Summary ○ Totals only
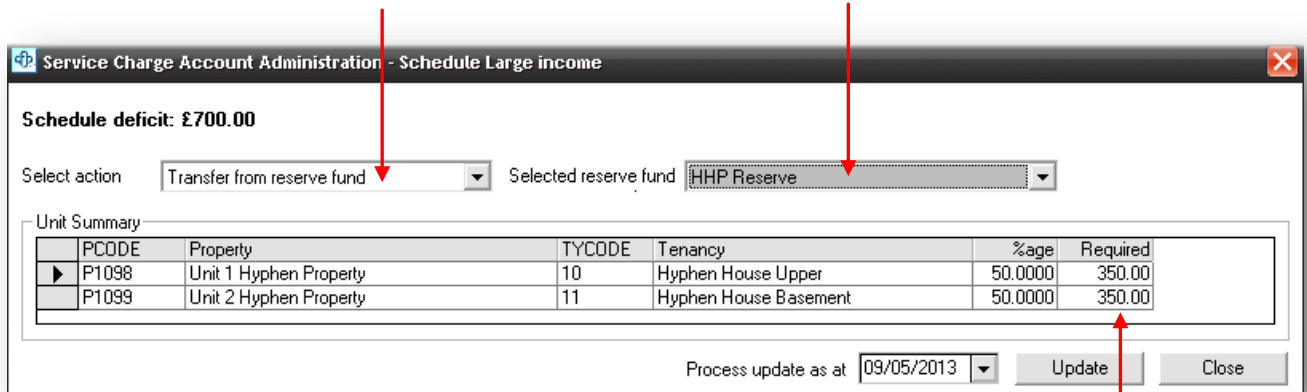
Reporting options: Service charge totals

Buttons: Best Fit, Reset Columns, Export to Excel, Preview, Print, Close

If any **Other Income** types (such as **Bank Interest)** had been posted to the schedule, these would have been used by the schedule in order to address the deficit values. The required column (shown when the form is first loaded) would have taken these amounts into account before reporting its figures.
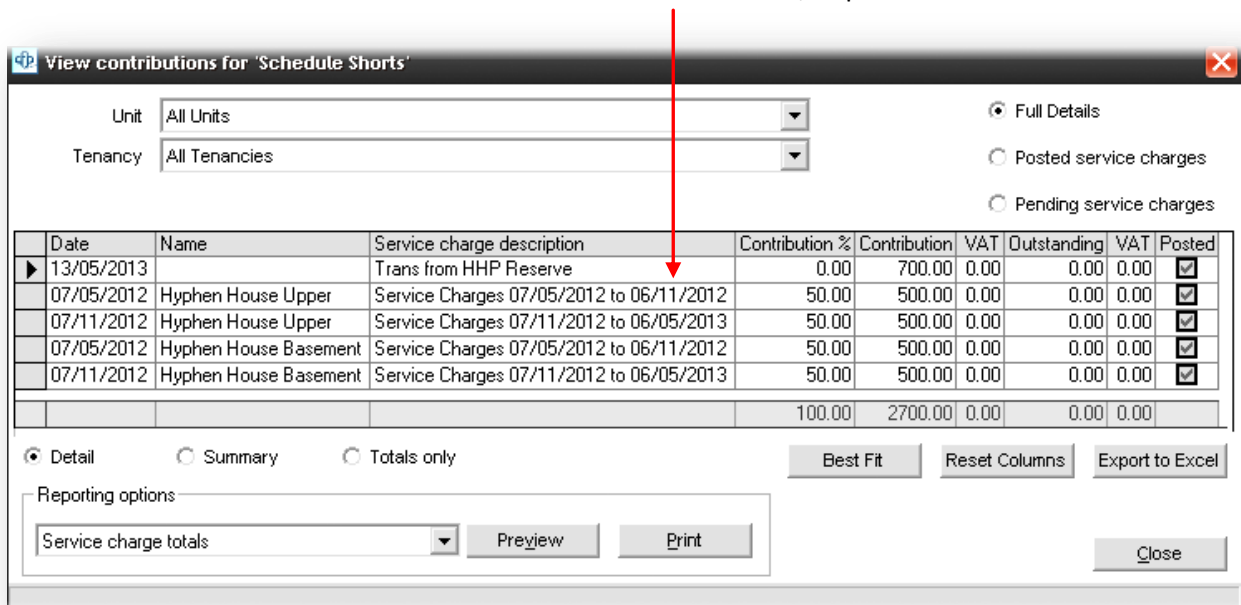
Transfer from Reserve Fund

If a user chooses to action a **Transfer from Reserve Fund** to address an overall schedule deficit, the user will need to specify the required reserve fund in the drop down box which appears in the top right of the form.

The transfer can then be processed, whereby the following events will occur.
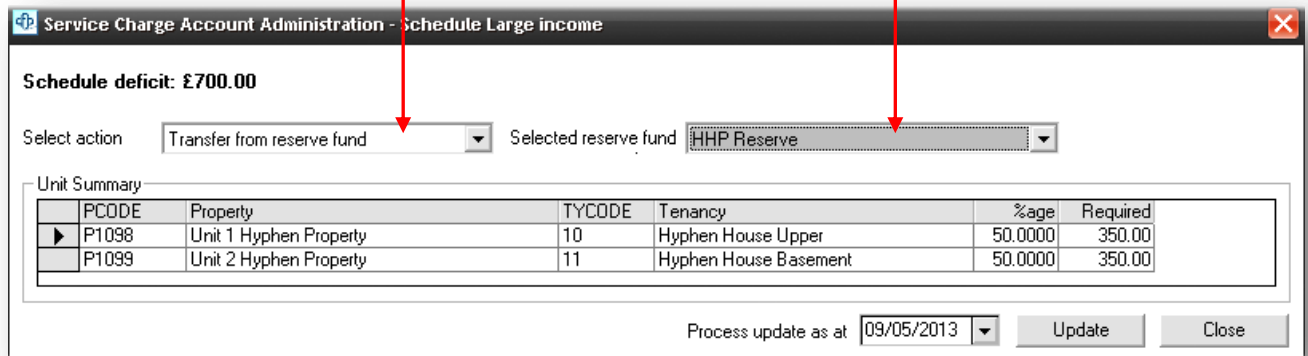
- The monies will be transferred from the specified **Reserve Fund** and used to address the **Required Amounts** for each tenancy. The reserve fund will be reduced by the amount transferred.

- The **Pay Statement** for the Landlord or Management Company will contain the transaction (labelled as **Trans from**) in its income section. The **Schedule Name** and **Reserve Fund name** will be mentioned alongside the entry.

- Any reports relating to the schedule such as the **Service Charge Statement** will includethe transfers in their calculations.

- The transaction is recorded on the **View Contributions** form, to provide the user with an overview.

If only part of the required amount exists in the **Reserve Fund**, the ability to use these funds will be provided. The schedule will remain in deficit but the deficit amount will be reduced by the amount used. The user can invoice for the remaining deficit, or transfer monies in from another reserve fund.

Example: The user wishes to transfer funds from a reserve account, but is aware that only some of the required amount is available, so there is a need to invoice for the remaining amount.
The following steps are taken in order to achieve this.

- The action **Reserve Fund** is specified and the relevant reserve fund is then selected.
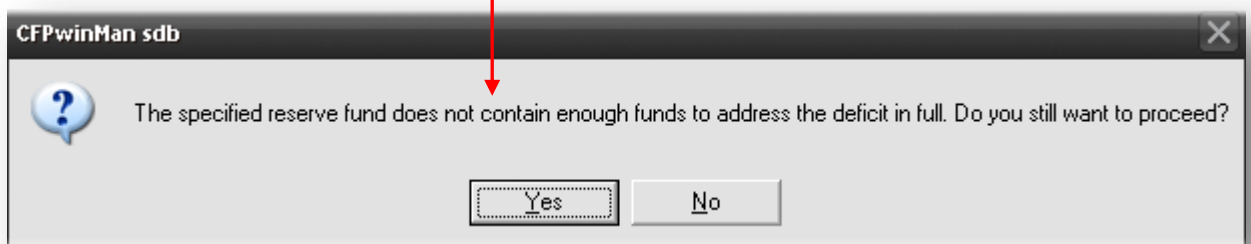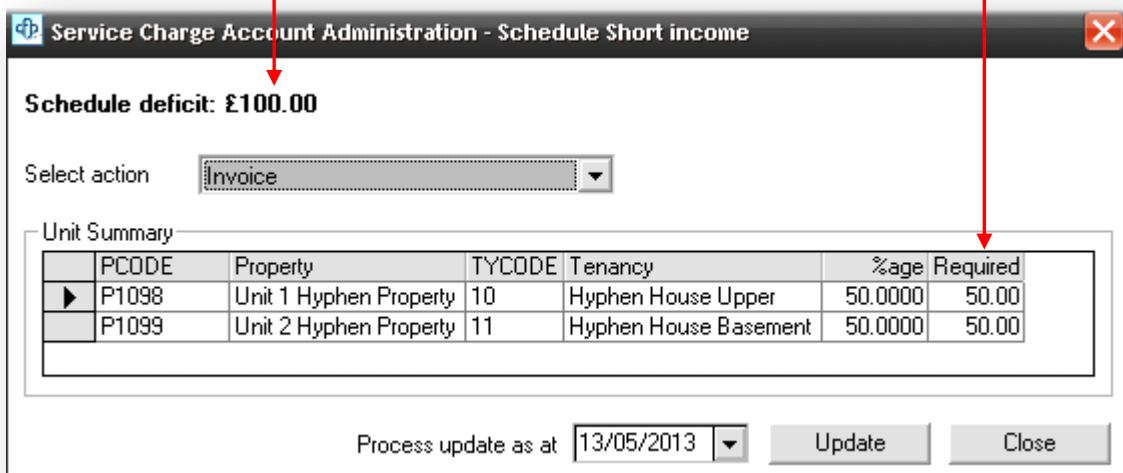
- After selecting **Update,** because there are not sufficient funds available to settle the £700 overall deficit the following message is displayed.

- After selecting **Yes,** the user is left with a £100 deficit amount. This indicates that only £600 was available to be transferred from the reserve fund.

- The user is then able to invoice each of the tenancies for the remaining £100.

*NOTE: The **View Contributions** form can now be loaded to provide an overview of the above transactions.*

VAT and End of Schedule Accounts

Introduction

If a property is VAT registered, the VAT amounts of both income and expenditure will be ignored when calculating and displaying the schedule surplus and deficit figures.

Example:

Schedule budget   = £1000plus £200 VAT

Expenditure   = £500 plus £100 VAT

The schedule budget would be treated as £1000,

The schedule expenditure would be treated as £500,

Therefore the surplus for the schedule would be £500.

Where a property is non VAT registered there will be no VAT included in the budget, however the contractor may be VAT registered and may issue an invoice containing a VAT element. Therefore when the system calculates and displays the schedule surplus and deficit figures, the gross expenditure would be used in the calculation.

Example:

Schedule budget   = £1000

Expenditure   = £500 plus £100 VAT

The schedule budget would be treated as £1000,

The schedule expenditure would be treated as £600,

Therefore the surplus for the schedule would be £400.

Accounting for VAT

With a VAT registered property it is possible for a VAT surplus to occur where a non VAT registered contractor is issuing invoices against a schedule, or works that are low rated (such as supply of utilities) are being carried out.

In these circumstances the user may need to make payments of VAT on a quarterly basis which will, by definition be mid-schedule in most cases.

The **VAT Report**, available from the **Taxes/NRL** selection under the **Reporting** menu heading, can be created to provide an indication of where VAT postings of this nature will need to be carried out.

In order for the user to make a payment without affecting other monies showing on a pay statement, the system provides the ability to create a contractor within CFPwinMan to be set up as the **Contractor for VAT Only Payments** where expenses containing only VAT can be posted to the head property.

