

Welcome to:

Property Management Trust Account Record Keeping Workshop

► Commission Regulations 10.18–10.24

Property Management Recordkeeping Regulations

Commission Regulations 10.18–10.24

Federal or State Agency Regulated Property Management

- ▶ This section does not apply to any residential property management program operated or regulated by a federal or state act or agency which includes specific record keeping requirements that the commission determines are substantially equivalent to or greater than that required by this section.

Generally Accepted Recordkeeping Principles (GARP)

- ▶ Generally Accepted Recordkeeping Principles (GARP) is a framework for managing records in a way that supports an organization's immediate and future regulatory, legal, risk mitigation, environmental and operational requirements.
- ▶ GARP has eight principles for creating information governance best practices:

Generally Accepted Recordkeeping Principles (GARP)

- ▶ Generally Accepted Recordkeeping Principles (GARP) is a framework for managing records in a way that supports an organization's immediate and future regulatory, legal, risk mitigation, environmental and operational requirements.
- ▶ GARP has eight principles for creating information governance best practices:

Generally Accepted Recordkeeping Principles (GARP)

- ▶ • *Principle of Accountability* – An organization shall assign a senior executive who will oversee a recordkeeping program and delegate program responsibility to appropriate individuals, adopt policies and procedures to guide personnel and ensure program audit ability.
- ▶ • *Principle of Transparency* – The processes and activities of an organization's recordkeeping program shall be documented in an understandable manner and be available to all appropriate personnel and appropriate interested parties.
- ▶ • *Principle of Integrity* – A recordkeeping program shall be constructed so the records and information generated or managed by or for the organization have a reasonable and suitable guarantee of authenticity and reliability.

Generally Accepted Recordkeeping Principles (GARP)

- ▶ • *Principle of Protection* – A recordkeeping program shall be constructed to ensure a reasonable level of protection to records and information that are private, confidential, privileged, secret, or essential to business continuity.
- ▶ • *Principle of Compliance* – The recordkeeping program shall be constructed to comply with applicable laws and other binding authorities, as well as the organization's policies.

Generally Accepted Recordkeeping Principles (GARP)

- ▶ • *Principle of Availability* – An organization shall maintain records in a manner that ensures timely, efficient, and accurate retrieval of needed information.
- ▶ • *Principle of Retention* – An organization shall maintain its records and information for an appropriate time, taking into account legal, regulatory, fiscal, operational and historical requirements.
- ▶ • *Principle of Disposition* – An organization shall provide secure and appropriate disposition for records that are no longer required to be maintained by laws and organizational policies.

Definitions

- ▶ “Audit trail” means a documented history of a financial transaction by which the transaction can be traced to its source.
- ▶ “Occupant” means a person who rents a property on a nightly basis.
- ▶ “Tenant “ means a person who rents a property on other than a nightly basis.
- ▶ “Property Manager” (PM) means a licensed principal broker or designated executive broker who performs property management activities pursuant to A.C.A. §17-42-103(9)

So How do we Keep
Records to Conform with
the Arkansas Real Estate
Commission Property
Management
Recordkeeping
Regulations ?

Accounting and recordkeeping

- ▶ A property manager must retain records of all deposits in a manner in which they are traceable to the owners' and tenants' ledgers. A property manager must retain records identifying the amount of and purpose of each disbursement entered into the owner's and tenants' ledgers.
- ▶ The property manager shall disclose to the owner, in writing, the property manager's use of any employees or a business in which the property manager or any persons licensed under him has a pecuniary interest to provide billable services to the owner's property.

Property Management Agreement

- ▶ A current written agreement between a PM & the owner.
- ▶ A agreement must include the following:
 - Name, address, and other contact information of owner
 - Address or legal description of the property
 - Duties and responsibilities of the PM & owner
 - Authority & power given by the owner to the PM
 - Description of all compensation or fees to be paid to the PM
 - The management fees, application fees, screening fees, rebates, discounts, overrides and any other form of compensation to be received by the property manager for management of rental real estate including when such compensation is earned **and when it will be paid**,
 - Description of the monthly statements of accounting
 - Duration, rollover, renewal, and auto extensions
 - Method of termination
 - Signatures and dates
 - Owner receives copy final signed agreement

Tenant Lease Agreement

- ▶ A PM shall not lease property he manages without a written agreement with the tenant.
- ▶ Each lease or rental agreement for residential real estate managed by a PM must contain the following:
 - Name and address of PM & his firm
 - Name, address and contact info for all tenants
 - Mailing address/unit # of property being rented
 - Must state lease terms, payment amount & other payment conditions.
 - Amount and reason for all funds received at outset, like rent, security deposit, pet fees etc.
 - Location/Entity that will hold security deposit
 - Method of notification in case of termination
 - Signatures PM and tenant (except tenant refusal)
- ▶ **PM may not expend the security deposit for any expenses not allowed by agreement.**

Property Management Cash Receipts



PM can choose whether or not to accept cash but if PM chooses to accept cash then the following must be done:

- Receipt must be issued and must be maintained by PM
- Receipts must be consecutively pre-numbered and printed in at least duplicate format

PM Cash Receipts– Requirements

- ▶ Receipt must contain the following:
 - Date of receipt of cash funds
 - Amount of the funds
 - Reason for payment or collection of the funds received
 - Identity of the property for which the cash fund were received
 - Tenant's name
 - Payer of the funds if different than the tenant
 - Name and signaure of the individual who actually received the cash and prepared the receipt

General Ledger

What is it?



