

Journal Preparation

Last Modified on 28/10/2024 10:32 am AEST



The instructions in this article relate to **Journal Preparation**. The icon may be located on your *StrataMax Desktop* or found using the *StrataMax Search* for both StrataMax and GLMax.

Using **Journal Preparation** ensures that your journals balance and that you have a clear audit trail and offers a simple method of entering debits and credits in one journal set. An archived record is available for all journals done through **Journal Preparation** along with the 'Reason', 'Description', 'User Name' and the 'Date' posted. Note that each journal entry will be allocated a reference number, which will assist in keeping a clear audit trail. This number will appear in the general ledger's 'Extra Details' column.

Creating journals maximises multi-window functionality, and any newly created or added accounts that are added via **Account Maintenance** will be available to use whilst also having **Journal Preparation** and processing.

If there are journal entries that are posted to the general ledger and require a description change, this can be done via **Local Transactions**.

To view the **Journal Preparation** video, including alternative options, click [here](#).

The **Journal Preparation** icon is available in the Current Year only. To enter journals to the Old Year, use a date from the Old Year Financial Year.

Adding a Journal Set

004/005/ 401/402 entries are systematically updated when creating a set therefore posting to these account will cause issues.

When posting a journal between two balance sheet accounts in Journal Preparation, the Transaction Fund Breakup will be created with the fund set to the first fund (usually Administrative). If entering journals to an investment account or other adjustments which require a different fund, this can be adjusted by setting the relevant fund in the field titled *Fund*. Profit and Loss accounts will automatically display the fund required as the fund associated to the account code. For example 101 will default to Administrative Fund. Assigning the fund when selecting a balance sheet code will cause an error if there is a fund mismatch.

1. Search or select **Journal Preparation** from the Current Year.
2. Click *Add Journal Set*.
3. Enter the Date and Reason for the journal set. (Enter Old Year Financial Date if journal required to post to the Old Year - once an account is selected, the balance of the selected account will appear reflecting the Current Year's balance or the Old Year's balance, depending on the journal date.).
4. Tick *Auto Reverse* if applicable.
 - Auto Reverse allows reversal journals to be created automatically in the next month, creating opposite entries. The transaction will be written to the general ledger on the first day of the following month. Auto Reverse is commonly used in the current month or old year (depending on when the building's year-end is) to assist with Financial Year End adjustments for [accruals and prepayments](#).
5. Click *Add*, then select the account code.
6. Enter the amount into the debit (DR) or credit (CR) field. If the building is registered for GST, tick *No GST* as required and from the drop-down list, select the appropriate GST status.
7. If selecting a balance sheet code, select the *Fund* the transaction relates to.
8. Enter the *details* and *explanation*, which will be reported on the transaction list.
9. Click *Add* and repeat the above steps to complete and balance the journal.
10. The *New Account Balance* is a handy way of checking that the two sides of the journal have been entered correctly.
11. Click *Save*. Saving will allow you to return to the journal set later. Once the journal set balances to 0.00, the *Process* button will be available to process the transactions.

Account balances depend on the GST style selected. GST charges will not be reflected in the account balance where the *Gross* style is set.

Journal Set 00000006 Totals: 15.00 DR 15.00 CR **Balance: 0.00**

Date: 30/06/2024 Reason: Reason field Frequency: Once Only Auto Reverse On Hold + Add

Account	DR	CR	GST	Invoice Code	Fund	Details	E
> 001 12721 BANKING - TRANSACTION FEES		15.00			ADMINISTRATIVE FU	Details	X

Transaction 2

Account: 12705 BANK CHARGES Fund: ADMINISTRATIVE FUND

Amount: 15.00 (DR) Includes a GST component of 1.36 No GST GST on Expenses New Account Balance: 15.00

Details: Details Explanation:

