



Understanding Dating of Receipts In Strata Master

Summary

Learn when and how a receipt can be backdated without adversely affecting reports or audits.

This article covers -

- The Repercussions of Backdating Receipts
- The Warning Message in Receipting
- When Backdating of Receipts is Unlikely to Cause a Problem
- When Not to Backdate Receipts

Overview

Backdating receipts is not recommended except in rare circumstances such as rekeying data, which is usually done under the guidance of an MRI Consultant. Backdating receipts a day or 2 to match a bank statement is not usually an issue, but care needs to be taken as incorrect dates are not easy to correct.

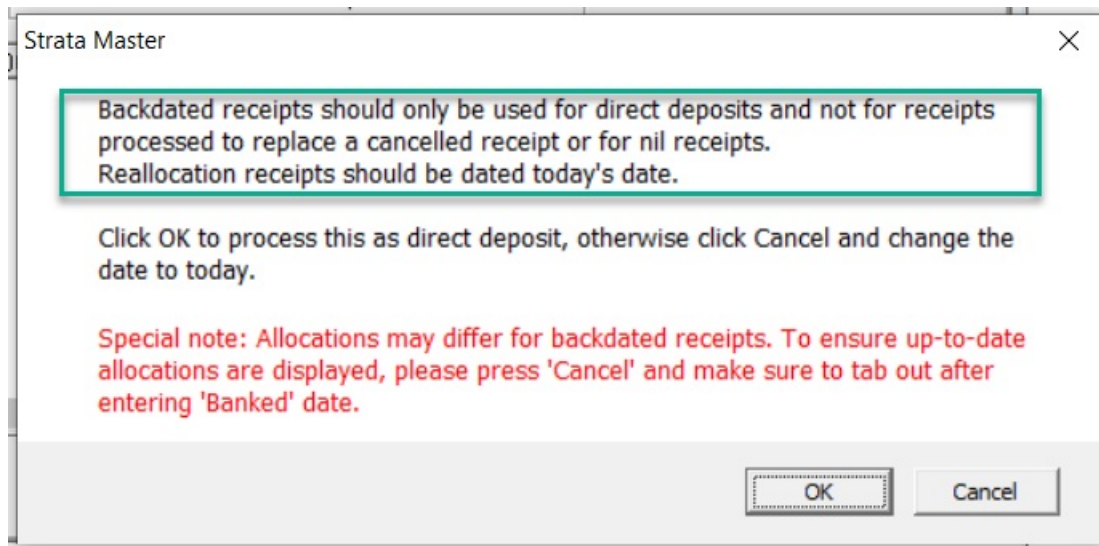
The Repercussions of Backdating Receipts

An example of adverse issues that are caused by backdating of receipts -

- An end of month cash at bank audit does not balance, and Auditor will require an explanation a year later along with a correction.
- Cross checking receipts to bank statements is difficult and receipts do not match the statements. Cross checking has to be taken back well into the past.
- Bank reconciliations do not balance and causes cannot be found. Consultants need to be employed to trace back through transactions.

The Warning Message in Receipting

When receipting and backdating a receipt, a warning message pops up each time. This warning message ensures that the dating of the receipt is carefully considered for its repercussions.



When Backdating of Receipts is Unlikely To Create a Problem

- the receipts are being manually receipted from a bank statement, and being dated as on the recent bank statement. The receipts are not being backdated into a prior month. An example is manual receipting of transactions on a bank statement from 2 days ago.
- the receipting is rekeying after data loss and under the guidance of an MRI Consultant.
- when due care is not taken in changing the automated date, and a slip of the fingers causes a receipt to be dated in a prior month or year.

Note: If in doubt, do not backdate.

When Not to Backdate Receipts

A receipt has been cancelled and is being re-receipted

The reason for not backdating re-receipts is in the dot points below -

- A receipt is cancelled as at the day it is cancelled. The cancellation is NOT backdated to the date of the receipt.
- Therefore if you re-receipt and backdate that receipt, you will have 2 receipts in play (affecting balances) for a period of time. As a receipt increases the Cash at Bank figures, your cash at bank will not agree with the bank statement. This is an audited item.
- If you backdate a receipt over a financial year end, the financial reports will consist of errors due to the duplicated cash at bank and these errors will need to be fixed.

A repercussion example

Should the bank reconciliation be unbalanced, and the receipts need to be ticked off to the bank statement, depending on the dates being checked there will either be 2 receipts on the one day in Strata Master as compared to one receipt on the Bank Statement, or a cancellation showing in Strata Master with no corresponding re-receipt. It could lead to the funds being re-receipted again in error.

A receipt is backdated to prior to the funds actually being received

The reason for not backdating receipts to a date prior to being received is in the dot points below -

- It is easy to accidentally select a wrong date, even perhaps a wrong year, when backdating.
- This is fabrication of a transaction that doesn't exist in reality, which could be viewed as fraud.
- If a receipt of funds is to be reflected in a prior period, it is not correct to cancel the receipt and re-receipt it at a prior date.
- There is an accounting process in place for recognising transactions in a prior period, in Strata Master called auto reversal GL journals. An instruction is available.

A repercussion example

A receipt is accidentally processed and dated 3/1/24 instead of 3/10/24. This receipt increases the cash at bank from 3/1/24 forward and an Auditor will pick up the imbalance in cash at bank at end of each month. Cancelling the receipt will not resolve the issue because it will cancel as at today's date, which may be end of October. So although the bank reconciliation balances due to a receipt and a cancellation, the cash at bank is imbalanced for January through to September.

Contact Support for Assistance

Should a receipt accidentally be receipted to a prior period, log a case with Strata Master Support for assistance. You can log a case through MyMRI client portal, or phone 1300 657 700.