By creating a posting against this contractor the VAT amounts can then be used to balance the pay statement. The next section of this chapter entitled **Contractor for Vat Only Payments** will guide the user in creating a contractor to carry out the postings.

Contractor for Vat Only Payments

The previous page entitled **VAT and End of Schedule Accounts** explains in detail why the need for a **VAT Only Payment Contractor** is required. It is assumed that the user has read this section of the user guide before proceeding with the creation of a VAT only payment contractor.

The system will allow the creation of only one **Contractor for VAT Only Payments**. To create the contractor the user must first create a new contractor record and then select the **Contractor for VAT Only Payments** checkbox. The system will ask for confirmation before proceeding with this irreversible step.
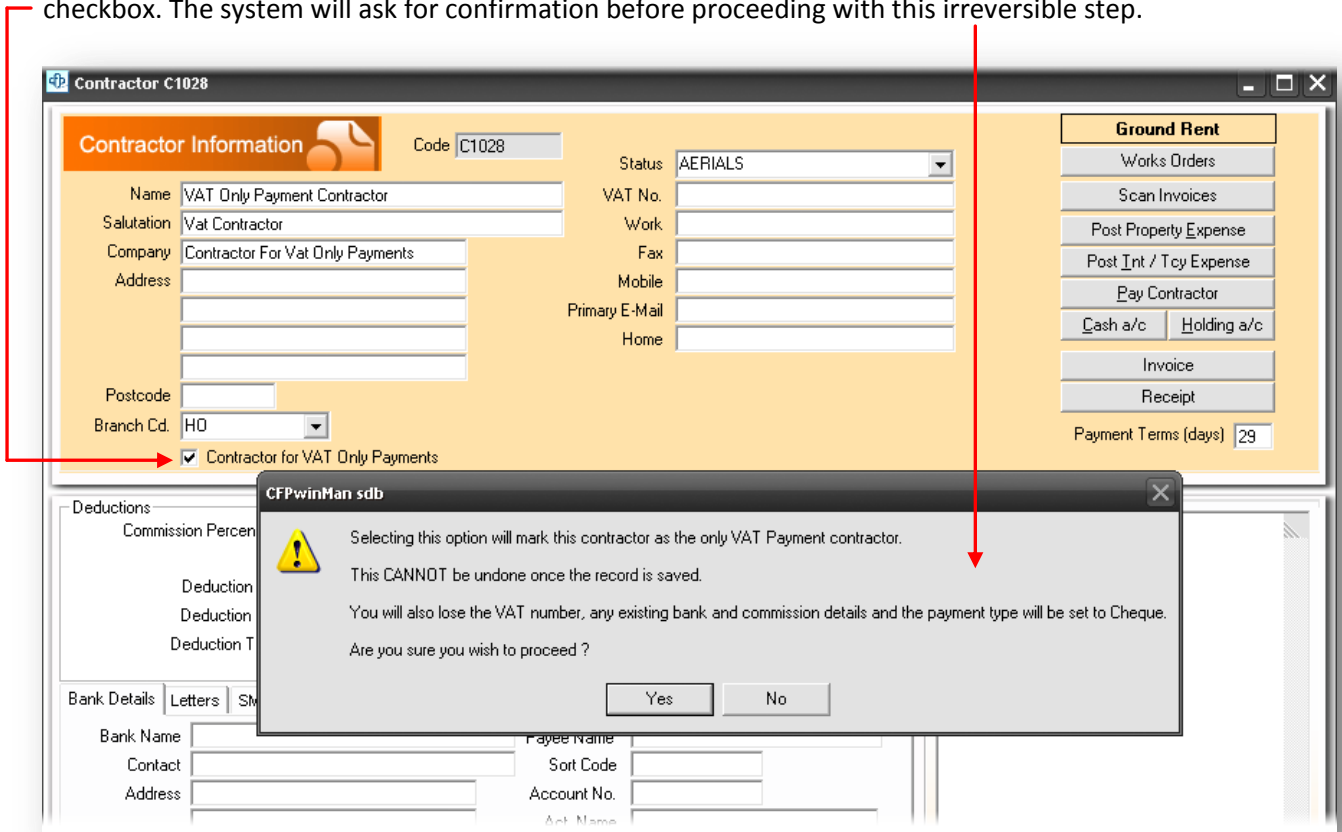
As the confirmation message indicates, the following information will be removed and/or prevented from being entered on to the form: VAT Number, Bank Details, Commission Details and Payment Terms.
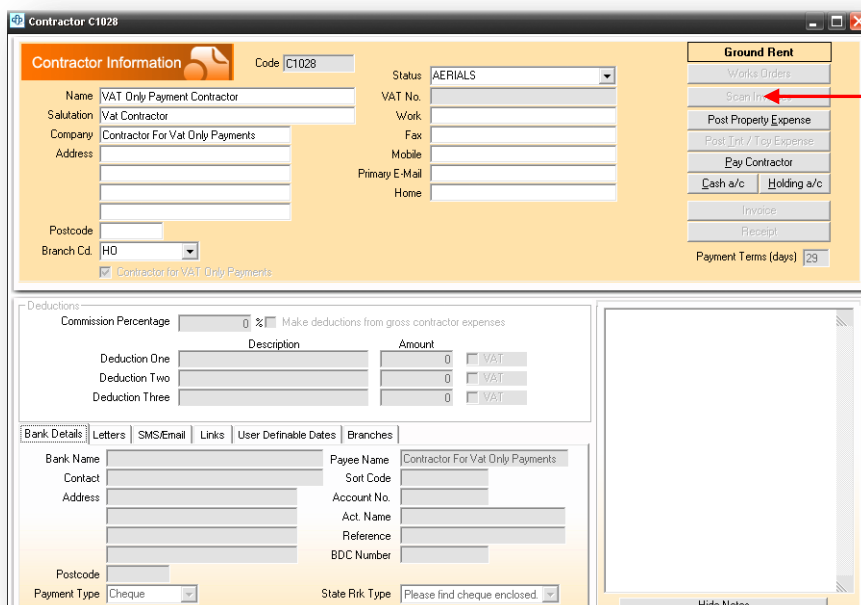
The ability to carry out the following steps for this contractor will be prevented:

- Works orders
- Attaching Invoices
- Scanning Invoices
- Tenancy Expenses
- Invoicing
- Receipting

The user will be able to post a vat expense using both the **Post Property Expense** form and the **Expenses** form available from the **Postings** menu heading. Upon launching the form the user will need to select the property for the expense. Only the selection of a head property will be available on the locate form.

The amount column will not be present on the form because only a VAT amount can be entered. Once the expense has been posted the payment can be processed in the normal way on the **Pay Contractor** form.

The **Expenses** form available from the **Postings** menu behaves in the same way. Once the **VAT only payment contractor** has been selected the ability to select a tenancy and specify a non-VAT amount is prevented.

Example:
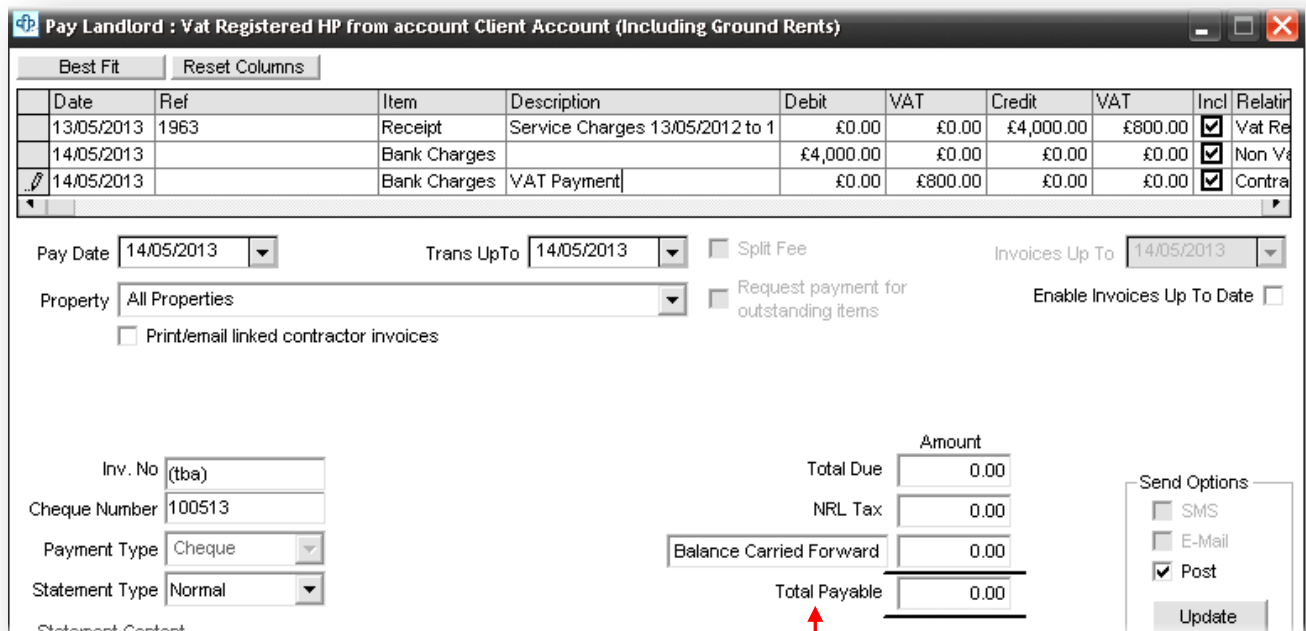
The following payment form shows the full total of income and expenditure set against a schedule that exists under a VAT registered head property. The schedule budget was estimated at £4000 and because the property was VAT registered this accumulated an income of £4800 Inc VAT.

The expenditure for the schedule totalling £4000 was posted from a Non-VAT Registered contractor. The schedule status is set to **No Discrepancy** because the budget figure matched the expenditure. But the payment form (shown above) indicates a VAT Surplus of £800. So the user locates the **VAT Only Payment Contractor** and posts a VAT expense to the head property for £800.

The payment form now balances with a total payable amount of zero.

Paying the Management Company/Landlord Statement

When a schedule is balanced (Income and expenditure figures match), the user may wish to produce a pay statement to the management company or landlord (depending on the schedule type).

The **Landlords to Pay** report obtained from the **Organiser** will only show landlords to pay with a zero or negative balance if the **Full Scan** option is chosen.

The **Quick Scan** option does not include these landlords.

When running **Multiple Landlord Payments** if the balance for a landlord is zero, the system will highlight this landlord with a red colour. Any landlords highlighted in red will not be checked for inclusion when the user selects the **Select All** button. When a payment run is performed unchecked landlords will be skipped.

Selecting the **Include Zero Balances** checkbox instructs the system to always highlight landlords with a zero balance in white rather than red. This ensures that these landlords will be selected when the user selects the **Select All** button and subsequently paid when the landlord carries out a payment run.

The system will remember the setting for this option when the form is next loaded.

Accounting Periods

Introduction

To enable service charge reports such as the **Period End Report** to report accurately, the user must update the bank reconciliation on the last day of the schedule for each of the bank accounts that contain related transactions. The **Period End Report** can then accurately report on financial processes that have occurred during the life of the schedule, in order to then be prepared for the next period.

The user can impose a rigid time frame at the head property and bank account level.
This time frame will be referred to as an **Accounting period**.

Where implemented, the **Accounting Period** will ensure that bank reconciliations are carried out on the correct dates and therefore reports contain accurate information for the given periods.

The accounting period is set by choosing both a **Period** and an **End date**, an example is shown below:

Period = Yearly

Accounting Period   }

Next Period End Date = 31/12/2014

Once implemented at the head property level, the system will:

- Ensure that when new schedules are created, the default **Start date** and **End date** reflects that of the accounting period.

- Ensure the default date range for any schedule related reports such as the **Period End Report** reflects that of the accounting period.