General Ledger

General Ledger (GL) is a chronological accounting record of an organization used to track changes in financial position as transactions are posted.

Property Management Trust Account General Ledger

			Received			Reference		Paid Out			Daily Balance of Trust Account
Date	Received From or Paid To	Description	Amount Received	initials	Date of Deposit	Ledger	Check Number	Amount Paid Out	Date of Check	initials	
10/01/13	Will Woodberry	Oct Rent/Sec Dep	1,400.00	yh	10/01/13	T13-1	2001				1,400.00
10/01/13	Woodberry-Sec Dep Trust	Sec Dep Trust			10/01/14	T13-1 SD	1000	700.00	10/1	ss	700.00
10/15/14	Somewhere Prop. Mgmt.	Oct Mgmt Fee				T13-1	1001	70.00	10/15	ss	630.00
10/15/14	James Johnson	Oct Rental Income				T13-1	1002	630.00	10/15	ss	0.00
11/01/13	Will Woodberry	Nov Rent	700.00		11/01/14	T13-1	2002				700.00
11/14/14	Somewhere Prop. Mgmt.	Nov Mgmt Fee				T13-1	1003	70.00	11/14		630.00
11/14/14	James Johnson	Nov Rental Income				T13-1	1004	630.00	11/14		0.00
12/02/13	Will Woodberry	Dec Rent	700.00		12/02/13	T13-1	2004				700.00
12/02/13	Phylliss Pratt	Dec Rent /Security Dep	2,000.00		12/02/13	T13-2	1371				2,700.00
12/02/13	Pratt-Sec Dep Trust	Sec Dep Trust			12/02/13	T13-2 SD	1005	1,000.00	12/2		1,700.00
12/13/13	Somewhere Prop. Mgmt.	Dec Mgmt Fee				T13-1	1006	70.00	12/13		1,630.00
12/13/13	James Johnson	Dec Rental Income				T13-1	1007	630.00	12/13		1,000.00
12/13/13	Phylliss Pratt	Dec Mgmt Fee				T13-2	1008	100.00	12/13		900.00
12/13/13	Lonnie Lewis	Dec Rental Income				T13-2	1009	900.00	12/13		0.00
12/27/13	Tammy Temple	Sec Dep	850.00		12/30/14	T14-3	1396				850.00
12/27/13	Tammy Temple	Temple-Sec Dep Trust			12/30/14	T14-3 SD	1010	850.00	12/30		0.00
01/02/14	Will Woodberry	Jan Rent	700.00		01/02/14	T13-1	2005				700.00
01/02/14	Phylliss Pratt	Jan Rent	1,000.00		01/02/14	T13-2	1377				1,700.00
01/02/14	Curtis Coffee	Jan Rent/Sec Dep	2,000.00		01/02/14	T14-2	506				3,700.00
01/02/14	Coffee-Sec Dep Trust	Sec Dep Trust			01/02/14	T14-2SD	1011	1,000.00	1/2		2,700.00
01/02/14	Gerry Goucher	Jan Rent/Sec Dep	2,000.00		01/02/14	T14-1	712				4,700.00
01/02/14	Gerry Goucher-Sec Dep Trust	Sec Dep Trust			01/02/14	T14-1 SD	1012	1,000.00	1/2		3,700.00
01/02/14	Lucille Loo	Jan Rent/Sec Dep	1,700.00		01/02/14	T14-4	1220				5,400.00
01/02/14	Lucille Loo-Sec Dep Trust	Loo-Sec Dep Trust			01/02/14	T14-4SD	1013	850.00	1/2		4,550.00
01/02/14	Tammy Temple	Jan Rent	850.00		01/02/14	T14-3	1397				5,400.00
01/03/14	Sam and Susie Saxton	Jan Rent/Sec Dep	1,700.00		01/03/14	T14-5	202				7,100.00
01/03/14	Sam and Susie Saxton	Saxton-Sec Dep Trust			01/03/14	T14-5 SD	1014	850.00	1/3		6,250.00
01/10/14	Mike and Maude Martin	Jan Rent 575.81/Sec Dep	1,425.81		01/10/14	T14-6	M/0127938561				7,675.81
01/10/14	Martin-Sec Dep Trust	Sec Dep			01/10/14	T14-6SD	1015	850.00	1/10		6,825.81
01/15/14	Somewhere Prop. Mgmt.	Jan Mgmt Fee				T13-1	1016	70.00	1/15		6,755.81
01/15/14	James Johnson	Jan Rental Income				T13-1	1017	630.00	1/15		6,125.81
01/15/14	Somewhere Prop. Mgmt.	Jan Mgmt Fee				T13-2	1018	100.00	1/15		6,025.81
01/15/14	Lonnie Lewis	Jan Rental Income				T13-2	1019	900.00	1/15		5,125.81