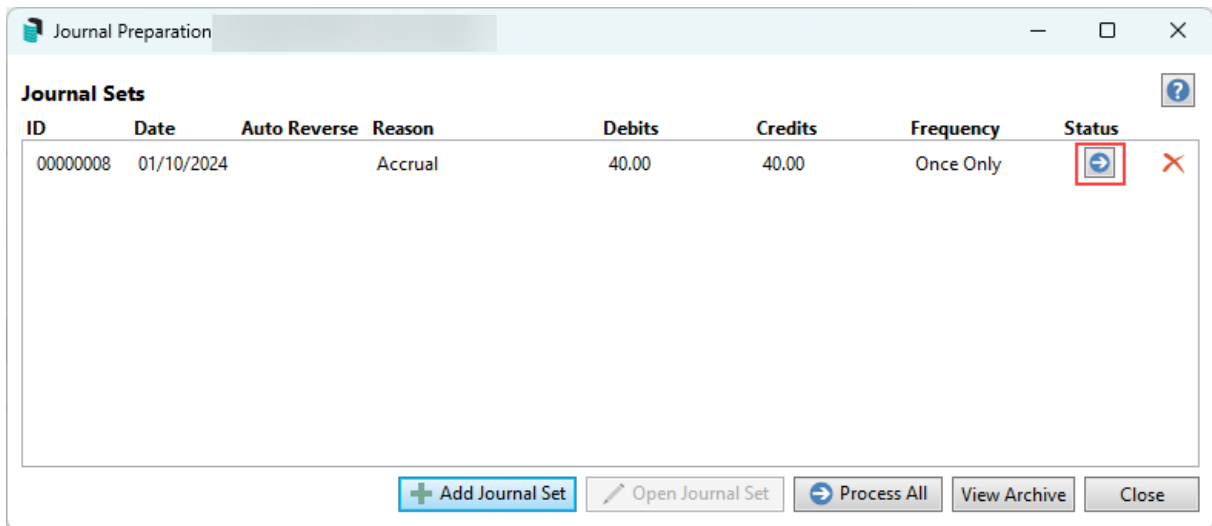
Print Save Process Close

If you receive the message 'Processing failed. See error log for details, ' you can refer to the [Log Viewer](#).

Process a Single Journal Set

Once a journal set has been entered and saved and the balance returns to \$0.00, it can be processed. To process a single journal set, complete the following.

1. This screen will confirm 'Debits' and 'Credits' from the summary screen. This can be a simple way of identifying the balance of a singular journal set.
2. From the saved records, highlight the required journal set. From the 'Status' column, click on the 'Single Process' (blue arrow) button.



3. To check the entries, click *View Archive* if required or go to **Local Transactions** to confirm the posted transactions.

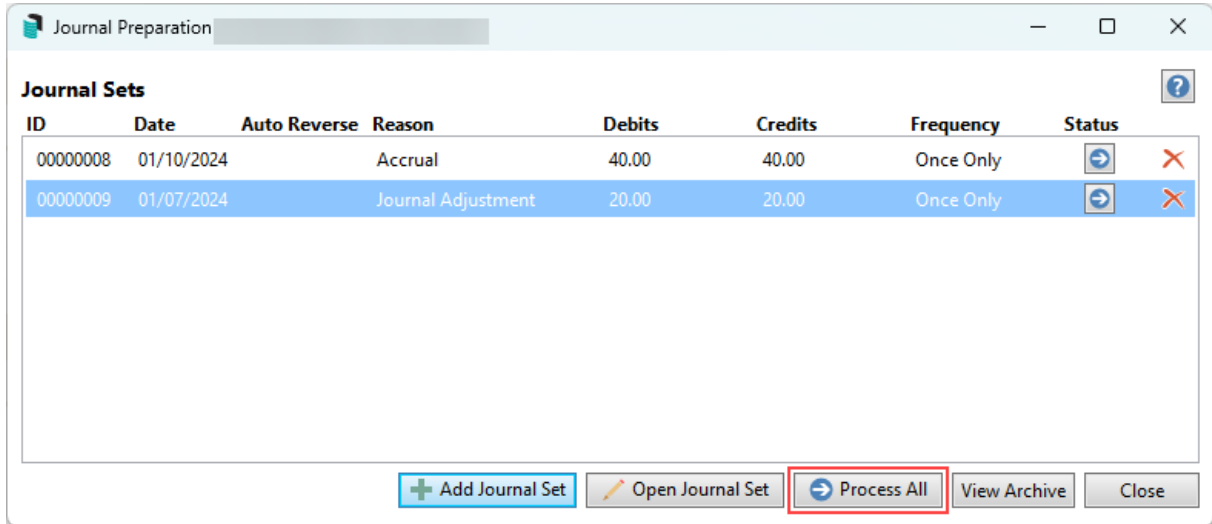
If you receive the message 'Processing failed. See error log for details, ' it refers to the [Log Viewer](#).