- Ensure that at the end of the accounting period, when the **Period End Report** is printed, the user will be prompted to move the **Next Period End date** forward to the next period.

- Regularly inform the user of any associated bank accounts that have accounting periods that do not match that of the head property.

Once implemented at the bank account level, the system will:

- Ensure that once the **Next Period End date** is passed, the next bank reconciliation to be processed **MUST** take place as at the **Next Period End date**.

- Ensure that when a bank reconciliation is processed on the **Next Period End date**, the **Next Period End date** is automatically updated to the next period.
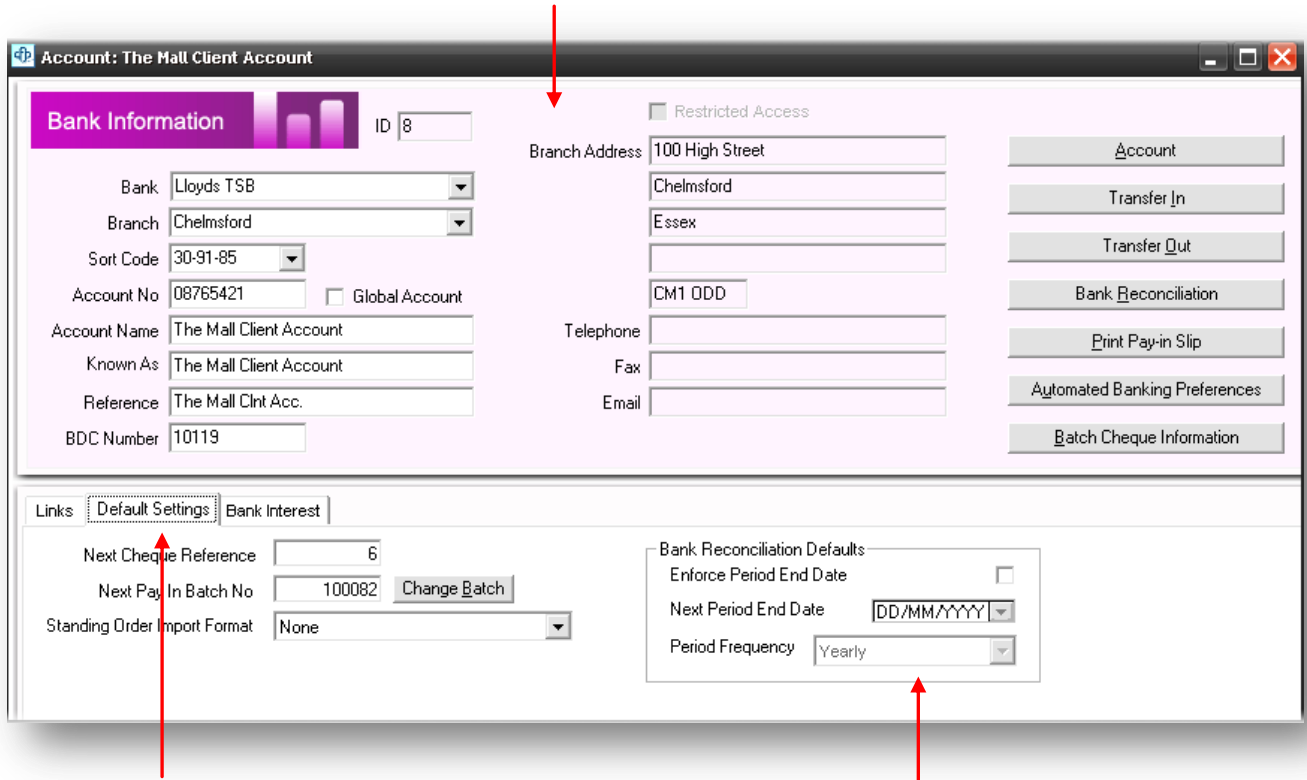
For the system to work effectively the **Property Period End Dates** must match the **Bank Period End Dates** for all associated bank accounts. The system will prompt the user when it finds relationships that are not configured in this manner.

Implementation

To implement an accounting period for a block management or commercial relationship, the user must begin with the bank accounts associated with the properties in this relationship.

Bank Accounting Periods

The **Bank Information** form should be loaded for each bank that is associated with the property.

The **Default Settings** tab is selected to reveal the **Bank Reconciliation Defaults**.

The user can tick the **Enforce Period End Date** checkbox to enable fixed **Accounting Periods** for this bank.

The **Next period End Date** can then be entered to reflect the end of the current accounting period.

Finally a **Period Frequency** can be entered to reflect the duration of the accounting period.

NOTE: Every **Head Property** that has this bank account associated must now bring its accounting period in line with the **Accounting Period** specified above.

Property Accounting Periods

To set the accounting period for a head property the user must access the **Service Charge Administration Form** for the property, which can be accessed by selecting the **Service Charge Administration** button.
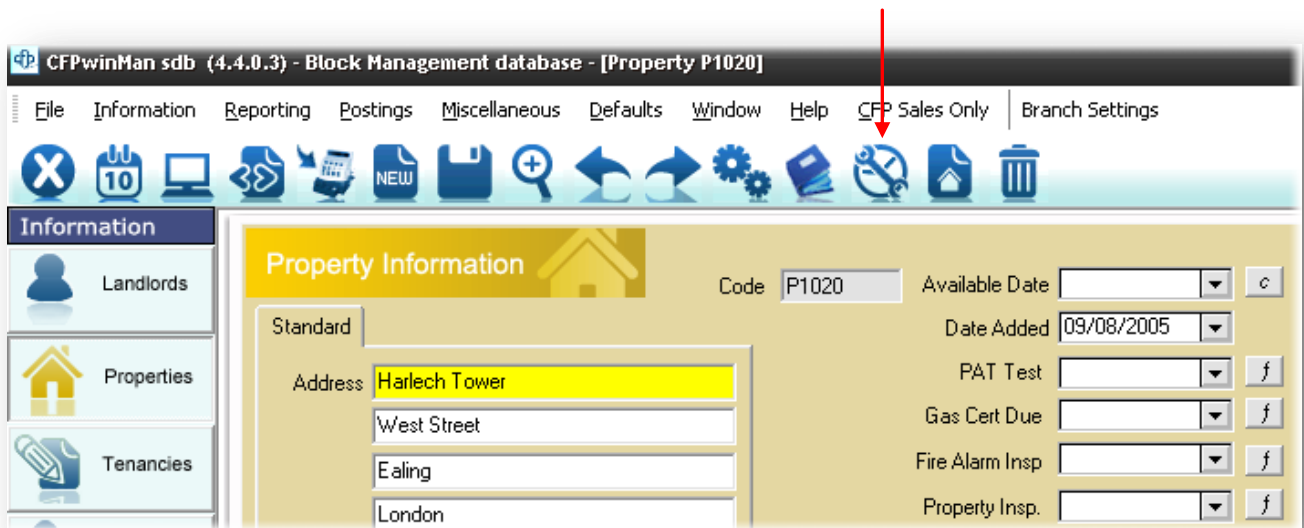
The user will be able to select the **Use Period End Date** checkbox to force the property and all of its units to abide by accounting periods. The **Next Period End Date** and **Period** must then be entered.
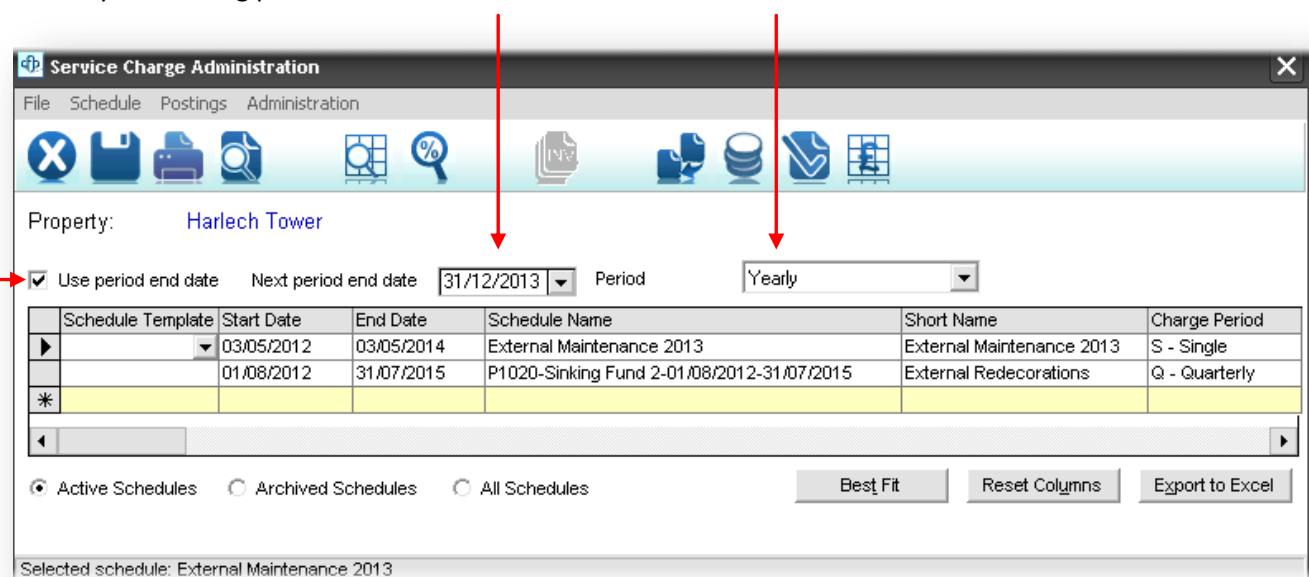
These should be the same details that were specified on the **Default Settings** tab of the **Bank Information** form, for the accounts that are associated with the head property.

If any active schedules currently running under the head property have accounting periods that do not match that of the specified accounting period, a message will inform the user of this discrepancy.

The message can be suppressed by selecting the **Do not show this message again** checkbox.

Once an accounting period has been entered, any new schedules that are created will conform to the date restrictions of the specified accounting period.

Misaligned Accounting Periods

If the user navigates to a property that has a bank connected to it and this property's **Period end date** details do not match that of the bank, a message will be displayed warning the user of this discrepancy.

The message can be suppressed by selecting the **Do not show this message again** checkbox.
This message may also appear when adding banks to head properties and units or setting period end dates.

Note: It is strongly recommended that the user ensures that any accounts that are associated with a property have the same accounting period. This will ensure that any service charge reports that are produced contain the correct information for the given period.

Bank Reconciliation

The **Bank Reconciliation** process can be run by the user as frequently as is required.

But if the bank in question has a period end date set, once that date is passed the system will insist that the bank reconciliation process is carried out on or as at the last day of the accounting period.

Until the bank reconciliation is processed for this day, the user will still be able to run the process for any day before this date, but not for days after the period end date.

Once the bank reconciliation is run on the last day of the accounting period the **Next Period End Date** for the bank will be moved on by the specified period frequency.

This moves the accounting period into the next period. The user will then be able to update the bank reconciliation as normal until the NEW date for the **Next Period End date** is met.

Note: Although the bank reconciliation must be run at the end of the accounting period, the process can be back dated so that it can be run AS AT the period end date. This can be useful if the accounting period ends on a weekend or bank holiday.

Reports

There are a number of useful reports available to the user which can be produced in relation to service charges. The following chapter provides the guidance on creating such reports, together with examples.

