



Journals to Correct GST on Receipts in Strata Master

When funds have been receipted with the incorrect GST component it will be necessary to create two journal entries to correct this transaction.

Note that this article only relates to Owners Corporation receipts where an account is selected, NOT to Lot Owner receipts. Lot owner receipts have GST recognised by the settings in the Corp Screen and no General Ledger is selected for Lot Owner receipts.

Prior to entering any journals, it is important to verify the details of the incorrect transaction AND review relevant issues.

Review Relevant Issues to the Intended Change

1. As GST adjusting journals are created using the **Cash at Bank** Accounts it is strongly recommended that a **Manual Bank Reconciliation report** should be printed before and after the journals to ensure that the journals have not caused the bank to become unreconciled.
2. The date of the adjusting journals will depend upon the following factors:
 - Is the adjustment required in the current BAS Reporting Period and before the GST Return has been completed?
 - Does the transaction relate to a prior BAS reporting period after the processing of the GST Return
 - The Financial Year End of the corporation
 - If the adjustment is considered to be significant by the Taxation Office in which case an amended GST report may be required

Overview of the Journals

When creating the adjusting journal entries it is recommended that the following process be followed:

- Journal One - reverse the original transaction with the GST as it was originally created (whether included or not included) and at a date determined (refer 'Review Relevant Issues' above)
- Journal Two - enter the transaction as it should have been with the correct GST at the same date as Journal One

Check the Transactions Details Before Proceeding

1. Navigate to Formatted Reports > Receipts Report.



2. Use this report to identify the details of the incorrect transaction

- The General Ledger account code that was used
- Receipt amount
- Amount of GST
- Date of original transaction

20/01/2023								
172	0	QBE Mercantile Mutual Insurance	3,500.00	0.00	0.00	3,500.00	Flood damage	Storm 4300
			3,500.00	0.00	0.00	3,500.00		

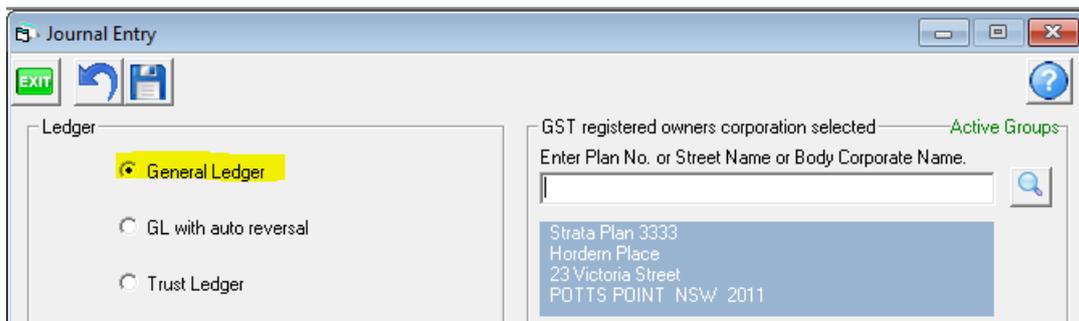
3. Record the details as they will need to be reversed and note the date you wish to use.

Where to Enter the Journals in Strata Master

1. Navigate to Accounting > Adjustment > Journal Entry



2. Select General Ledger and enter the relevant Plan Number.



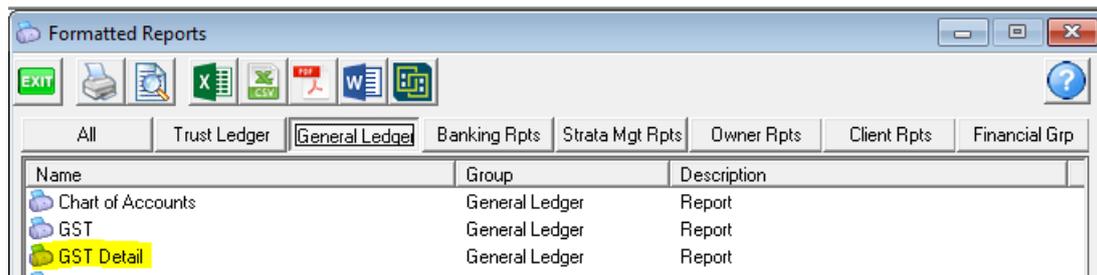
3. Create Journal 1 as below.

Dr Account:	XXXXXXX	Account Name:	The Ledger Account that received the original receipt
Cr Account:	121000	Account Name:	Cash at Bank—Admin Fund
		Date:	The date of the original receipt or other date if appropriate
		Amount:	Of the original receipt
		GST Amount:	The amount as per the original entry (if zero delete the GST shown)
		Description:	Reversal of incorrect receipt to adjust GST (details of receipt)

4. Create Journal 2 as below.

Dr Account:	121000	Account Name:	Cash at Bank -- Admin
Cr Account:	XXXXXXX	Account Name:	The correct Ledger Account
		Date:	The same date as used for Journal 1
		Amount:	Of the original receipt
		GST Amount:	The correct GST for this transaction
		Description:	Correction of receipt from xxxxxx

5. Once the journals have been processed, reprint the GST Detail report (found in Formatted Reports) and check that all the entries are now correct.



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