Process All Journal Sets

If multiple journal sets are available for processing and all entries have been reviewed and are ready for processing, this can be completed with one action.

1. Search or select **Journal Preparation**.
2. This screen will confirm 'Debits' and 'Credits' from the summary screen and can provide a simple checkpoint if the journal sets are ready for processing. If they have been checked and ready to process,

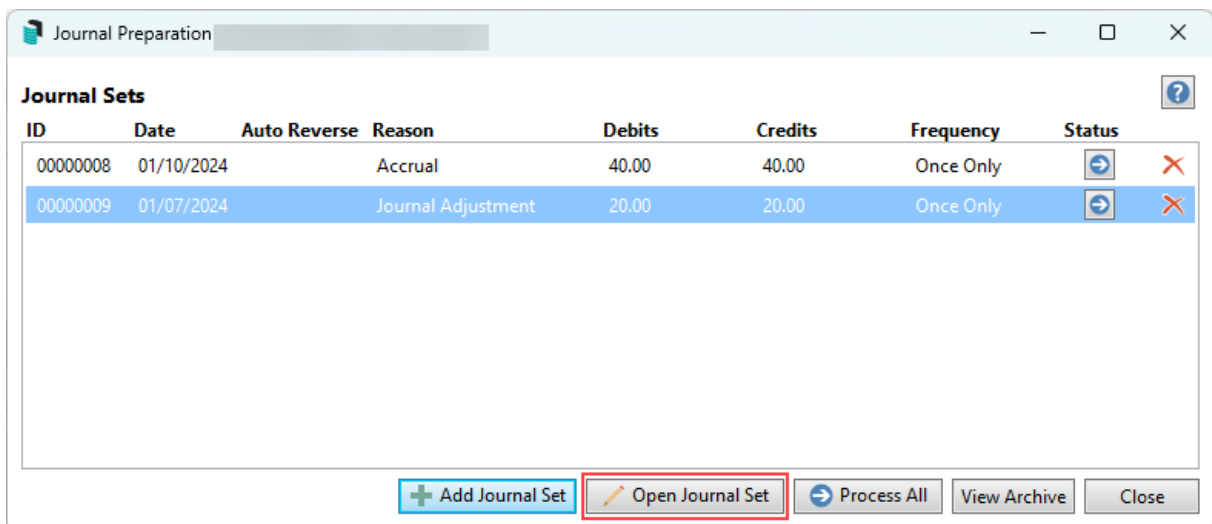
from this window click *Process All*.



Edit a Journal Set

Any journal set that has been saved but not yet processed can be opened and edited as necessary. However, suppose the journal set has already been processed, and you later find it was incorrect (wrong description, not the right GST setting, wrong amount, etc.). In that case, you will need to process another journal set to undo the transactions of the previous journal set first, then process a new journal set with the correct details this provides transparency and a full audit trail and enhanced reporting. Once opened, the journals can be added, edited or deleted.

1. Search or select **Journal Preparation**.
2. From the existing saved journals, click *Open Journal Set*.



3. Click + *Add* to the existing journals to add to the set, select a transaction and click the red cross to delete an entry or highlight an existing entry to edit and amend the information as needed. If the set needs to be a recurring journal, set the *Frequency*. It can also be set to *Auto Reverse* (date should only apply for specific date posting) and placed *On Hold* if required.
4. Once the journal set balances to \$0.00 the journal set will be available for processing by clicking *Process*.

Alternatively, the journal set can be re-saved with *Save* or *Print* to print a copy of the journal set.