This first section covers the reports that are available from the **Service Charge Administration** form via the **Generate Service Charge Reports** button, positioned on the top menu bar of the form.
Selecting this button launches the **Service Charge Reports Configuration** form. The user will then be able to
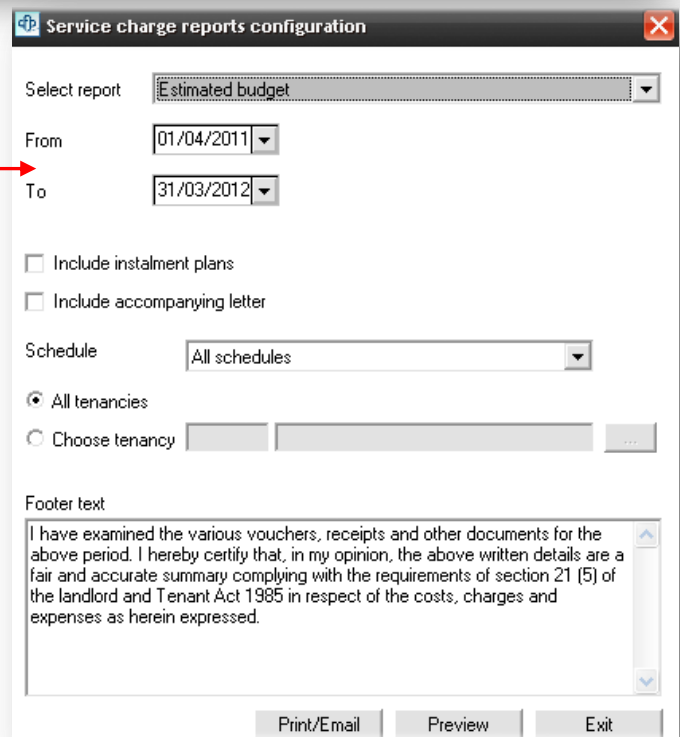
specify a date range and select a report, to present details that fit within the specified date range.

Depending on the report that is selected in the **Select Report** drop down box, the form may appear in a different format to the one shown here.

The form provides the following reports:

- Estimated Budget Report
- Confirmed Budget Report
- Detailed Expenditure Report
- Period End Report
- Service Charge Statement
- Service Charge Totals
- Service Charge Budget (Pro Rata)
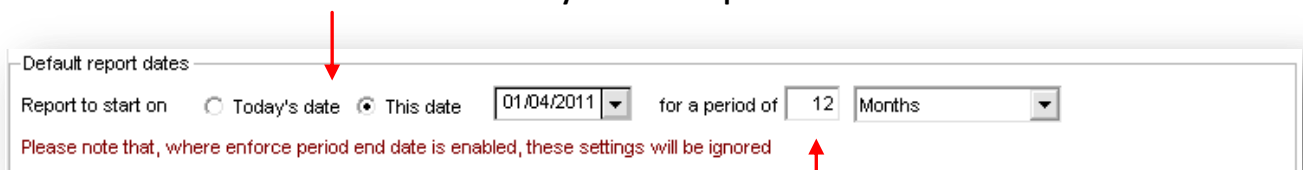
The **Detailed Expenditure, Service Charge Totals** and **Service Charge Budget (Pro Rata)** reports are also available from the foot of the **View Contributions** form.

The **Default Date** that is suggested for these reports can be modified in the **Stationery** section of the **Preferences** tab in **User Defaults.** The tab entitled **Service Charge Reports** contains the below section which enables the user to choose either **Todays Date** or a **Specified Date** as the default start date.

The ability to set the **End Date** is also provided by specifying a duration.

Estimated / Confirmed Budget Report

Before schedules are posted, users will be able to produce **Estimated Budget** reports for each of the liable clients. NOTE: This report can also be produced for posted schedules using the **Confirmed Schedule** report.

The report contains a breakdown of the overall expenditure that makes up the schedule together with the apportioned amount that the liable client is due to pay.
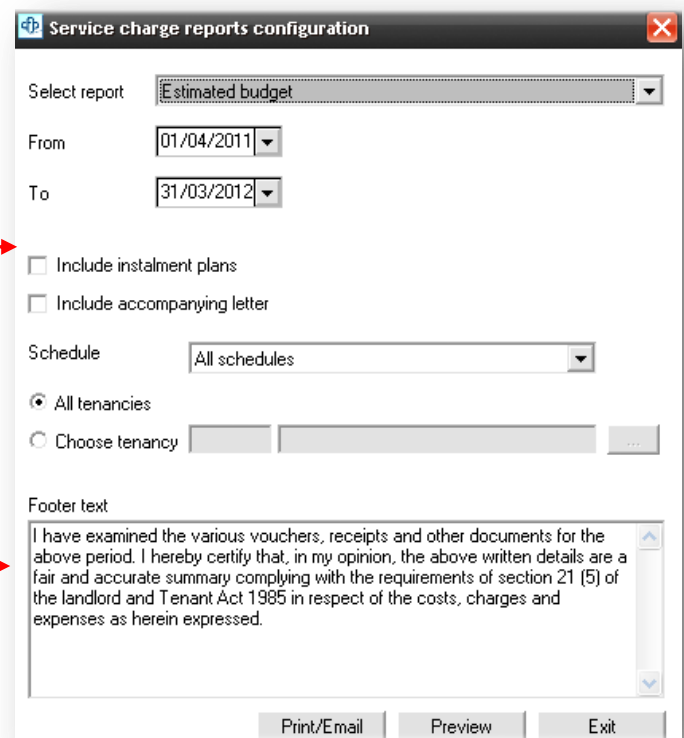
The amounts and frequency of payments for the intended client(s) will also be listed.

If instalment plans are in effect, there is an option to include a detailed breakdown of the payment plans. The ability to include and specify a covering letter is also available.

The report can be produced for all tenancies or filtered to a particular tenancy if required.

Footer text can be entered here for the report. The user will be able to change the default footer text for this form in the **Stationery** section of **User Defaults,** under the **Budget Reports** section of the **Service Charge Reports** tab.

As well as being able to print and preview the reports, the option to email it is also available. Providing the relevant tenancies have **email** specified as a send option.

Detailed Expenditure Report

The **Detailed Expenditure** report requires the user to specify a schedule before the report can be produced.

The option to either leave all records selected or to specify a particular unit or tenancy is then provided.

An example of the expenditure report is provided below.

Detailed Service Charge Expenditure Report for Hyphen Head Property (P1097)

Schedule: Schedule Shorts
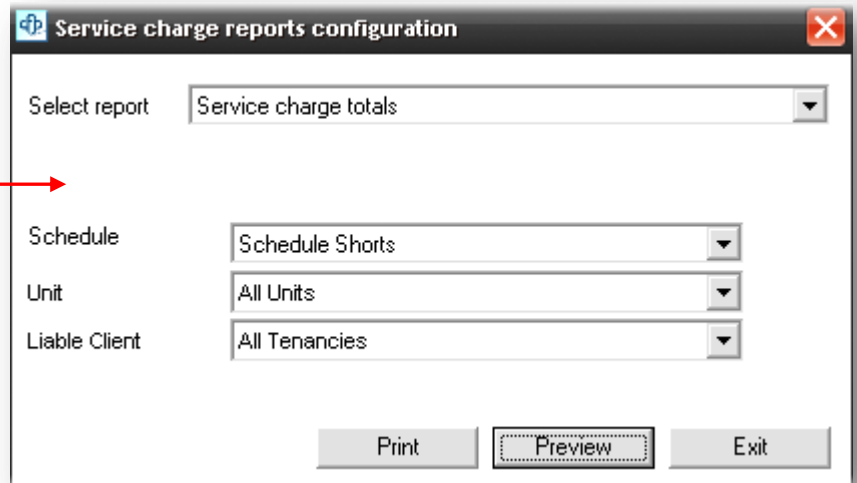
Category	Date	Ref	Contractor	Description	Net	VAT	Total
Repairs and Maintenance							
Cleaning & Refuse					0.00	0.00	0.00
Total for Cleaning & Refuse					0.00	0.00	0.00
Sub-total - Repairs and Maintenance					**0.00**	**0.00**	**0.00**
Professional Fees							
Bank Charges							
	13/05/2013		Hyphen Contractor		2,700.00	0.00	2,700.00
Total for Bank Charges					2,700.00	0.00	2,700.00
Sub-total - Professional Fees					**2,700.00**	**0.00**	**2,700.00**
Schedule Total					**2,700.00**	**0.00**	**2,700.00**

Service Charge Totals Report

The **Service Charge Totals** report requires the user to specify a schedule before the report can be produced.

The option to either leave all records selected or to specify a particular unit or tenancy is then provided.

An example of the service charge totals report is provided below.

Service charge totals report for Hyphen Head Property (P1097)

Schedule: Schedule Shorts

Date Range: From   07/05/2012   To   06/05/2013

Tenancy: All

Unit: All

INCOME

	Schedule total	Amount invoiced to date	Amount still to be invoiced	% of schedule invoiced	Receipts to date	Arrears of items already invoiced	% of invoiced items received	Arrears to schedule total	% of schedule total received
	2,000.00	2,000.00	0.00	100.00	2,000.00	0.00	100.00	0.00	100.00

EXPENDITURE

Expense category	Schedule total	Paid to date	Balance of schedule unpaid	% of schedule unpaid	Posted on account (but not paid)	Total posted & paid	Balance of schedule unallocated	% of schedule allocated to date
Professional Fees								
Bank Charges	1,000.00	0.00	1,000.00	100.00	2,700.00	2,700.00	-1,700.00	270.00
	1,000.00	**0.00**	**1,000.00**	**100.00**	**2,700.00**	**2,700.00**	**-1,700.00**	**270.00**
Repairs and Maintenance								
Cleaning & Refuse	1,000.00	0.00	1,000.00	100.00	0.00	0.00	1,000.00	0.00
	1,000.00	**0.00**	**1,000.00**	**100.00**	**0.00**	**0.00**	**1,000.00**	**0.00**
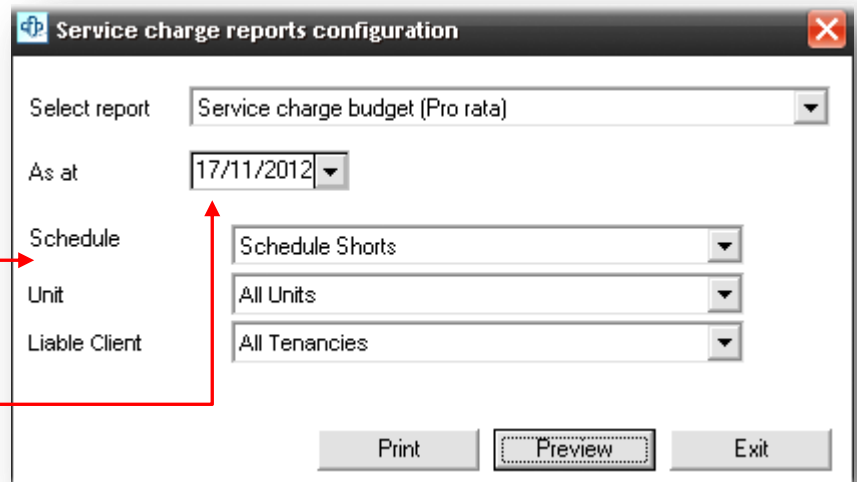
Service Charge Budget (Pro Rata) Report

The **Service Charge Budget (Pro Rata)**
report requires the user to specify
a schedule before the report can
be produced.

The option to either leave all
records selected or to specify a
particular unit or tenancy is
then provided.

This report provides the ability for
the user to specify an **As At** date.

The system then runs a report
which details the expenditure total
(including a breakdown for each item
of expenditure) that is expected to have been raised by the date provided.

The actual amount of expenditure raised by the specified date is also provided, together with the variance
between the expected and actual results. An example of this report is provided below.

