



Article # 1086

Technical Note: Understanding the Customer Statement

Difficulty Level: Beginner Level AccountMate User

Version(s) Affected: AccountMate 7 for SQL and Express
AccountMate 6.5 for SQL and MSDE
AccountMate 6.5 for LAN

Module(s) Affected: AR

Posting Date: 07/23/2008

DESCRIPTION

The Customer Statement report details transactions that were generated from sales agreements between a customer and the company (i.e. sales, returns, payments & finance charges). Typically, these statements are periodically sent to customers to monitor the accuracy of recorded transactions and to encourage prompt payment.

This Technical Note will discuss the relevance of certain fields and options in the **Customer Maintenance** and **Print Customer Statement** functions that affect Customer Statements. It will also address the correlation of some Accounts Receivable reports with the Customer Statement and provide a matrix presentation of the source of significant Customer Statement data.

SOLUTION

To properly understand the AccountMate Print Customer Statement function, it is necessary to know the purpose of the following fields and options that affect Customer Statements:

| Function | Fields or Options | Use |
|---|--|---|
| Customer Maintenance – Settings Tab | Print Customer Statement | To allow printing or previewing of customer statements. |
| | Print Open Item | To show on the statement each sales invoice outstanding at the beginning of the statement period. |
| | Print Balance Forward | To show on the statement the total amount of all sales invoices outstanding at the beginning of the statement period. This total amount is shown as "***Balance Forward**" in the statement. |
| Receivable Reports - Print Customer Statement | Individual Customer # | To provide a statement for a specified individual customer. |
| | Range of Customer # | To provide a statement for a specified range of customers. |
| | Range of Outstanding Customer Balances | To provide a statement for all customers whose outstanding balances fall within the specified balance range. |
| | Last Statement Date | To show detailed customer transactions (i.e. invoices, payments & refunds) recorded AFTER the specified date. Customer transactions posted BEFORE the specified date will be totaled shown as "***Balance Forward**". |
| | Statement Cut-Off Date | To show detailed customer transactions (i.e. invoices, payments & refunds) recorded THROUGH the specified date. |
| | Excl History Cash Rcpts before | To show in the "***Payments**" section only those receipts that occurred after the specified date. The system will not accept a date later than the date entered in the Last Statement Date |

| | | |
|--|--------------------------------------|---|
| | | field. |
| | Age on Invoice Due Date/Invoice Date | The system's basis for aging outstanding invoices depending on the chosen option. The aging range will depend on the aging range value set up in the General (1) tab of the AR Module Setup function. |
| | Include Paid-In-Full Invoices | To show fully paid invoices recorded within the range specified between the last statement date and the cut-off date. |

The following table shows the major Customer Statement sections, the details of each section, and the source tables from which the system obtains the data when the Customer Statement is either printed or previewed:

| Statement Section | Source Table | Details |
|-------------------|---|--|
| Invoice Details | AR Invoice File [Arinvc(h)] & AR Applied Payment File [Arcapp(h)] | <ul style="list-style-type: none"> · This section shows in detail the recorded invoice and sales returns within the last statement date and cut-off date. · Invoice details are obtained from the Arinvc(h) tables, while the payments applied to invoices to compute the invoice balance are obtained from the Arcapp(h) tables. · Presentation of outstanding invoices created before the last statement date is shown depending on the chosen option in the Statement area of the customer record. · Purged invoices and sales returns included in the specified cut-off date are included in the "***Balance Forward**" amount. |
| Finance Charge | AR Finance Charge File [Arfchg(h)] | <ul style="list-style-type: none"> · Finance charges computed based on past due statement balance are shown in the Finance Charge column separately using "FCHG" invoice #. · Finance charges computed based on past due invoice balance are shown part of the corresponding past due invoice. |
| Payments | AR Payment File | <ul style="list-style-type: none"> · This section shows in detail the payments, discounts, adjustments and |

| | | |
|-------------|---|--|
| | [Arcash(h)] | <p>write-offs recorded after the last statement date and on or before the cut-off date.</p> <ul style="list-style-type: none"> Applied payments from sales returns are not shown in this section. |
| Refunds | Refund File [Arrfnd] | <ul style="list-style-type: none"> This section shows in detail the refund information after the last statement date and on or before the cut-off date. |
| Open Credit | AR Payment File [Arcash(h)] & AR Applied Payment File [Arcapp(h)] | <ul style="list-style-type: none"> This section shows total open credit information as of cut-off date. Open credit is computed as total cash payment less total applied payment. |

The Customer Statement does not show the application of payments or open credits to each outstanding invoice; you must use other Receivable reports such as the **AR Status Report, Aging Report, Open Credit Report, Finance Charge Report, Refund Report** and **Print Prepaid Memo** to manually identify the application of payment to each invoice. These reports will guide you to identify any problems that may exist in your accounts receivable balances. Analyzing these reports allows you to recognize errors in the recorded customer transactions and directs your attention to possible payment problems in customer accounts; therefore, sound internal control recommends periodic analysis of these reports. Refer to the User Manual or Online Help for details on the content of the other Receivable reports.

Understanding the Customer Statement report and knowing what other Receivable reports to use enables you to properly analyze the outstanding invoices, payments, adjustments, and charges to a customer transaction. Better knowledge of the Customer Statement report will assist you to identify errors or problem postings to customer accounts.

This information is provided "AS IS" without warranty of any kind. AccountMate Software Corporation ("AccountMate") disclaims all warranties, either express or implied. In no event shall AccountMate be liable for any damages whatsoever including direct, indirect, incidental, consequential, loss of business profits, or special damages, even if AccountMate has been advised of the possibility of such damages.