The screenshot shows the 'Journal Preparation Set' window for 'Journal Set 00000009'. The window title is 'Journal Preparation Set -'. The top right corner shows 'Totals: 20.00 DR 20.00 CR Balance: 0.00'. Below the title bar, there are fields for 'Date: 01/07/2024', 'Reason: Journal Adjustment', 'Frequency: Once Only', and checkboxes for 'Auto Reverse' and 'On Hold'. A '+ Add' button is on the right. The main area is a table with columns: Account, DR, CR, GST, Invoice Code, Fund, and Details. A 'Transaction 2' pop-up is open, showing 'Account: 12505 AUDITORS - AUDIT SERVICES', 'Fund: ADMINISTRATIVE FUND', 'Amount: 20.00', and 'Details: Journal Adjustment'. At the bottom of the window are buttons for 'Print', 'Save', 'Process', and 'Close'.

Deleting a Journal

If the journal set is no longer required or needs to be deleted, this can be managed by Journal Set or by single entry items. The below information will detail both methods.

Delete a Journal Set

1. From the summary screen, highlight the required journal set and click *Delete* (red cross button).

The screenshot shows the 'Journal Sets' summary screen. The window title is 'Journal Preparation'. The table has columns: ID, Date, Auto Reverse, Reason, Debits, Credits, Frequency, and Status. The second row is highlighted in blue and has a red 'X' button in the Status column.

ID	Date	Auto Reverse	Reason	Debits	Credits	Frequency	Status
00000008	01/10/2024		Accrual	40.00	40.00	Once Only	→ ✖
00000009	01/07/2024		Journal Adjustment	20.00	20.00	Once Only	→ ✖

At the bottom of the window are buttons: '+ Add Journal Set', 'Open Journal Set', 'Process All', 'View Archive', and 'Close'.

Delete a single journal entry

1. Search or select **Journal Preparation**.
2. Open the required Journal Set from the summary window by highlighting it and clicking *Open Journal Set*.
3. From the entries, review and highlight the entry that needs to be removed, then click *Delete* (red cross button).
4. Based on the requirement for deleting the entry, re-enter as required.
5. Click *Save* to save the entry for later or *Process* if the journal set balance comes to \$0.00. If the set needs

to be held for later processing, tick *On Hold*, which will prevent the set from being posted.

Journal Preparation Set -

Journal Set 00000009 Totals: 20.00 DR 20.00 CR Balance: 0.00

Date: 01/07/2024 Reason: Journal Adjustment Frequency: Once Only Auto Reverse On Hold + Add

Account	DR	CR	GST	Invoice Code	Fund	Details
> 001 12105 ACCOUNTING		20.00			ADMINISTRATIVE FU	Journal Adjustment ✖
> 002 12505 AUDITORS - AUDIT SERVICES	20.00				ADMINISTRATIVE FU	Journal Adjustment ✖

Print Save Process Close

View Archive

Using Journal Preparation allows for archives of each set to be available via this area. The archive will include columns of information confirming the posted entries and details relating to the 'Journal ID', Reason, Posting Date, Auto Reverse and User Name information. The archive window will give all sets of transactions for a building, which can be printed off in selected batches or all entries, depending on requirements.

1. Search or select **Journal Preparation**.
2. From the summary screen, select *View Archive*.
3. Using the tag column, tag the required entries by selecting or Ctrl +A to tag all.

Journal Preparation Archive

<input type="checkbox"/>	Journal ID	Reason	Posting Date	Auto Reverse	User Name
<input checked="" type="checkbox"/>	00000008	Accrual	20/09/2024	<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	00000007	Test	17/09/2024	<input type="checkbox"/>	
<input type="checkbox"/>	00000006	Reason field	30/06/2024	<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	00000006	Reason field	01/07/2024	<input checked="" type="checkbox"/>	
<input type="checkbox"/>	00000005	Prep	30/06/2023	<input checked="" type="checkbox"/>	
<input type="checkbox"/>	00000004	Accrual	30/06/2023	<input checked="" type="checkbox"/>	
<input type="checkbox"/>	00000003	Discount	17/01/2024	<input type="checkbox"/>	
<input type="checkbox"/>	00000002	Discounts	17/01/2024	<input type="checkbox"/>	
<input type="checkbox"/>	00000001	Lot 20 arrears	31/10/2023	<input type="checkbox"/>	

Print Selections Close

4. Click *Print Selections*. From the Report Setup window, ensure the output method is set correctly. If necessary, select *Excel* to export, *Screen* for a PDF version, or *Printer* to print to the printer set in this window.
5. Click *OK* to report the archive. If multiple sets were included, these will be included in one report.

