

Using Bank Reconciliation

Reconcile your bank statements using Bank Statement Processing. Through this application you can automatically or manually match transactions between your bank accounts and bank statements.

During this course, you first explore how to import electronic statements from your bank.

It then shows the ways you can match statement lines with unmatched bank account transactions.

You then see how to match transactions through Automatic Matching and Quick Matching.

The course ends by exploring how to manually create a bank statement.

Objectives

- Importing Bank Statements
- Matching Transactions
- Automatic and Quick Matching
- Entering Bank Statements

Importing Bank Statements

A bank statement lists both bank account activity and its balance. It verifies that the statement amounts match the amounts in your company account. You reconcile statements using Bank Statement Processing.

You often reconcile bank statements each month. But if you receive bank statements electronically, you can reconcile through a more frequent schedule, perhaps every day.

Typically, you reconcile statements by importing them from a bank. You then see which transactions automatically match transactions in your bank account. You then manually match any remaining unmatched statement lines.

Launch Bank Statement Processing. From the Landing Page, tap the Bank Account ID. Select the bank account you need to reconcile.

Now import the electronic statement from the bank. Tap the Overflow menu and select Import Statement.

The Import Statement Panel slides on. Tap Search to find and select the electronic bank statement. You set up these files through Electronic Interface Maintenance. You then use Bank Account Maintenance to link this electronic file format to the account.

Select the electronic bank statement and tap open.

When you return to the Import Statement panel, the selected file displays in the Import File field. Tap Import.

If the bank account listed in the import file matches your bank account, the bank account information displays in the Statement Header. The bank account ID and Description appear along with the currency for the transactions.

The Statement that you are using to reconcile displays in this field. To change this statement, tap search and select a different option.

The Opening, Closing, and Apply Date indicate the date range for the transactions. Tap the Calendar icon in each field to find and select a different date.

The next fields show the Fiscal Year and Fiscal Period when the transactions took place.

You can view the Opening Balance, Closing Balance, Line Total, and any Variance currently within the imported bank statement.

Matching Transactions

Review the combined details on the Statement Workbench. Finish reconciling the bank statement by matching the transactions. The Statement Lines card displays the matched and unmatched bank statement lines.

Select an unmatched transaction in the Statement Lines grid.

Go to the Unmatched Transactions grid. If no transactions appear or if you want to refresh this list, tap the Overflow menu and select Retrieve.

The Retrieve Options panel slides on. Enter a From and To Date. Filter which transactions to retrieve by partner and statement line type. You can also include payment instruments that have due dates after the statement's closing period.

Select the options and tap Retrieve.

To link a transaction, select the check box next to it and then tap Match. It disappears from the list of unmatched transactions.

Back on the Statement Lines grid, the selected transaction now has the Matched Status.

The cash receipt, payment, or other document that matches the transaction displays in the Matched Documents card. As you match statement lines with bank account transactions, the documents for these transactions display in the Match Documents grid.

You can also create a document to match with a selected statement line. To do this, select an unmatched statement line. Then tap the Overflow menu and select Create New Document.

Depending on the statement line's type, the system launches a corresponding application, like Payment Entry or Cash Receipts Entry. Use this application to create the transaction that will match the selected statement line.

For this example, the system launched Cash Receipts Entry and automatically populated fields with information from the statement line.

Enter the Customer ID for the customer who sent you this cash receipt transaction.

To place this transaction amount against an existing AR invoice, scroll down to the Allocate card. Tap the Invoice Selection button.

The Invoice Selection panel slides on. Select an invoice from the Invoices grid and tap the Apply button.

After the system finishes applying the payment, tap Save and then Close Cash Receipts Entry.

You cannot post this transaction; you just save it here. Bank Statement Processing then posts the transaction along with the entire bank statement.

You return to Bank Statement Processing. The document displays in the Matched Documents card. In the Statement lines card, the selected transaction now has the Matched status.

You can also un-match documents. To do this, first go to the Statement Lines card and select the line to un-match.

Now on the Matched Documents card, select the document to un-match.

Tap the Overflow menu and select Un-match.

You can also un-match the documents by tapping the Un-match All icon.

Automatic and Quick Matching

Bank Statement Processing also has Automatic Matching and Quick Matching, features that make it easier to match transactions.

Automatic Matching uses reconciliation logic that attempts to match statements with unmatched bank account transactions. If it finds a match, it links the statement and the transaction.

To launch this process, tap the Overflow menu and select Automatic Matching.

The process now goes through the statement lines, analyzing values that may also be in the bank account transactions. It first checks for a payment reference number, like a check number or an electronic payment ID.

It then looks for the invoice reference number, a company name that a specific bank uses, and a bank account number.

If the process still cannot find matching data, it next checks the Partner ID to locate a customer, supplier, or bank by partner cross reference. You enter these cross references on customer, supplier, and bank records.

Review the matching results. If you do not want the choice for the match, change the status to Not Matched.

Use the Quick Matching page to directly match statement lines with the bank account transactions. Tap the Quick Matching button.

Expand the Statements Lines card and select an unmatched statement line.

Now go to the Unmatched Transactions card. Select one or more unmatched transactions that you want to match with the selected statement line.

As you select transactions, the statement line's Unallocated Amount goes down by each transaction amount. When the total amount equals the line's amount, the line is matched and the transactions disappear from the Unmatched transactions list.

If the Unallocated Amount does not go down to zero but you still want to match the selected transactions, tap the Match button. The statement line is matched and the system calculates the variance amount.

To see the transactions you matched, return to the Statement Workbench. The transactions display in the Matched Documents card.

Entering Bank Statements

You may need to manually create a new statement and then match the transactions to this statement. Once you post all statements linked to the selected bank account, you can manually create a new statement.

Return to the Landing Page. Select the Bank Account that needs the new bank statement.

Now tap New. The Statement Header card displays.

The Opening Date defaults based on the closing date from the previous statement. Enter the Closing Date for the statement.

Enter a Description that helps identify when and why you created this bank statement.

Add the statement lines. Go to the Statement Workbench and expand the Statement Lines card. Tap the New icon.

You can enter the line directly in the grid. Enter data in each column and then tab into the next column.

You can also go to the Nav Tree and select the Statement Line link. The Detail card displays.

Enter the statement line information. From the Type drop-down list, select an option like ARRcpt. This is a cash receipt.

Now enter the Bank Amount for the transaction.

Enter the Partner ID for the customer, supplier, or other source for the transaction.

Identify the bank handling the transaction. Enter the Partner Bank Code and Partner Bank Account.

Save the line. Continue to add more transaction lines to this bank statement as you need.

Recap

This course showed you how to reconcile bank statements.

You first explored how to import electronic statements from your bank.

It then showed the ways you can match statement lines with unmatched bank account transactions.

You next saw how to match transactions through Automatic Matching and Quick Matching.

The course ended by exploring how to manually create a bank statement.

For more information on bank reconciliation, take courses on the Epicor Learning Center and review the online help.

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