Reversing a Receipt Allocated to Old Bank Account After Bank Change

This normally only arises when a receipt is allocated to the wrong lot. This article relates to that scenario.

Should you have a lot owner requesting a reallocation of funds, where they are applied in date order, you may wish to inform Lot Owners that receipts are allocated to the oldest payment first, or according to a predetermined allocation order.

Should a Court Order require a reallocation, or where your agency has mis-allocated, an option is to apply a credit to the debt that should be paid and process a miscellaneous owner invoice or levy to the Lot for the item paid but which would become unpaid if the receipt was cancelled. The steps below can be used as a guide.

Steps To Rectify a Receipt Allocated to the Wrong Lot

As the original receipt entry is linked to the inactive bank account, we need to make an adjustment on the new account.

Steps to rectify status of owner ledgers:

1. ### Create a charge/invoice against the lot where the original receipt was processed to, the 'wrong lot' -

If a receipt was processed to a lot and should not have been, essentially this amount is to be taken off that lot again. If it has been applied to a levy, then that levy will be due and payable again. This lot now needs to pay that amount.

To create the charge or invoice:

Fee Type	System Option	Transaction Date
Standard Levy/Contribution	Accounting > Adjustments >Levy Journal> New/F2	Current Date
Owner Invoice	Accounting > Issue Invoice	Current Date

2. ### Reduce balance owing for the lot that should have had the funds receipted, the 'correct lot'.

As the original receipt was not processed to the correct lot, we need to reduce the balance owing for that lot. This reflects the fact that the funds have been paid.

System Option: Accounting > Adjustments > Credit Lot

Account code selections –select the required revenue/expense account.

If the fee is a Standard Levy Type, select an alternative Revenue Account, e.g 144000 and process a journal (refer ** below) to offset the new levy charge created for the other lot. (Journal optional).**It is not recommended to use Receivable Levies accounts in Credit Lots.**

If the replacement fee was an owner invoice, select the account code used at Step 1.

Scenario for journal **

Replacement charge processed to 143000 – Levies Due Admin

Credit Lot processed to 144000 – Miscellaneous Income - Admin

There is now a balance in these two accounts. To offset one against the other:

Sample Journal

Debit Account	144000
Credit Account	143000
Date	Current Date
Description	Adjust Levies Due (re-instated charge Lot # … Ref receipt (###)

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