Page 1		Journal Work Sheet				Financial Year Start:		Financial Year End:	
A/c No	A/c Name	Account Group	DR	CR	GST	Details	Explanation	Fund	Auto Reverse
17/01/24	Discount				No				
02100013				214.52	No	Trf 1011		SINKING FUND	N
1011	Discount - Admin Fund		214.52		No	02100013		ADMINISTRATIVE	N
01/07/24	Reason field								
12721	Banking - Transaction Fees		15.00		No	Details		ADMINISTRATIVE	Y
12705	Bank Charges			15.00	Yes	Details		ADMINISTRATIVE	Y

Auto Reverse entries

Using Journal Preparation, the Auto Reverse function can occasionally assist with recording transactions in the year that they apply to. For example, an accrual entry will expend an item in the old year, and a prepayment will remove the expense from the old year. Managing Insurance Premiums is a typical process that can also be done using the Pro-Rata option in **Creditor Invoices**. The other common type is accrued income, which will assist in creating transactions for forecasted income not yet received and belongs to the prior year.

The result of these entries will include an entry to the income or expense account (most common), with the opposite entry sitting on the balance sheet for either the prepayment or accrual. It will also create the opposite entry in the current year and post the opposing entries to the same account codes used. This can also include a nominated specific date if the entry is required to be posted on that date.

Accrual

1. Search or select **Journal Preparation** from the Current Year.
2. Click **Add Journal Set**.
3. Enter the **Date** (Old Year date) and **Reason**, and select **Auto Reverse**. If there is a specific date that the auto reverse entry should post, enter the date field.
4. Click **Add** and select the **Account** from the list. Enter the **Amount** into the debit (DR) column to adjust the balance. Adjust the GST setting if needed.

Recommended to select the expense item and enter a debit entry first. Check the New Account Balance field to ensure the balance is correct.

The screenshot shows the 'Journal Preparation Set' window. At the top, it displays 'Journal Set' with a summary: 'Totals: 300.00 DR 300.00 CR Balance: 0.00'. Below this, the 'Date' is set to '30/06/2024', 'Reason' is 'Accrual-OY Expense', and 'Frequency' is 'Once Only'. There are checkboxes for 'Auto Reverse' (checked) and 'On Hold' (unchecked). An 'Add' button is visible.

The main table area shows a transaction entry:

Account	DR	CR	GST	Invoice Code	Fund	Details
23010 BUILDING REPAIRS	300.00		No		SINKING FUND	Accrual-OY Expense
002 083 ACCRUALS		300.00				Accrual-OY Expense

At the bottom of the window, there are buttons for 'Print', 'Save', 'Process', and 'Close'.

5. Enter some *Details* for the transaction list and an *Explanation* if desired.
6. Click *Add* again to add the balance sheet entry. Enter the opposite entry.
Recommended for a liability account.
7. If multiple entries are required, click *Add* to repeat and select/ enter the required field information.
8. Click *Save* to save the set, and click *Process* to post the transactions to the accounts. Or, if needed, tick *On Hold* to place the set on hold for later processing. This will need to be removed when ready to process.
9. Click *Close*, then *Close* to exit. These entries will remain in the **Journal Preparation** window until the Standing Journals are processed with the below.
10. From within the Current Year, run **Financial Statements** tick *Post Standing Journals* and *Only*, clicking *Proceed*.

The screenshot shows the 'Report Settings' dialog box. On the left, under 'Report Settings', there is a list of checkboxes: 'Print Header', 'Lot Balance Report' (checked), 'Account Summary', 'Insurance Details Report', 'Print Building Address', 'Print Variation Totals', 'Split Bank Balance' (checked), 'Receipt Summary', 'Print Extra Reports Only', 'Committee Expenditure Report', 'Creditors Balance Report', and 'Statement of Key Financial Information'. There is also a 'Show Nil' checkbox. In the center, 'Report Name' is 'Management Financial Stmtnts'. 'Report Period' is '01/06/22 to 03/06/22'. There are three radio buttons: 'UnBalanced Flag' (checked), 'Only' (checked), and 'Draft'. Below these are 'Save Settings as Default' (unchecked) and 'Post Standing Journals' (checked). On the right, there are buttons: 'Preview' (unchecked), 'Proceed' (highlighted with a red box), 'Footnotes Setup', 'Edit Columns', 'Edit Header', 'Change Building', and 'Close'.