Date	Received From or Paid To	Description	Received		Reference			Paid Out			Daily Balance of Trust Account
			Amount Received	Initials	Date of Deposit	Ledger	Check Number	Amount Paid Out	Date of Check	Initials	
02/14/14	Beverly Branton	Feb Rental Income				T14-6	1047	787.50	2/14		0.00
03/01/14	Will Woodberry	March Rent	700.00		03/03/14	T13-1	2007				700.00
03/01/14	Phylliss Pratt	March Rent	1,000.00		03/03/14	T13-2	1382				1,700.00
03/03/14	Lucille Loo	March Rent	850.00		03/03/14	T14-4	1222				2,550.00
03/10/14	Gerry Goucher	March Rent/late fee	1,025.00		03/10/14	T14-1	714				3,575.00
03/10/14	Tammy Temple	March Rent/late fee	875.00		03/10/14	T14-3	1399				4,450.00
03/10/14	Susie Saxton	March Rent/late fee	875.00		03/10/14	T14-5	204				5,325.00
03/11/14	Mike Martin	March Rent/late fee	875.00		03/10/14	T14-6	M/0127942894				6,200.00
03/11/14	Perfect Plumbers	Faucet Repair 45.00				T14-1	Invoiced #2151				6,200.00
03/14/14	Fred's Furnace	Furnace Repair 85.00				T14-4	Invoiced #6219				6,200.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee			03/14/14	T13-1	1048	70.00	3/14		6,130.00
03/14/14	James Johnson	March Rental Income			03/14/14	T13-1	1049	630.00	3/14		5,500.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee			03/14/14	T13-2	1050	100.00	3/14		5,400.00
03/14/14	Lonnie Lewis	March Rental Income			03/14/14	T13-2	1051	900.00	3/14		4,500.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee			03/14/14	T14-1	1052	102.50	3/14		4,397.50
03/11/14	Perfect Plumbers	Faucet Repair #2151			03/14/14	T14-1	1053	45.00	3/14		4,352.50
03/14/14	Billie and Bonnie Barnes	March Rental Income			03/14/14	T14-1	1054	877.50	3/14		3,475.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee			03/14/14	T14-3	1055	87.50	3/14		3,387.50
03/14/14	Beverly Branton	March Rental Income			03/14/14	T14-3	1056	787.50	3/14		2,600.00
03/14/14	Fred's Furnace	Furnace Repair #6219			03/14/14	T14-4	1057	85.00	3/14		2,515.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee			03/14/14	T14-4	1058	85.00	3/14		2,430.00
03/14/14	Beverly Branton	March Rental Income			03/14/14	T14-4	1059	680.00	3/14		1,750.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee			03/14/14	T14-5	1060	87.50	3/14		1,662.50
Date	Received From or Paid To	Description	Received		Reference			Paid Out			Daily Balance of Trust Account
			Amount Received	Initials	Date of Deposit	Ledger	Check Number	Amount Paid Out	Date of Check	Initials	
03/14/14	Beverly Branton	March Rental Income				T14-5	1061	787.50	3/14		875.00
03/14/14	Somewhere Prop. Mgmt.	March Mgmt Fee				T14-6	1062	87.50	3/14		787.50
03/14/14	Beverly Branton	March Rental Income				T14-6	1063	787.50	3/14		0.00
03/15/14	June Jepson	Pro-rated March Rent	329.03		03/17/14	T14-7	963				329.03
03/15/14	June Jepson	Security Deposit	850.00		03/17/14	T14-7	964				1,179.03
03/15/14	June Jepson	Secutiry Dep. Trust			03/17/14	T14-7 SD	1064	850.00	3/17		329.03
03/15/14	June Jepson	Non-Ref Pet Dep.-Barnes	200.00		03/17/14	T14-7	965		3/17		529.03
03/17/14	Somewhere Prop. Mgmt.	March Mgmt Fee				T14-7	1065	32.90	3/17		496.13
03/17/14	Billie and Bonnie Barnes	March Rental Income plus Non ref. Pet deposit				T14-7	1066	496.13	3/17		0.00

[illegible]

PM Tenant Ledgers



PM Tenant Ledgers

- ▶ A property manager must prepare and maintain at least one tenant's ledger for each unit from whom the property manager has received any funds under a property management agreement, whether or not the tenant has executed a written rental or lease agreement at the time of payment of funds to the property manager.
- ▶ All tenant ledgers must contain the tenant's name and the legal description or physical address of the property sufficient to distinguish that property from other rental units, or a unique series of letters or numbers that establishes an audit trail.