Service Charge Budget Report (Pro rata) for Hyphen Head Property (P1097)

Schedule: Schedule Shorts
Date Range: From 07/05/2012 to 06/05/2013 pro rata as at 17/11/2012
Tenancy: All
Unit: All
Expense: All

Expense category	Expenditure	Budget values Estimate	Budget values Variance	Pro rata values Estimate	Pro rata values Variance
Professional Fees					
Bank Charges	2,700.00	1,000.00	1,700.00	532.97	2,167.03
Sub-Total for Professional Fees	2,700.00	1,000.00	1,700.00	532.97	2,167.03
Repairs and Maintenance					
Cleaning & Refuse	0.00	1,000.00	-1,000.00	532.97	-532.97
Sub-Total for Repairs and Maintenance	0.00	1,000.00	-1,000.00	532.97	-532.97
Grand Total	2,700.00	2,000.00	700.00	1,065.93	1,634.07

This example shows the budget of expenditure for **Bank Charges** as £1000 and because the **As At** date is in
the middle of the schedules duration, the estimated figure for the expenditure comes in at around £500.

However, during the first six months of this year long schedule £2700 worth of expenditure was posted.
Therefore the variance figure for the **As At** date shows at around £2200 and the total variance as £1700.

Service Charge Statement Report

The **Service Charge Statement Report** is laid out using an industry standard format, details of which can be found in the 'RICS consultation 07 HC 04774'.

The intention of this report is to give an overview of budgeted and actual expenditure between two specified dates for each active schedule that belongs to the head property. In addition to this, a summary of income which has been associated with the schedules is also listed at the bottom of the report.

The expenditure items shown in the report will be listed in groups such as **Utilities** or **Repairs and Maintenance**. The **Expenses** tab available under the **Vat and Disbursements** button in **User defaults** shows each expense type listed together with the **Group Heading** that it belongs to.
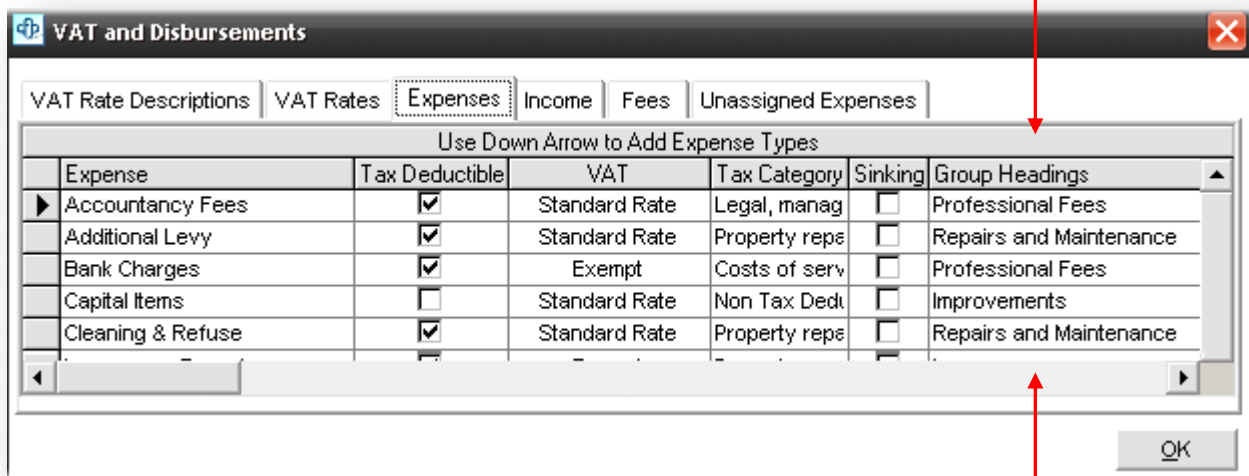
If required, the ability to modify the **Group Headings** is available.
Selecting the group heading itself will provide a dropdown box which can be used to carry out this task.
*NOTE :The report itself will refuse to load unless every expense in the system is assigned to a **Group Heading.***
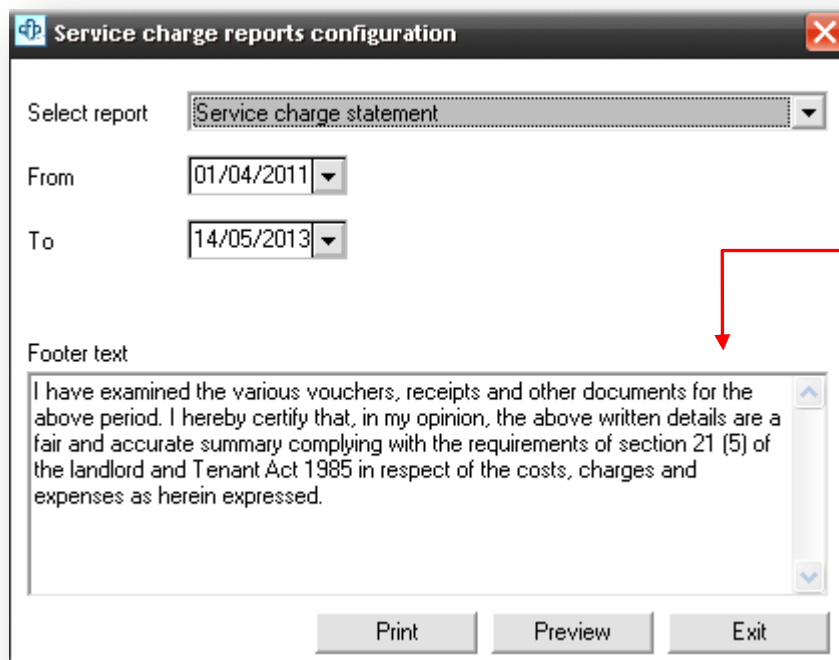
The report itself provides the option to include footer text.

The footer text itself can be modified using the **Service Charge Reports Configuration** form.

The **Default Content** for footer text can be modified in the **Stationery** section of the **Preferences** tab in **User Defaults.** The tab entitled **Service Charge Reports** contains a **Footer Text** section for this purpose.

Once the **Service Charge Statement** is selected along with a **From** and **To** date, the report can be created. The overall structure of the report will be broken down by schedule. An example of this is shown below.

The expenditure section shows the **Budget** for each expense type followed by the **Actual** amount that has been posted. The difference between the two figures is detailed under the **Variance** heading.
A sub-total will be shown for all expense types that belong to each group heading.

STATEMENT OF SERVICE CHARGE FOR ALL SCHEDULES
Springfield Heights (P1060)
For the period - 01/04/2008 to 22/06/2010

Service Charge Details

Description	Budget	Actual	Variance
Schedule: P1060-Springfield S/Chrge-01/01/2009-31/12/2009			
Repairs and Maintenance			
Cleaning & Refuse	2350.00	4622.88	2272.88
Bin Bags(S20) - 52.88			
Loft Repairs - 2350.00			
General Repairs & Maintenance	1000.00	1575.58	575.58
Annex Repairs(S20) - 756.70			
Sub-total - Repairs and Maintenance	**3350.00**	**6198.46**	**2848.46**
Grounds Maintenance			
Gardening	1000.00	675.00	-325.00
Sub-total - Grounds Maintenance	**1000.00**	**675.00**	**-325.00**
Transfers to Reserve Fund		0.00	
Total Expenditure	**4350.00**	**6873.46**	**2523.46**
Less:			
Service Charges Demanded			
From Tenancy		0.00	
From Landlord		0.00	
Other Income		0.00	
Bank Interest		0.00	
Transfers from Reserve Fund		0.00	
Total Income		**0.00**	
Deficit to be collected		6873.46	

Expenses that have been raised as **Section 20** will be listed individually in italics with the wording of **S20** alongside them. Expenses making up **More than 10%** of a particular expense type's budget, will also be listed individually and in italics.

Any end of schedule transfers to a reserve fund that have taken place during the specified dates of the report will be included at the foot of the expenditure section. This figure will then be included in the expenditure total for the schedule.

The income section (highlighted in red below) will be broken down by the income source, this includes:

- Monies received against the schedule from Tenancies
- Monies received against the schedule from Landlord Contributions
- Monies received against the schedule from Contractor Contributions (other income)
- Monies received against the schedule from Bank Interest
- Monies that have been transferred into the schedule from a Reserve fund.

STATEMENT OF SERVICE CHARGE FOR ALL SCHEDULES
Springfield Heights (P1060)
For the period - 01/04/2008 to 22/06/2010

Service Charge Details

Description	Budget	Actual	Variance
Schedule: P1060-Springfield S/Chrge-01/01/2009-31/12/2009			
Repairs and Maintenance			
Cleaning & Refuse	2350.00	4622.88	2272.88
Bin Bags(S20) - 52.88			
Loft Repairs - 2350.00			
General Repairs & Maintenance	1000.00	1575.58	575.58
Annex Repairs(S20) - 756.70			
Sub-total - Repairs and Maintenance	**3350.00**	**6198.46**	**2848.46**
Grounds Maintenance			
Gardening	1000.00	675.00	-325.00
Sub-total - Grounds Maintenance	**1000.00**	**675.00**	**-325.00**
Transfers to Reserve Fund		0.00	
Total Expenditure	**4350.00**	**6873.46**	**2523.46**
Less:			
Service Charges Demanded			
From Tenancy		0.00	
From Landlord		0.00	
Other Income		0.00	
Bank Interest		0.00	
Transfers from Reserve Fund		0.00	
Total Income		**0.00**	
Deficit to be collected		6873.46	

The tab entitled **Service Charge Reports** available under the **Stationery** section of the **Preferences** tab in **User Defaults** contains the ability to specify whether the **Bank Interest** is shown on this report.

The foot of the report will indicate the **Schedule Status,** such as Surplus or Deficit.
The Surplus or Deficit figure for the schedule will be listed alongside the status.

Period End Report

The **Period End Report** is laid out using an industry standard format, details of which can be found in the 'RICS consultation 07 HC 04774' document.
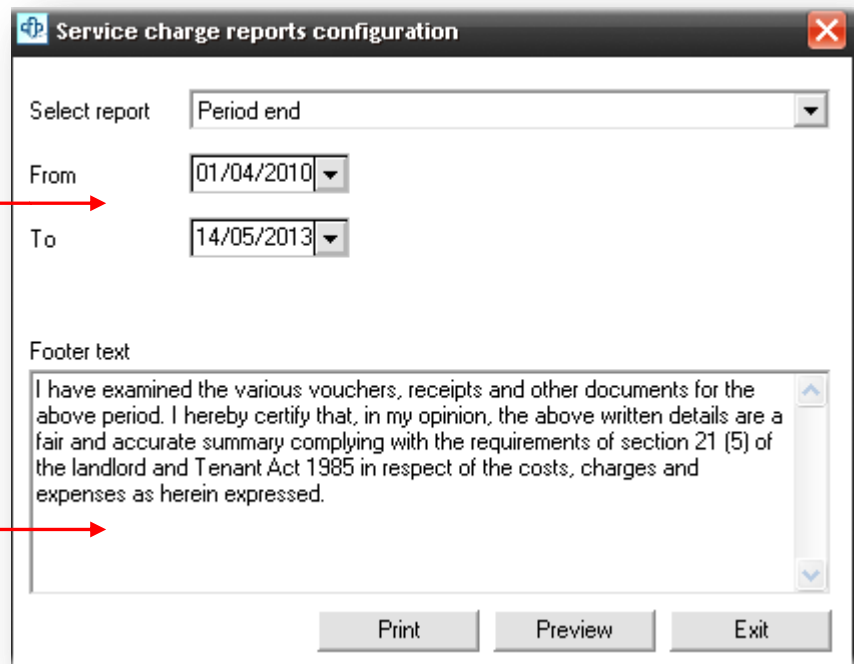
A **Period End Report** will usually be carried out at the end of an accounting period, once the bank reconciliation has been run for all associated banks that belong to the head property relationship.

The report details the assets and liabilities between two specified dates. Therefore, the user must ensure that the start and end date of the accounting period are accurately entered before producing the report.

The report itself provides the option to include footer text. The footer text itself can be modified using the **Service Charge Reports Configuration** form.

The **Default Content** for footer text can be modified in the **Stationery** section of the **Preferences** tab in **User Defaults.** The tab entitled **Service Charge Reports** contains a **Footer Text** section, the **Balancing Report** section, can be used to modify the text.