Example:

Code	Description	Actual 03/06/2022	Actual 31/05/2022
003	<u>OWNERS FUNDS</u>		
004	Administrative Fund	-79,046.49	-38,703.76
005	Sinking Fund	-115,108.52	-96,837.34
0098	<u>TOTAL</u>	\$ -194,155.01	\$ -135,541.10
0099	<u>THESE FUNDS ARE REPRESENTED BY</u>		
010	<u>CURRENT ASSETS</u>		
01300	Bank Balance Admin Fund	45,968.99	45,968.99
01400	Bank Balance Sinking Fund	93,291.29	93,291.29
01401	Investment A/C Sinking Fund	100,000.00	100,000.00
0220001	Levies Billed Not Due	0.00	64,117.80
0221	Levies In Arrears	61,484.80	0.00
0598	<u>TOTAL ASSETS</u>	300,745.08	303,378.08
0599	<u>LIABILITIES</u>		
061000	Gst Clearing Account	1,333.65	1,333.65
061004	Gst Conversion Account	3,005.26	3,005.26
082	Creditors	-110,929.00	-110,929.00
083	Accruals	0.00	-325.00
0960001	Levies Billed Not Due	0.00	-58,288.91
0960002	Levies - Prepayments	0.02	0.02
0961	Levies In Advance	0.00	-2,633.00
098	<u>TOTAL LIABILITIES</u>	-106,590.07	-167,836.98
099	<u>NET ASSETS</u>	\$ 194,155.01	\$ 135,541.10

Code	Description	Actual	Actual	Budget
		01/06/22-03/06/22	01/06/21-31/05/22	01/06/22-03/06/22
200	SINKING FUND			
2000	INCOME			
201	Levies - Sinking Fund	-17,946.18	-71,999.94	0.00
2011	Discount - Sinking Fund	0.00	13,886.63	0.00
2191	TOTAL SINKING FUND INCOME	-17,946.18	-58,113.31	0.00
220	EXPENDITURE - SINKING FUND			
22215	Air Conditioning Systems	-325.00	325.00	0.00
23010	Building Repairs	0.00	967.28	0.00
23330	Consultant - Sinking Forecast	0.00	376.09	0.00
23630	Furniture & Fittings	0.00	1,007.64	0.00
24807	Lift - Replace	0.00	145,400.00	0.00
25110	Minor Building Maintenance	0.00	341.82	0.00
25975	Pool - Pumps/Chlorinators	0.00	489.00	0.00
289	TOTAL SINK. FUND EXPENDITURE	-325.00	148,906.83	0.00
290	SURPLUS / DEFICIT	\$ -18,271.18	\$ 90,793.52	\$ 0.00
295	Opening Sinking Fund Balance	-96,837.34	-187,630.86	0.00
299	SINKING FUND BALANCE	\$ -115,108.52	\$ -96,837.34	\$ 0.00

Prepayment

1. Search or select **Journal Preparation** from the Current Year.
2. Click **Add Journal Set**.
3. Enter the *Date* (Old Year date) and *Reason* and select *Auto Reverse*.
4. Click **Add** and select the *Account* from the list. Enter the *Amount* into the credit (CR) column to adjust the balance.

Recommended to select the expense item and enter a credit entry first. Check the New Account Balance field to ensure the balance is correct.

5. Enter some *Details* for the transaction list and an *Explanation* if desired.
6. Click *Add* again to add the balance sheet entry. Enter the opposite entry.
Recommended for an asset account.
7. If there are multiple entries required, click *Add* to repeat and select/ enter the required field information.
8. Click *Save* and click in the large white box area to activate the *Process* button and click.
9. Click *Close*, then *Close* to exit.
10. From within the Current Year, run **Financial Statements** and tick *Post Standing Journals* and *Only* and select *Proceed*.

