



Cheque Presented At Bank for a Different Amount Than in Strata Master

This article will assist you when you find a cheque listed on the Bank Statement for a different amount to the recorded amount in Strata Master.

Causes of Differing Amounts

Cheques that are presented for an amount that is different to the amount entered in STRATA Master can arise for the following reasons:

- Mistake made when issuing a manual cheque and the amount written on the cheque is not copied accurately from the amount entered into STRATA Master. Entering the cheque details in STRATA Master first, printing the remittance advices and then writing the cheques to match the remittance advice, followed by careful checking during signing of the cheques, should reduce these errors.
- The bank misreading of the amount written on the cheque. This can occur with incorrect alignment of computer generated cheques, and alignment of cheque stationery in the printer. Checking the alignment of printed cheques from time to time can reduce the incidence of this problem, but misreading can still occur if a cheque is accidentally damaged after it is sent to the creditor.
- Fraud, where someone changes (usually increases) the amount written on the cheque.

Bank Download and Bank Reconciliation

- The automatic processing of downloaded bank statements will not present a cheque in STRATA Master if the amounts do not agree. The download exception report will flag such cheques for attention.
- It is necessary to identify the cause of the incorrect amount. The cheque must remain Unpresented until the cause is identified.
- The Bank is unlikely to change the amount of the presented cheque, so the onus is generally on the Strata Manager's Agency to adjust Strata master to match the amount of the presented cheque in order to balance the bank reconciliation.

When the Cheque Has Been Presented at Bank for a Larger Amount Than in Strata Master

The correct procedure to follow when a cheque has been presented for a larger amount than entered on STRATA Master and the bank is not expected to make good the difference is as follows:

- Present the cheque in STRATA Master,
- If an individual trust account is operated by the Plan, in the Manual bank reconciliation screen, use the "add" function on the Withdrawals tab. Enter a transaction for the **additional amount**, clearly

identifying the cheque that this transaction relates to and selecting an appropriate expense account.

- If a single (general) trust account is operated it will be necessary to create a journal to debit an appropriate expense account and credit the Cash at Bank.
- This will now reconcile the bank.
- If the creditor has been overpaid either request a refund from the creditor or issue a credit note that will reduce the next payment to that creditor.

When the Cheque Has Been Presented at Bank for a Smaller Amount Than in Strata Master

If a cheque is presented for a smaller amount than the amount entered on STRATA Master the following procedure applies:

- Present the cheque in STRATA Master.
- Create a Journal entry to debit the Cash at Bank and credit the original expense account to reflect the correct amount paid to the creditor. This has the effect of receipting the difference back into Strata Master.
- This will now reconcile the bank.
- Reissue a new cheque to the creditor for the amount that was short paid.

Additional Precautions Where The Amount Presented Is Larger Than the Amount in Strata master

In some cases it may be necessary to obtain the processed cheque from the bank. This would be necessary if fraud is suspected as the Payee as well as the amount may have been fraudulently entered.

Fraud should be pursued with the bank and the Police. This, however, may take some time. Journal adjustments may need to be made to reflect this situation and it is suggested that clients log a support case for assistance, by logging a case through MyMRI portal or calling 1300 657 700.

19/07/2022 6:31 pm AEST