The first section of a Period End Report shows the **Assets** an example of this, is shown below:

Harlech Tower (P1020)
For the period - 18/03/2009 to 17/08/2010

Assets

Service charges owed by tenants		
within one year		0.00
after one year		6,388.65
Service charges and other amounts owed by landlord		
within one year		600.00
after one year		268.00
Other debtors		
within one year		789.00
after one year		500.00
Sums paid in this period but relating to a subsequent period		415.00
Deficit for the period to be collected		0.00
Balances held		
Client Account (Including Ground Rents) - Natwest		
Total	*3,344.00*	*(for information only)*
Cash at hand and in bank		1,344.00
Cash at hand and in bank relating to other parties	*2,000.00*	*(for information only)*
Harlech Twr - Service Charge Client A/c - Natwest		
Total	*6,458.00*	*(for information only)*
Cash at hand and in bank		5,909.00
Cash at hand and in bank relating to other parties	*549.00*	*(for information only)*
Harlech Twr - Sinking Fund Client A/c - Natwest		
Total	*6,552.00*	*(for information only)*
Cash at hand and in bank		6,552.00
Cash at hand and in bank relating to other parties	*0.00*	*(for information only)*
KLMKLKLNLKKKLKLKL - Natwest		
Total	*-671.83*	*(for information only)*
Cash at hand and in bank		0.00
Cash at hand and in bank relating to other parties	*-671.83*	*(for information only)*
Total Assets		**22,765.65**

An explanation of the above headings and how the totals are derived is provided on the next page.

Service charges owed by tenants within one year	=	Total of arrears owed by tenancies for all schedules (including sink fund) for the 12 months leading up to the specified end date
Service charges owed by tenants after one year	=	Total of arrears owed by tenancies for all schedules (including sink fund) older than 12 months prior to the specified end date
Service charges and other amounts owed by landlord within one year	=	Total of arrears owed by landlord(s) for all schedules - for 12 months prior to the specified end date
Service charges and other amounts owed by landlord after one year	=	Total of arrears owed by landlord(s) for all schedules - older than 12 months prior to end date
Other debtors within one year	=	Total of arrears owed by contractor(s) for all schedules - for 12 months prior to specified end date
Other debtors after one year	=	Total of arrears owed by contractor(s) for all schedules - older than 12 months prior to end date
Sums paid in this or previous period but relating to a subsequent period	=	Total of contractor expenses paid to contractors before or during this period, but belonging to schedules that start after the specified accounting period
Deficit for the period to be collected	=	Deficit to be collected for the specified period
Balances Held	=	A list of each account that has been used by any schedule under the head property relationship
Total	=	The sum of the cash balance at time of processed bank reconciliation (at period end date) PLUS Pay-in slip total MINUS the Outstanding auto-banking payment total
Cash at Bank and in hand	=	Cash held for all service charges (expense items and contributions relating to the head property)
Cash at Bank and in hand - relating to other parties	=	Cash held for non-service charge items under this head property PLUS cash held for other properties under the landlord (not relating to this head property)
Total Assets	=	The grand total of all amounts mentioned above

The second section of the Period End Report shows the **Liabilities**, an example of this is shown below:

Liabilities

Service Charges paid in advance

by tenants	0.00
by landlord	0.00
by contractor	0.00

Costs relating to this or previous period but not yet paid

unpaid contractors invoices	711.70
accrued items	412.44
arrears due to sinking/reserve funds	0.00
Surplus for the period to be credited/refunded	680.46

Total Liabilities	**1,804.60**
Net Assets	**1,285.49**

Reserve Funds

Estates Reserve Fund

Balance brought forward from 31/03/2009	414.25
Transfer from/to service charge account during the year	0.00
Balance	**414.25**

Flats Reserve Fund

Balance brought forward from 31/03/2009	871.24
Transfer from/to service charge account during the year	0.00
Balance	**871.24**

Total Reserve Funds	**1,285.49**
Total Reserve & Sinking Funds	**1,285.49**

An explanation of the above headings and how the totals are derived is given on the next page.

Service charges paid in advance by tenants	=	The sum of all tenancy invoices relating to schedules that start after period end date – BUT paid in THIS year's accounting period (before period end date)
Service charges paid in advance by landlord	=	The sum of all landlords invoices relating to schedules that start after period end date – BUT paid in THIS year's accounting period (before period end date)
Service charges paid in advance by contractor	=	The sum of all contractors invoices relating to schedules that start after period end date – BUT paid in THIS year's accounting period (before period end date)
Unpaid contractors invoices	=	The sum of all UNPAID expenses posted against related schedules before the period end date
Accrued Items	=	The sum of all expenses that have been drawn up against schedules that belong to the head property BUT not yet posted or paid
Arrears due to sinking/reserve funds	=	The sum of any outstanding tenancy invoices relating to schedules belonging to the head property dated before the period end date
Surplus for the period to be credited/refunded	=	The sum of any surplus amounts that need to be processed for all schedules that belong to the head property
Total Liabilities	=	The grand total of all amounts mentioned above
Net Assets	=	The Total Assets minus the Total Liabilities

Any sinking fund schedules will be listed at the bottom of the report with a breakdown of receipts and expenditure for the specified accounting period, together with a balance brought forward from the previous accounting period.

A total for each sinking fund as well as a grand total for all sinking funds will finish the report.

Reporting – With Head Property Filters

The ability to specify a Head Property filter for a large number of the standard reports within CFPwinMan is now available. The following sections list the reports that now have this ability.
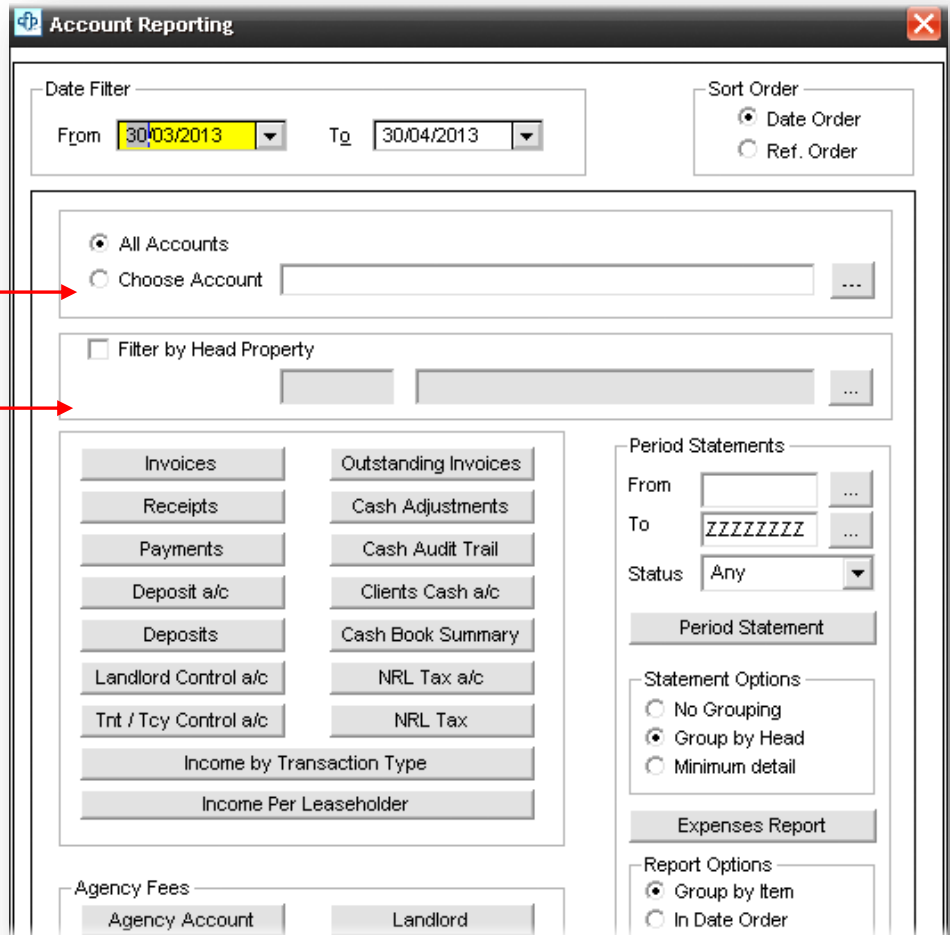
Reporting Accounts

The **Accounts** section of the **Reporting** menu heading, launches a report form that already contains a head property filter.

However this was previously only applicable to the **Invoice** and **Invoice Outstanding** reports.

The following list indicates the other reports on this form that can now make use of the **head Property** filter.

- Deposit A/C
- Deposits
- All Fees
- Cash Adjustments
- Tenant/Tenancy Control Account
- Agency Account
- Fees Per user
- Landlord (Agency Fees)
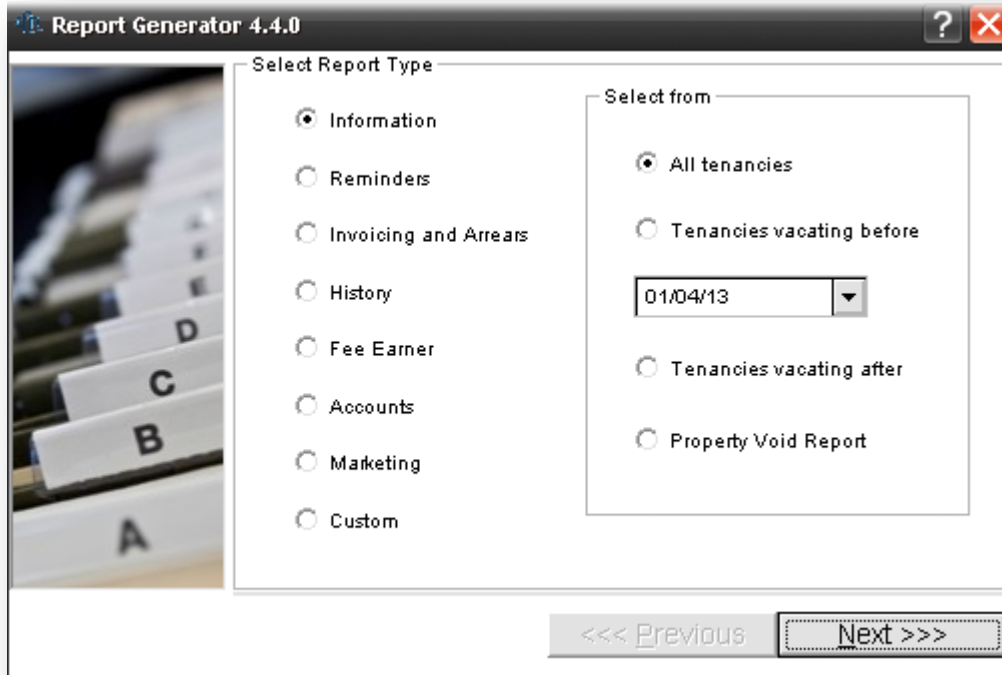- Tenancy/Tenant (Agency Fees)
- Landlord Unallocated
- Expenses Report

Reporting General

The **General** section of the **Reporting** menu heading launches the **Report Generator** form, which contains a number of reports that now have the ability to be filtered by head property.

Information Reports

The **Property, Tenancy, Tenant** and **Worksheet** information reports now contain a head property filter.

Reminders Reports

The **Property** and **Tenancy** reminder reports now contain a head property filter.

Invoice and Arrears Reports

The **Tenant** and **Tenancy** invoice and arrears reports now contain a head property filter.
This includes the **Invoices yet to post**, **Calculate rents** and **Age / Debtors** reports.

History Reports

The **Property, Tenancy** and **Tenant** reminder reports now contain a head property filter.
Currently the **Property** variant of this report contains a limitation, whereby the history details of the unit's relating to the head property will not be included in the report.