PM Tenant Ledgers – Requirements

- ▶ For each deposit of funds, all tenant ledgers must contain the following information:
 - The amount of funds received;
 - The purpose of the funds and identity of the person who tendered the funds;
 - The check number, cash receipt number or a unique series of letters or number that establishes an audit trail to the receipt of funds;
 - The date the funds were received; and
 - The balance after each recorded entry.

PM Tenant Ledgers – Requirements

- ▶ For each disbursement of funds, all tenant ledgers must contain the following information:
- ▶ The date the funds were disbursed;
 - The amount of funds disbursed;
 - The check number or bank-generated electronic tracking number;
 - The payee of the disbursement;
 - The purpose of the disbursement; and
 - The balance after each recorded entry.
- In lieu of an individual tenant ledger a property manager may prepare and maintain a separate record of the receipt of funds from prospective tenants who do not become tenants after such payment.

Individual Unit Property Management Ledger							Ledger #	T13-1	
Tenant Ledger									
Tenant(s):			Will Woodberry		Phone: XXX-XXX-XXXX		Sec. Dep.	700.00	
Property:			270 Main St, Somewhere, AR XXXXX				Rent Amt	700.00	
Owner:			James Johnson		Phone: XXX-XXX-XXXX		Mgmt Fee	10%	
Owner's Address:			4567 E. Washington St. Flint, MI XXXXX						
Remarks:									
Date	Received From	or Paid To	Description	Receipt/ Check No.	Amount Received	Date Deposited	Mgmt Fees	Amount Dispersed	Balance
10/01/13	Will Woodberry		Oct Rent/Sec. Dep	2001	1,400.00				1,400.00
10/01/13	Will Woodberry-Sec Trust		Security Dep	1000		10/01/13		700.00	700.00
10/15/13	Somewhere Prop. Mgmt.		Oct Mgmt Fee	1001			\$70.00		630.00
10/15/13	James Johnson		Oct Rental Income	1002				630.00	0.00
11/01/13	Will Woodberry		Nov Rent	2002	700.00	11/01/13			700.00
11/15/13	Somewhere Prop. Mgmt.		Nov Mgmt Fee	1003			\$70.00		\$630.00
11/15/13	James Johnson		Nov Rental Income	1004				630.00	\$0.00
12/02/13	Will Woodberry		Dec Rent	2004	700.00	12/02/13			700.00
12/13/13	Somewhere Prop. Mgmt.		Dec Mgmt Fee	1006			\$70.00		630.00
12/13/13	James Johnson		Dec Rental Income	1007				630.00	0.00
01/02/14	Will Woodberry		Jan Rent	2005	700.00	01/02/14			700.00
01/15/14	Somewhere Prop. Mgmt.		Jan Mgmt Fee	1016			\$70.00		630.00
01/15/14	James Johnson		Jan Rental Income	1017				630.00	0.00
02/01/14	Will Woodberry		Feb Rent	2006	700.00	02/01/14			700.00
02/14/14	Somewhere Prop. Mgmt.		Feb Mgmt Fee	1032			\$70.00		630.00
02/14/14	James Johnson		Feb Rental Income	1033				630.00	0.00
03/01/14	Will Woodberry		March Rent	2007	700.00	03/03/14			700.00
03/14/14	Somewhere Prop. Mgmt.		March Mgmt Fee	1048			\$70.00		630.00
03/14/14	James Johnson		March Rental Income	1049				630.00	0.00

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

PM Owner Ledgers



PM Owner Ledgers

- ▶ A property manager must prepare and maintain at least one separate owner's ledger for each property management agreement, for all monies received and disbursed.
- ▶ If a property is utilized for nightly rentals, a separate ledger account must be maintained for that property. Each occupant of the property must be identified, including the dates of occupancy and amounts paid.
- ▶ If a property manager has access to a separate banking or escrow account owned or controlled by the property owner pursuant to a property management agreement, the property manager may maintain either a record of receipts and disbursements or check register in lieu of an owner's ledger.

PM Owner Ledgers – Requirements

- ▶ All owner ledgers must contain the property manager's name, identification of property being managed, and the following information for each deposit of funds:
 - The amount of funds received;
 - The purpose of the funds and identity of the person who tendered the funds;
 - The check number, cash receipt number or a unique series of letters and/or numbers that establish an audit trail to the receipt of funds;
 - The date the funds were deposited; and
 - The balance of each recorded entry.

PM Owner Ledgers – Requirements

- For each disbursement of funds, all owner ledgers must contain the following information:
 - The date the funds were disbursed;
 - The amount of funds disbursed;
 - The check number or bank-generated electronic tracking number;
 - The payee of the disbursement;
 - The purpose of the disbursement; and
 - The balance after each recorded entry.

PM Owner Ledgers – Requirements

- If more than one property is managed for a property owner, each entry for deposit or disbursement must identify the applicable property rather than just the owner. If a property management agreement with an owner allows the property manager to use funds collected for one property to apply to expenses of another property owned by the same owner, an overall compilation/accounting shall be prepared for the owner.