Report Settings

Print Header

Lot Balance Report Show Nil

Account Summary

Insurance Details Report

Print Building Address

Print Variation Totals

Split Bank Balance

Receipt Summary

Print Extra Reports Only

Committee Expenditure Report

Creditors Balance Report

Statement of Key Financial Information

Report Name:
Management Financial Stmtnts

Report Period:
01/06/22 to 03/06/22

UnBalanced Flag Only Draft

Save Settings as Default

Post Standing Journals

Preview

Proceed

Footnotes Setup

Edit Columns

Edit Header

Change Building

Close

Example:

Code	Description	Actual 03/06/2022	Actual 31/05/2022
003	<u>OWNERS FUNDS</u>		
004	Administrative Fund	-79,046.49	-38,703.76
005	Sinking Fund	-115,108.52	-96,962.34
0098	<u>TOTAL</u>	\$ -194,155.01	\$ -135,666.10
0099	<u>THESE FUNDS ARE REPRESENTED BY</u>		
010	<u>CURRENT ASSETS</u>		
01300	Bank Balance Admin Fund	45,968.99	45,968.99
01400	Bank Balance Sinking Fund	93,291.29	93,291.29
01401	Investment A/C Sinking Fund	100,000.00	100,000.00
0178	Prepayment	0.00	125.00
0220001	Levies Billed Not Due	0.00	64,117.80
0221	Levies In Arrears	61,484.80	0.00
0598	<u>TOTAL ASSETS</u>	300,745.08	303,503.08
0599	<u>LIABILITIES</u>		
061000	Gst Clearing Account	1,333.65	1,333.65
061004	Gst Conversion Account	3,005.26	3,005.26
082	Creditors	-110,929.00	-110,929.00
083	Accruals	0.00	-325.00
0960001	Levies Billed Not Due	0.00	-58,288.91
0960002	Levies - Prepayments	0.02	0.02
0961	Levies In Advance	0.00	-2,633.00
098	<u>TOTAL LIABILITIES</u>	-106,590.07	-167,836.98
099	<u>NET ASSETS</u>	\$ 194,155.01	\$ 135,666.10

Code	Description	Actual	Actual	Budget
		01/06/22-03/06/22	01/06/21-31/05/22	01/06/22-03/06/22
200	<u>SINKING FUND</u>			
2000	<u>INCOME</u>			
201	Levies - Sinking Fund	-17,946.18	-71,999.94	0.00
2011	Discount - Sinking Fund	0.00	13,886.63	0.00
2191	<u>TOTAL SINKING FUND INCOME</u>	-17,946.18	-58,113.31	0.00
220	<u>EXPENDITURE - SINKING FUND</u>			
22215	Air Conditioning Systems	-325.00	325.00	0.00
223135	Carport Maintenance	125.00	-125.00	0.00
23010	Building Repairs	0.00	967.28	0.00
23330	Consultant - Sinking Forecast	0.00	376.09	0.00
23630	Furniture & Fittings	0.00	1,007.64	0.00
24807	Lift - Replace	0.00	145,400.00	0.00
25110	Minor Building Maintenance	0.00	341.82	0.00
25975	Pool - Pumps/Chlorinators	0.00	489.00	0.00
289	<u>TOTAL SINK. FUND EXPENDITURE</u>	-200.00	148,781.83	0.00
290	<u>SURPLUS / DEFICIT</u>	\$ -18,146.18	\$ 90,668.52	\$ 0.00
295	Opening Sinking Fund Balance	-96,962.34	-187,630.86	0.00
299	<u>SINKING FUND BALANCE</u>	\$ -115,108.52	\$ -96,962.34	\$ 0.00

Journal Preparation | FAQ

1. The **Journal Preparation** icon is available in the Current Year. To enter journals into the Old Year, access **Journal Preparation** from the Current Year and enter a date within the Old Year Financial Year.

If **Audit Done** is ticked in **Building Information** for the prior year, journals will not post for an Old Year Date.

2. Can a journal be edited once it has been processed?

There is no longer an edit function for a processed journal. Another journal set will need to be entered to cancel the original journals or further journals can be entered to make adjustments. This allows for transparency on the accounts and an audit trail. We are in the process of assessing the development of a full reversal function and will notify via release notes. If the **Tax Code** or **Details** require editing this can be completed using [Local Transactions](#).