Fee Earner Reports

The **Fee Earner** report now contains a head property filter.

*For all of the above reports, the Head Property filter can be located on the **Report Ordering** Screen.*

Accounts Reports

The **Client Account Listing** reports for **Property, Tenancy** and **Tenants** now contain a head property filter.
*For the accounts reports the Head Property filter can be located on the **Specify Additional Criteria** Screen.*

Income Per Leaseholder

A report detailing income relating to a specific leaseholder can be created. The **Accounts** section of the **Reporting** menu contains a button entitled **Income Per Leaseholder** which can be selected to create such a report.

The user will first need to specify the relevant **Head Property.**

A **Date Range** and/or **Account** selection can be made (at the top of the form) to narrow down the scope of what is to be searched.

The **Income Per Leaseholder** button can then be selected. The report will then be produced.

Fawlty Towers Directors - Fawlty Towers,
From 30-Mar-2013 to 30-Apr-2013
All Accounts
INCOME PER LEASEHOLDER

Flat 1, Fawlty Towers,   **Miss P Sherman**

Date	Name	Reference	Type	Credit
22/04/2013	Miss P Sherman	1935	Bank Charges	1.02
22/04/2013	Miss P Sherman	1935	Cleaning & Refuse	28.00
22/04/2013	Miss P Sherman	1935	Management Fees	40.98
				70.00

Flat 3, Fawlty Towers,   **Miss A Tibbs**
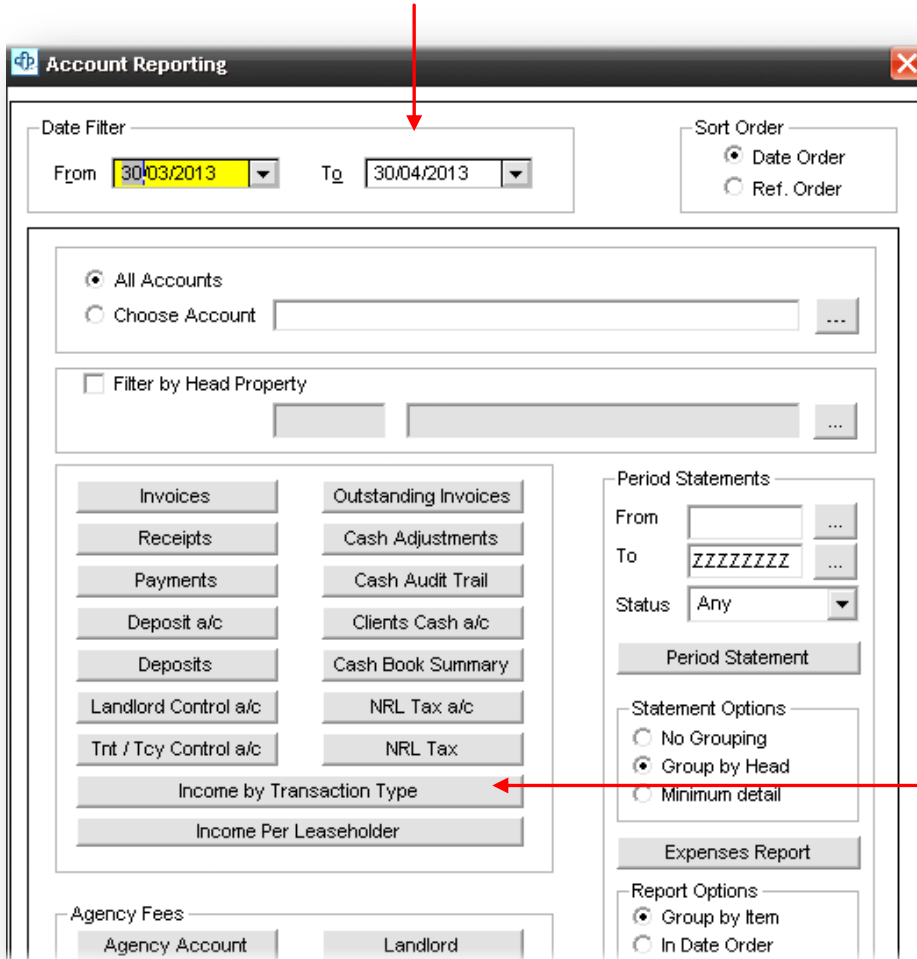
Date	Name	Reference	Type	Credit
22/04/2013	Miss A Tibbs	1936	Bank Charges	1.50
22/04/2013	Miss A Tibbs	1936	Bank Charges	3.00
22/04/2013	Miss A Tibbs	1936	Cleaning & Refuse	82.50
22/04/2013	Miss A Tibbs	1936	Management Fees	120.75
				207.75

| | | | **Total for all units** | 277.75 |

Each property or unit relating to the head property will be grouped and a total for all units will be provided.
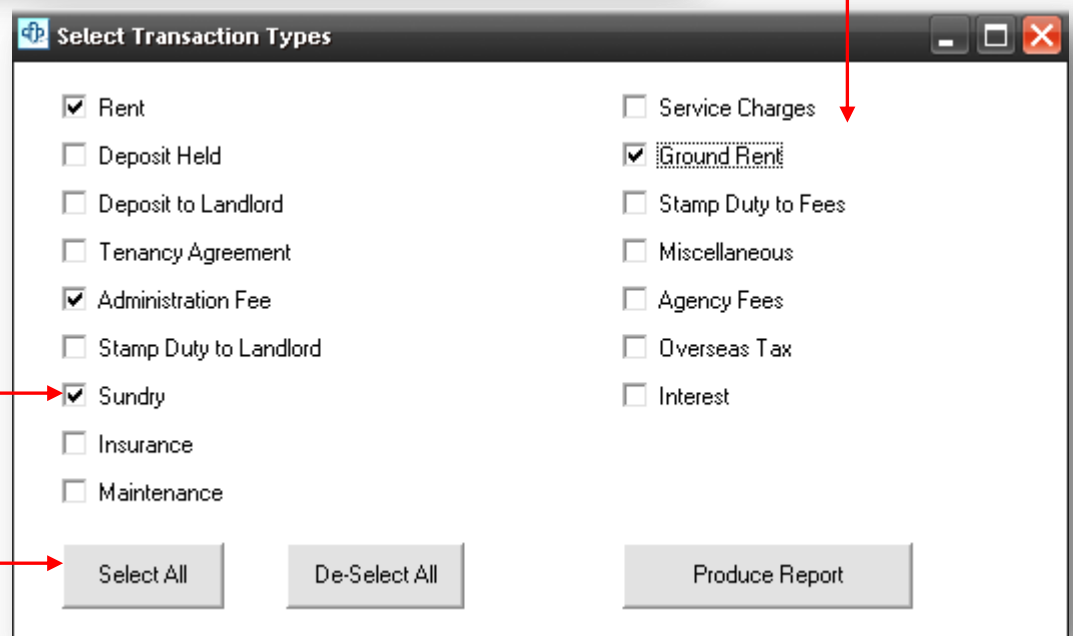
Income by Transaction Type Report

The **Reporting** menu heading contains an **Accounts** option. A button entitled **Income by Transaction Type** can be selected on this form to create an income report. The usual **Date Range, Head Property** and **Account** selections can be selected to narrow down the scope of what is searched.
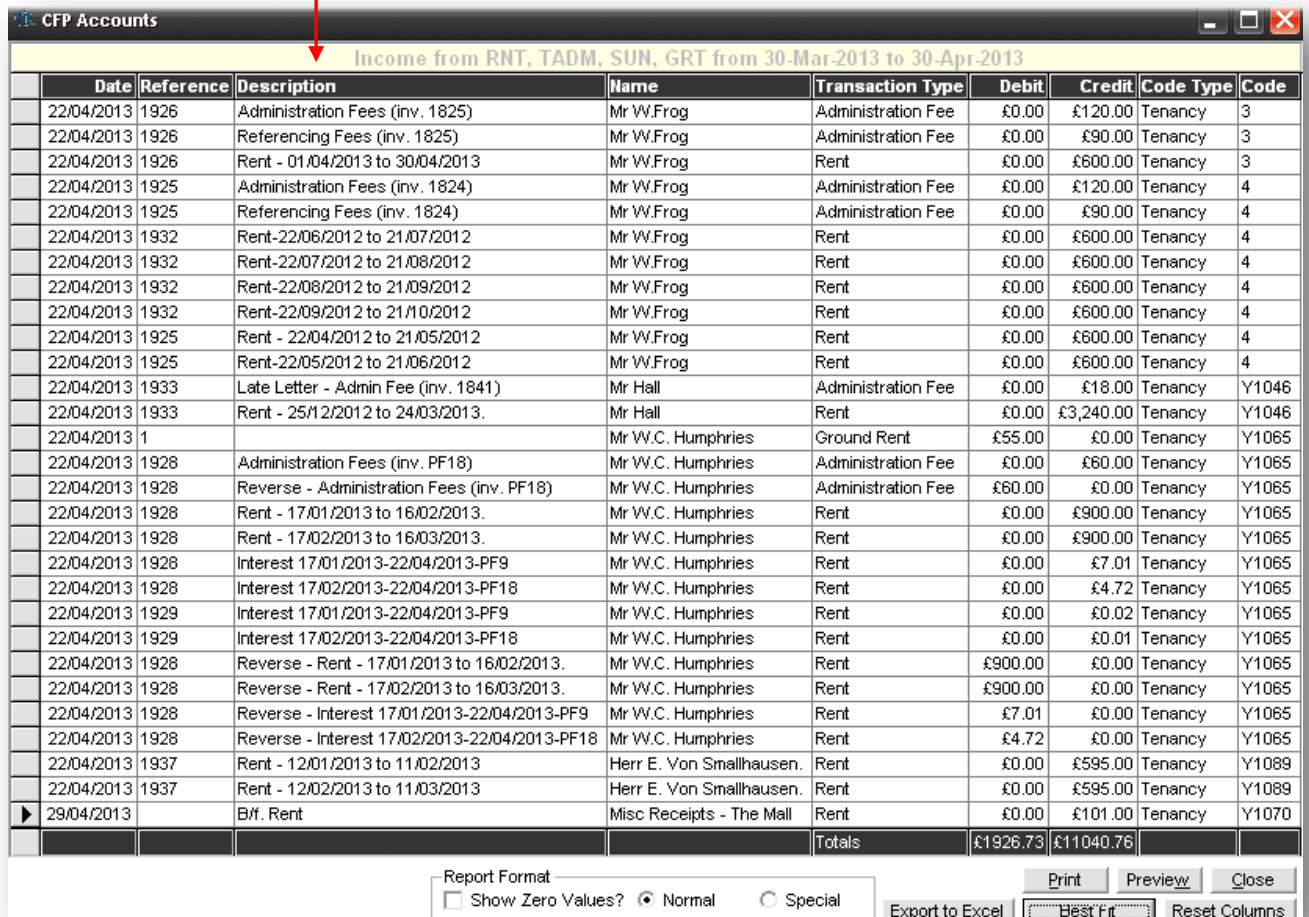

Selecting the button to create the report launches a separate form that is used to specify which types of income should be included.

The user can tick the required income types or select the button entitled **Select All** to include all income types on the report.

Once the user is satisfied that the correct filters and income types
have been specified, the **Produce Report** button can be selected.

A report will then be produced that shows all income which falls under the specified selections.
A summary of the selected income types and date range is provided in the title bar of the report.

The systems typical report options such as Export to Excel, Print & Preview will all be available to the user.

Itemised Arrears

Users now have the ability create a report reflecting the amount of monies that are in arrears for either a tenancy or tenant.

A new merge code has been created that can be placed inside a letter template to show the same information as the above report.