Property Owner Ledger									
-----------------------	--	--	--	--	--	--	--	--	--

Owner's Address:	4567 E. Washington St. Flint, MI XXXXX	Mgmt Fee:	10%
------------------	--	-----------	-----

--	--	--	--	--	--	--	--	--

[illegible]

Property Owner Ledger	
-----------------------	--

Owner's Address:	1797 Riverstone Rd., Florence, OR XXXXX	Mgmt Fee: 10%
------------------	---	---------------

--	--	--	--	--	--	--	--	--

[illegible]

Property Owner Ledger

Owner's Address:	1320 Mountain Valley Rd, Longmont, CO XXXXX	Mgmt Fee:	10%
------------------	---	-----------	-----

						Funds Collected		Funds Disbursed	
--	--	--	--	--	--	-----------------	--	-----------------	--

Date	Ledger #	Property Address	Description	Tenant(s)	Date of Deposit	Amount	Date of Check	Check Number	Amount	Account Balance
------	----------	------------------	-------------	-----------	-----------------	--------	---------------	--------------	--------	-----------------

			Mgmt Exp			1/15	1070	100.00	800.00
--	--	--	----------	--	--	------	------	--------	--------

01/15/14			Rental Income				1/15	1021	900.00	0.00
----------	--	--	---------------	--	--	--	------	------	--------	------

[illegible]

02/15/14			Rental Income				2/15	1037	900.00	0.00
----------	--	--	---------------	--	--	--	------	------	--------	------

Category	Item	Unit	Price	Quantity	Total
Food	Chicken	kg	12.00	2	24.00
Food	Beef	kg	15.00	1	15.00
Food	Pork	kg	10.00	3	30.00
Food	Fish	kg	8.00	1	8.00
Food	Eggs	dozen	5.00	2	10.00
Food	Milk	liter	2.00	5	10.00
Food	Yogurt	liter	1.50	3	4.50
Food	Cheese	kg	18.00	1	18.00
Food	Butter	kg	12.00	1	12.00
Food	Flour	kg	3.00	4	12.00
Food	Sugar	kg	4.00	2	8.00
Food	Oil	liter	6.00	2	12.00
Food	Vinegar	liter	2.00	1	2.00
Food	Salt	kg	1.00	1	1.00
Food	Herbs	kg	5.00	1	5.00
Food	Spices	kg	10.00	1	10.00
Food	Onions	kg	3.00	2	6.00
Food	Potatoes	kg	2.00	3	6.00
Food	Carrots	kg	1.50	2	3.00
Food	Cauliflower	kg	4.00	1	4.00
Food	Broccoli	kg	3.00	1	3.00
Food	Spinach	kg	2.00	1	2.00
Food	Kale	kg	1.50	1	1.50
Food	Tomatoes	kg	2.50	2	5.00
Food	Cucumbers	kg	1.00	2	2.00
Food	Zucchini	kg	1.50	1	1.50
Food	Bell Peppers	kg	2.00	1	2.00
Food	Eggplant	kg	1.50	1	1.50
Food	Asparagus	kg	3.00	1	3.00
Food	Artichokes	kg	2.00	1	2.00
Food	Leeks	kg	1.50	1	1.50
Food	Garlic	kg	1.00	1	1.00
Food	Shallots	kg	1.50	1	1.50
Food	Onion Powder	kg	5.00	1	5.00
Food	Garlic Powder	kg	4.00	1	4.00
Food	Herb Powder	kg	3.00	1	3.00
Food	Spice Powder	kg	2.00	1	2.00
Food	Onion Flakes	kg	1.00	1	1.00
Food	Garlic Flakes	kg	1.50	1	1.50
Food	Herb Flakes	kg	1.00	1	1.00
Food	Spice Flakes	kg	1.50	1	1.50
Food	Onion Oil	liter	10.00	1	10.00
Food	Garlic Oil	liter	8.00	1	8.00
Food	Herb Oil	liter	6.00	1	6.00
Food	Spice Oil	liter	5.00	1	5.00
Food	Onion Vinegar	liter	4.00	1	4.00
Food	Garlic Vinegar	liter	3.00	1	3.00
Food	Herb Vinegar	liter	2.00	1	2.00
Food	Spice Vinegar	liter	1.50	1	1.50
Food	Onion Salt	kg	1.00	1	1.00
Food	Garlic Salt	kg	1.50	1	1.50
Food	Herb Salt	kg	1.00	1	1.00
Food	Spice Salt	kg	1.50	1	1.50
Food	Onion Sugar	kg	1.00	1	1.00
Food	Garlic Sugar	kg	1.50	1	1.50
Food	Herb Sugar	kg	1.00	1	1.00
Food	Spice Sugar	kg	1.50	1	1.50
Food	Onion Butter	kg	1.00	1	1.00
Food	Garlic Butter	kg	1.50	1	1.50
Food	Herb Butter	kg	1.00	1	1.00
Food	Spice Butter	kg	1.50	1	1.50
Food	Onion Oil	liter	10.00	1	10.00
Food	Garlic Oil	liter	8.00	1	8.00
Food	Herb Oil	liter	6.00	1	6.00
Food	Spice Oil	liter	5.00	1	5.00
Food	Onion Vinegar	liter	4.00	1	4.00
Food	Garlic Vinegar	liter	3.00	1	3.00
Food	Herb Vinegar	liter	2.00	1	2.00
Food	Spice Vinegar	liter	1.50	1	1.50
Food	Onion Salt	kg	1.00	1	1.00
Food	Garlic Salt	kg	1.50	1	1