CFP Letting Agents
Prosper House Cardrew Industrial Estate Redruth Cornwall TR15 1SS
Tel: 01209 314371   Fax: 01209 314368

Miss G White
Apple Farm
Country Meadows
Market Drayton
Shropshire
TF9 3LP

Statement of Arrears for Miss G White

Statement prepared on 15/06/2012

Relating to Property: Apple Farm Country Meadows Market Drayton Shropshire

Date	Description	Amount	Outstanding
15/06/2011	Administration Charges - Credit Check	36.00	36.00
15/06/2011	Full Deposit	1,300.00	300.00
01/09/2011	Rent - 01/09/2011 to 30/09/2011.	1,000.00	1,000.00
01/10/2011	Rent - 01/10/2011 to 31/10/2011.	1,000.00	1,000.00
			2,336.00
	Less money currently held:		110.00
			2,226.00

Miss G White
Apple Farm
Country Meadows
Market Drayton
Shropshire
TF9 3LP

15 June 2012

Dear Miss White ,

Re: Apple Farm Country Meadows Market Drayton Shropshire   TF9 3LP

Our accounts show the following monies oustanding on your account.

Date	Description	Amount	Outstanding
15/06/2011	Administration Charges - Credit Check	36.00	36.00
15/06/2011	Full Deposit	1300.00	300.00
01/09/2011	Rent - 01/09/2011 to 30/09/2011.	1000.00	1000.00
01/10/2011	Rent - 01/10/2011 to 31/10/2011.	1000.00	1000.00
		3336.00	**2336.00**
	Less money currently held:		110.00
			2226.00

Your sincerely
CFP Letting Agents

Itemised Arrears Report

For users who require the information in report format, the **Account** button can be selected on the relevant tenancy or tenant form.

The **Itemised Arrears** option can then be selected. The option to either **Print** or **Preview** is then provided.

The original amount of each invoice **including VAT** will be listed, with the outstanding amount of that invoice as at today's date.

If monies are held in unallocated pots, these amounts will be reflected as one total labelled under the heading **Less money currently held.**

Users of instalment plans will find that the arrears of such invoices will be listed as of today's date.

Headers and **Footers** for the report can be configured in the **Stationery** section of the **Preferences** tab in **User Defaults** under the tab entitled **Tenancy Statements/Itemised Arrears.**

Itemised Arrears Letters

For users who wish to produce letters detailing arrears, two new merge codes have been created.

- <<TYARREARS>>   has been created to show all **Tenancy** and **Tenant** arrears.
- <<TARREARS>>   has been created to show just **Tenant** arrears.

Once the letter has been produced it will follow the same format as the Itemised Arrears report.

The original amount of each invoice **including VAT** will be listed, with
the outstanding amount of that invoice as at today's date.

If monies are held in unallocated pots, these amounts will be reflected
as one total labelled under the heading **Less money currently held.**

Users of instalment plans will find that the arrears of such invoices will be listed as of today's date.

Reports created for a tenancy will also include any outstanding **Tenant** monies.

This reflects how the Tenancy receipt screen operates.

Miss G White
Apple Farm
Country Meadows
Market Drayton
Shropshire
TF9 3LP

15 June 2012

Dear Miss White ,

Re: Apple Farm Country Meadows Market Drayton Shropshire   TF9 3LP

Our accounts show the following monies oustanding on your account.

Date	Description	Amount	Outstanding
15/06/2011	Administration Charges - Credit Check	36.00	36.00
15/06/2011	Full Deposit	1300.00	300.00
01/09/2011	Rent - 01/09/2011 to 30/09/2011 .	1000.00	1000.00
01/10/2011	Rent - 01/10/2011 to 31/10/2011 .	1000.00	1000.00
		3336.00	**2336.00**
	Less money currently held:		110.00
			2226.00

Your sincerely
CFP Letting Agents

Tenancy Statement

The **Tenancy Information** form contains an **Account** button that produces a breakdown of the specified tenancies account. The ability to specify a date range to filter the results is provided at the foot of this form.

The content shown in the grid section of the form can be used to create a customer facing report known as the **Tenancy Statement.** There are a number of different variations of this report. The format for these variations is governed by the options that are selected at the foot of the form (highlighted above in red).

The user can select the variant of report they require and either **Print** or **Preview** the report.
A summary for the grouping and consolidation options for the reports is outlined below:

- **No Consolidation** – This displays what you can see on the screen (so no grouping or consolidation).

- **Consolidate All** - This will consolidate both invoices and receipts regardless of whether they are service charges or not, based on the date and the reference.

- **Consolidate Service Charges (Group by Service Charges)** - This will only group service charge invoices and receipts (under a general banner of service charges), regardless of whether they belong to the same schedule or not.

- **Consolidate Service Charges (Group by schedule)** - This will group service charge invoices and receipts based on the schedule they belong to.

- **Group By Date** - this new option will group *everything* by date (it will keep invoices and receipts separate) - so if you have ground rent and service charges invoiced the same day and receipted the next day you will get one line for each, with generalised descriptions "Invoiced" and "Received".

An example of the **Consolidate Service Charges (Group by Schedule)** report is shown below.

CFP Residential Property Management

Prosper House, Cardrew Industrial Estate, Redruth, Cornwall. TR15 1SS

Tel: 01209 314371   Fax: 01209 314368

Hyphen House Upper
Unit 1 Hyphen Property
Hyphen Housing Estate
Hyphonton
Corby
HY12 2NN

Statement of Account for Hyphen House Upper

Statement prepared on 15/May/2013

Relating to Property: Unit 1 Hyphen Property Hyphen Housing Estate Hyphonton Corby

Accounts details between 08/Nov/2012 and 15/May/2013

Date	Reference	Description	Debit	Credit	Balance
		Brought Forward Balance			**-£5,000.00**
08/11/2012	87716	Service Charge - Multiple Liabilities	£500.00	£0.00	-£5,500.00
08/11/2012	87720	Service Charge - Multiple Liabilities 2	£1,000.00	£0.00	-£6,500.00
08/02/2013	87717	Service Charge - Multiple Liabilities	£500.00	£0.00	-£7,000.00
06/05/2013	87708	Service Charge - Schedule Matched Income	£1,500.00	£0.00	-£8,500.00
07/05/2013	1947	Service Charge - Schedule Large Income	£0.00	£1,000.00	-£7,500.00
07/05/2013	1947	Service Charge - Schedule Short Income	£0.00	£1,000.00	-£6,500.00
08/05/2013	1955	Service Charge - Multiple Liabilities	£0.00	£2,000.00	-£4,500.00
08/05/2013	1955	Service Charge - Schedule Matched Income	£1,500.00	£3,000.00	-£3,000.00
08/05/2013	1956	Service Charge - Multiple Liabilities 2	£0.00	£2,000.00	-£1,000.00
13/05/2013	1961	Service Charge - Schedule Shorts	£0.00	£1,000.00	£0.00
		Full balance at end of period			**£0.00**

Headers and **Footers** for the report can be configured in the **Stationery** section of the **Preferences** tab in **User Defaults** under the tab entitled **Tenancy Statements/Itemised Arrears.**

VAT Reports

The **Reporting** menu heading contains a **Taxes/NRL** option which provides the user with the ability to produce a number of **VAT Reports.**

The user will then be able to specify a number of filters to create a report summarising VAT transactions.

The ability to specify **Landlords** and **Management Companies** is provided.

The ability to specify a **Date Range** or **Period Ending Date** is available.

The user can then select the content they wish to see in the report by selecting the relevant checkboxes.

A **Total VAT Summary** report is available.
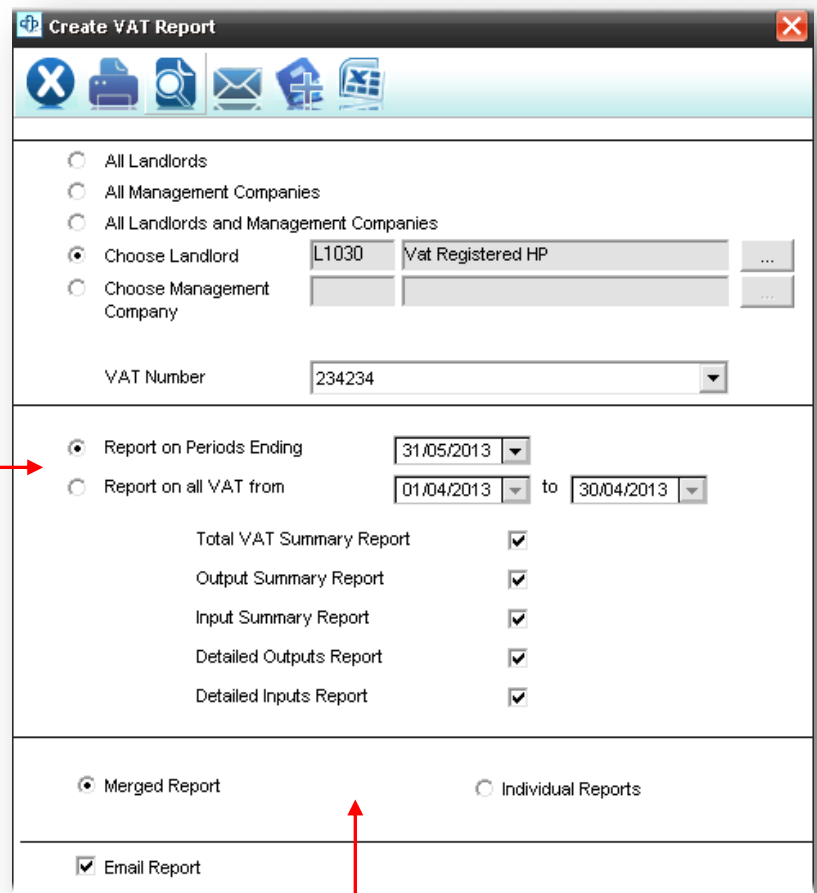
A **Summary** or **Detailed** report of both **Income** and **Output** is also available.

An option to merge the reports together or display each selected report on a separate page is provided.

The top menu bar provides the user with the ability to:

- Print the Report
- Preview the Report
- Email the Report
- Store a copy of the report in the history log
- Export the content of the report to Excel.

An example report is provided on the following page.

CFP Ground Rents Department

Prosper House, Cardrew Industrial Estate, Redruth, Cornwall, TR15 1SS
Telephone 01730 261209 Fax 01730 233088

Vat Registered HP
Vat Registered HP
Vat Registered HP
Vat Registered HP
Vat Registered HP
VAT REGIST

Landlord:	L1030
Date:	15/05/2013
Time:	16:16:05
VAT Number:	234234

TOTAL VAT SUMMARY REPORT
FOR PERIOD 01/03/2013 TO 31/05/2013

Output VAT due in this period on rents etc:	1600.00
Input VAT reclaimed in this period on expenses etc:	0.00
Net VAT to be paid to Customs by you or reclaimed from	**1600.00**
Total value of rents etc excluding VAT:	8000.00
Total value of expenses etc excluding VAT:	0.00

OUTPUT VAT SUMMARY REPORT
FOR PERIOD 01/03/2013 TO 31/05/2013

VAT Code	Net Invoiced	Net Credit Notes	VAT Invoiced	VAT Credit Notes
Standard Rate	8,000.00	0.00	1,600.00	0.00
	8,000.00	0.00	1,600.00	0.00

DETAILED INPUTS
FOR PERIOD 01/03/2013 TO 31/05/2013

VAT Code	Ref	Invoice Date	Description	Net	VAT
Exempt		13/05/2013		4,000.00	0.00
Exempt		13/05/2013	Auto Credit Note (1125)	-4,000.00	0.00
Exempt		14/05/2013		4,000.00	800.00
Exempt		14/05/2013	Auto Credit Note (1127)	-4,000.00	-800.00

Total Net Value	0.00
Total VAT Value	0.00
Total Invoiced	0.00

Headers and **Footers** for the report can be configured in the **Stationery** section of the **Preferences** tab in **User Defaults** under the tab entitled **VAT Reports.**