03/11/14			Faucet Repair				3/15	1053	45.00	980.00
----------	--	--	---------------	--	--	--	------	------	-------	--------

03/13/14		Wigint Fee				3/13	1032	102.50	877.50
----------	--	------------	--	--	--	------	------	--------	--------

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

Property Owner Ledger

Owner's Address:	1973 Carolyn Dr., Pleasant Hill, CA XXXXX	Mgmt Fee:	10%
------------------	---	-----------	-----

					Funds Collected		Funds Disbursed	
--	--	--	--	--	-----------------	--	-----------------	--

[illegible]

Bank Reconciliation

[illegible][illegible]

IF YOU DO NOT BALANCE: Compare the dollar amounts of all checks and deposits in your check register with the amounts shown on this statement. Verify all additions and subtractions. If you need assistance in balancing your checking account, call (904) 777-6000 or 1-800-445-6289 option 3.

What is a Bank Reconciliation?

- ▶ A **Bank reconciliation** is a process that explains the difference between the **bank** balance shown in an organization's **bank** statement, as supplied by the **bank**, and the corresponding amount shown in the organization's own accounting records at a particular point in time.

Property Management Trust Account General Ledger																
			Received		Reference		Paid Out		Daily Balance							
Date	Received From or Paid To	Description	Amount Received	Initials	Date of	Check	Amount	Date of	Initials	of Trust						
10/01/13	Will Woodberry	Oct Rent/Sec Dep	1,400.00	yh												
10/01/13	Woodberry-Sec Dep Trust	Sec Dep Trust														
10/15/14	Somewhere Prop. Mgmt.	Oct Mgmt Fee														
10/15/14	James Johnson	Oct Rental Income														
11/01/13	Will Woodberry	Nov Rent	700.00		Date	Received From or Paid To	Description	Amount Received	Date of Deposit	Initials	Reference	Check Number	Amount Paid Out	Date of Check	Initials	Daily Balance of Trust Account
11/14/14	Somewhere Prop. Mgmt.	Nov Mgmt Fee			10/01/13	Will Woodberry	Sec. Dep. Col.	700.00	10/01/13	yy	T13-1	1000			ss	700.00
11/14/14	James Johnson	Nov Rental Income			12/02/13	Phyliss Pratt	Sec. Dep. Col.	1,000.00	12/02/14		T13-2	1005				1,700.00
12/02/13	Will Woodberry				12/27/13	Tammy Temple	Sec. Dep. Col.	8	National Bank of Somewhere P. O. Box Something							2,550.00
12/02/13	Phyliss Pratt						Sec. Dep. Col.	1,	Somewhere, AR XXXXX							3,550.00
12/02/13	Phyliss Pratt						Sec. Dep. Col.	8								4,400.00
12/13/13	Somewhere Property Management						Sec. Dep. Col.	8								5,400.00
12/13/13	Security Deposit Trust Account						Sec. Dep. Col.	8								6,250.00
12/13/13	127 E. Main Street						Sec. Dep. ref.		Somewhere Property Management							7,100.00
12/27/13	Somewhere, AR XXXXX															6,100.00
12/27/13	Tammy Temple															6,950.00
12/27/13	Tammy Temple															6,850.00
01/02/14	Will Woodberry															6,100.00
01/02/14	Phyliss Pratt	Account number 2015732			Date: 4/1/2014											5,250.00
01/02/14	Curtis	Beginning Balance 7,100.00														
01/02/14	Coffee	1 Deposits 850.00			Name of Bank: Somewhere National Bank											
01/02/14	Gerry	4 Checks/Debits 1,000.00														
01/02/14	Gerry	Service Charge 0.00			Account Number: 2015732											
01/02/14	Gerry	Interest paid 0.00														
01/02/14	Trust	Ending Balance 6,950.00														
01/02/14	Lucille															
01/02/14	Lucille	ACCOUNT ACTIVITY														
01/02/14	Tammy Temple	Date 3/15 Description Deposit			Bank Statement Balance as of: 04/01/14											
01/03/14	Sam															
01/03/14	Sam															
01/10/14	Mike				Outstanding Deposits:			0.00								
01/10/14	Mart															
01/15/14	Somewhere	CHECKS POSTED IN NUMERICAL ORDER														
01/15/14	James Johnson	Date 3/14 Check Number 101 Amount 1,000.00														
01/15/14	Somewhere				Add Outstanding Deposits:			0.00								
01/15/14	Lonnie															
					Total:			6,950.00								
					Outstanding Checks:	102		100.00								
						103		750.00								
						104		100.00								
						105		750.00								

Account Reconciliation Worksheet			
Date:	4/1/2014		
Name of Bank:	Somewhere National Bank		
Account Number:	2015732		
Bank Statement Balance as of:	04/01/14		6,950.00
Outstanding Deposits:		<div style="border-bottom: 1px solid black; margin-bottom: 2px;">0.00</div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div> <div style="border-bottom: 1px solid black; margin-bottom: 2px;"></div>	
Add Outstanding Deposits:			0.00
	Total:		6,950.00
Outstanding Checks:	<div style="margin-bottom: 5px;">102 <div style="border-bottom: 1px solid black; width: 100px; text-align: right;">100.00</div></div> <div style="margin-bottom: 5px;">103 <div style="border-bottom: 1px solid black; width: 100px; text-align: right;">750.00</div></div> <div style="margin-bottom: 5px;">104 <div style="border-bottom: 1px solid black; width: 100px; text-align: right;">100.00</div></div> <div style="margin-bottom: 5px;">105 <div style="border-bottom: 1px solid black; width: 100px; text-align: right;">750.00</div></div>		
Subtract Outstanding Checks:			1,700.00
Adjusted Bank Balance:			5,250.00
Balance Per General Ledger:			5,250.00

Property Management Trust Account General Ledger									
			Received		Reference		Paid Out		Daily Balance
Date	Received From or Paid To	Description	Amount Received	Initials	Date of Deposit	Ledger	Check Number	Amount Paid Out	Date of Check
10/01/13	Will Woodberry	Oct Rent/Sec Dep	1,400.00	yh	10/01/13	T13-1	2001		
10/01/13	Woodberry-Sec Dep Trust	Sec Dep Trust			10/01/14	T13-1 SD	1000	700.00	10/1
10/15/14	Somewhere Prop. Mgmt.	Oct Mgmt Fee				T13-1	1001	70.00	10/15
10/15/14	James Johnson	Oct Rental Income				T13-1	1002	630.00	10/15
11/01/13	Will Woodberry	Nov Rent	700.00		11/01/14	T13-1	2002		
11/14/14	Somewhere Prop. Mgmt.	Nov Mgmt Fee				T13-1	1003	70.00	11/14
11/14/14	James Johnson	Nov Rental Income				T13-1	1004	630.00	11/14
12/02/13	Will Woodberry	Dec Rent	700.00		12/02/13	T13-1	2004		
12/02/13	Phylliss Pratt	Dec Rent /Security Dep	2,000.00		12/02/13	T13-2	1371		
12/02/13	Pratt-Sec Dep Trust	Sec Dep							
12/13/13	Somewhere Prop. Mgmt.	Dec Mgr							
12/13/13	James Johnson	Dec Rent							
12/13/13	Phylliss Pratt	Dec Mgr							
12/13/13	Lonnie Lewis	Dec Rent							
12/27/14	Tammy Temple	Sec Dep							
12/27/14	Tammy Temple	Temple-Sec Dep Trust							
01/02/14	Will Woodberry	Jan Rent							
01/02/14	Phylliss Pratt	Jan Rent							
01/02/14	Curtis Coffee	Jan Rent							
01/02/14	Coffee-Sec Dep Trust	Sec Dep							
01/02/14	Gerry Goucher	Jan Rent							
01/02/14	Gerry Goucher-Sec Dep Trust	Sec Dep							
01/02/14	Lucille Loo	Jan Rent							
01/02/14	Lucille Loo-Sec Dep Trust	Loo-Sec Dep							
01/02/14	Tammy Temple	Jan Rent							
01/03/14	Sam and Susie Saxton	Jan Rent							

Account Reconciliation Worksheet

Date: 4/1/2014

Name of Bank: Somewhere National Bank

Account Number:

Bank Statement Balance as of: 04/01/14

Outstanding Deposits:

Add Outstanding Deposits:

Total:

Outstanding Checks:

Subtract Outstanding Checks:

Adjusted Bank Balance:

Balance Per General Ledger:

National Bank of Somewhere
P. O. Box Something
Somewhere, AR XXXXX

Date: 03/31/14
Account Number: 2015731

Somewhere Property Management
Rental Trust Account
127 E. Main Street
Somewhere, AR XXXXX

CHECKING ACCOUNT

Account number 2015732
Beginning Balance 0.00
10 Deposits 7,579.03
18 Checks/Debits 7,579.03
Service Charge 0.00

ACCOUNT ACTIVITY

Description	Amount
Deposit	2,550.00
Deposit	1,025.00
Deposit	1,750.00
Deposit	875.00
Deposit	1,379.03

CHECKS POSTED IN NUMERICAL ORDER

Check Number	Amount	Date	Check Number	Amount
1048	70.00		1058	85.00
1049	630.00		1059	680.00
1050	100.00		1060	87.50
1051	900.00		1061	787.50
1052	102.50		1062	87.50
1053	45.00	3/17	1063	787.50
1054	877.50		1064	850.00
1055	87.50		1065	32.90
1056	787.50		1066	496.13
1057	85.00			

Break in Check Number Sequence

Dailey Balance Information

Balance	Date	Balance	Date	Balance
2,550.00	3/3	3,575.00	3/10	5,325.00
6,200.00	3/14	787.50	3/17	0.00

Account Reconciliation Worksheet			
Date:	<u>4/1/2014</u>		
Name of Bank:	<u>Somewhere National Bank</u>		
Account Number:	<u>2015731</u>		
Bank Statement Balance as of:	<u>04/01/14</u>		0.00
Outstanding Deposits:		<u>0.00</u>	
		<u> </u>	
		<u> </u>	
Add Outstanding Deposits:			<u>0.00</u>
		Total:	<u>0.00</u>
Outstanding Checks:		<u> </u>	
		<u> </u>	
		<u> </u>	
		<u> </u>	
Subtract Outstanding Checks:			<u>0.00</u>
Adjusted Bank Balance:			<u>0.00</u>
Balance Per General Ledger:			<u>0.00</u>

Accounting to the Property Owner

Property Management Monthly Accounting Report

Owner: Billy and Bonnie Barnes			Security Deposit	\$1,000.00
Owner's Address: 1320 Mountain Valley Rs, Longmont, CO XXXXX			Monthly Rent	\$1,000.00
Property Address: 712 Easy St., Somewhere, AR XXXXX			Property Mgmt Fee	10%
Tenant(s): Gerry Goucher				
Date	Description	Invoice or Ck #	Amount Received	Owner Draw

Rent Received:[illegible]

Property Mgmt Fees:

Other Expenses:

Expenses Total: _____

Balance: _____

Amount Paid to Owner:

Balance: _____

Property Management Monthly Accounting Report

Owner: Beverly Branton			Security Deposit	\$1,000.00
Owner's Address: 1915 Hilside Ct, Norwood, IL XXXXX			Monthly Rent	\$1,000.00
Property Address: 511 W. Church Units 1-5			Property Mgmt Fee	10%
Tenant(s): Multiple				
Date	Description	Invoice or Ck #	Amount Received	Owner Draw

Rent Received:[illegible]

Property Mgmt Fees:

Other Expenses:
Furnace Repair

Expenses Total: _____

Balance: _____

Amount Paid to Owner:

Balance: _____

Accounting to the Property Owner

Property Management Monthly Accounting Report				
Owner:		Billy and Bonnie Barnes	Security Deposit	\$1,000.00
Owner's Address:		1320 Mountain Valley Rs, Longmont, CO XXXXX	Monthly Rent	\$1,000.00
Property Address:		712 Easy St., Somwhere, AR XXXXX	Property Mgmt Fee	10%
Tenant(s):		Gerry Goucher		
Date	Description	Invoice or Ck #	Amount Received	Owner Draw
Rent Received:				
<u>03/10/14</u>			<u>\$1,025.00</u>	
	Other			
	Total Rents		<u>\$1,025.00</u>	
				<u>\$1,025.00</u>
	03/14/14 Property Mgmt Fees:	<u>102.50</u>		
Other Expenses:				
	03/11/14 Faucet Repair	<u>45.00</u>		
	Expenses Total:	<u>147.50</u>		
	Balance:			<u>\$877.50</u>
<u>03/17/14</u>	Amount Paid to Owner:		<u>\$877.50</u>	
	Balance:			<u>\$0.00</u>

Owner: Beverly Branton			Security Deposit	\$1,000.00
Owner's Address: 1915 Hillside Ct, Norwood, IL XXXXX			Monthly Rent	\$1,000.00
Property Address: 511 W. Church Units 1-5			Property Mgmt Fee	10%
Tenant(s): Multiple				
Date	Description	Invoice or Ck #	Amount Received	Owner Draw

Rent Received:						
#1	Vacant	-	-	-	-	-
03/10/14 #2	Temple	-	-	-	-	\$875.00
03/03/14 #3	Loo	-	-	-	-	\$850.00
03/10/14 #4	Saxton	-	-	-	-	\$875.00
03/11/14 #5	Martin	-	-	-	-	\$875.00
-	-	-	-	-	-	-
-	-	-	-	-	-	\$2,600.00
-	-	-	-	-	-	\$2,600.00
03/14/14 Property Mgmt Fees:				260.00		
Other Expenses:						
03/14/14 Furnace Repair				85.00		
Expenses Total:						
				345.00		
Balance:						\$2,255.00
03/17/14 Amount Paid to Owner:						
					2,255.00	
Balance:						
						\$0.00

Credits

State of California Department of Real Estate

<http://searchcompliance.techtarget.com/definition/Generally-Accepted-Recordkeeping-Principles-GARP>

www.darshanaproperties.com

www.123rf.com