



# Smart Reconciliation

## Reconciliation directly in forms

Inventory / General ledger reconciliation can now be performed at any time for any period or date, entirely and solely through the use of forms designed exactly for that purpose, eliminating the need for printed reports and significantly reducing the time used on reconciliation.

When performing period P&L closing it is always a challenge in Dynamics 365 to reconcile the inventory value against General ledger.

There are different reasons for these reconciliation issues, but it's common for most of them that the imbalances between inventory and General ledger are often not discovered in the period where they were created. In some cases simple and small imbalances are accumulated during a whole year and when the auditor shows up at year-end these initially simple and small imbalances are not small any more and are most often very difficult to explain and to reverse - occasionally this leads to delayed account statements and a lot of discussions with the auditor.

Dynamics 365 is a very flexible and fully integrated system which can be set up and used in many different ways - but very often this

setup flexibility has lead to automatic entries in the General ledger which were not planned - and hereafter not found and corrected - as standard Dynamics 365 do not include tools to find these "wrong" entries - but with Smart Reconciliation for Dynamics 365 these tools are available.

Smart Reconciliation features the complete set of tools necessary to automate and simplify the task of Inventory / General ledger reconciliation. Rules for how to reconcile the inventory against the General ledger can be set up to match the structure in General ledger so that posted amounts are directly comparable as shown in the screen display below.

In this screen display you can specify and select item groups and/ or items numbers to be reconciled with selected account numbers in General ledger for a specific period - further you can define

Main account	Account name	
140100	Raw Materials Inventory	1
140200	Finished Goods Inventory	

When the relevant columns are defined, Smart Reconciliations unique tool is simply launched by pushing a button. The functionality will automatically reconcile the inventory value against the General ledger value per day, per month or per year. The result of the reconciliation is presented with a clear indication of the period in which a potential reconciliation difference were created - hereafter you will know which period to drill deeper into.

From date	To date	Physically posted	Financially posted	Posted in total	Δ Posted in total	Ledger balance	Δ Ledger balance	Difference	Δ Difference
01-12-2021	31-12-2021	1.698.683,58	1.850.522,54	3.549.206,12		3.549.216,12		-10,00	
01-01-2022	31-01-2022	1.698.683,58	1.850.522,54	3.549.206,12		3.549.241,12	25,00	-35,00	-25,00
01-02-2022	28-02-2022	1.698.683,58	1.850.522,54	3.549.206,12		3.549.241,12		-35,00	
01-03-2022	31-03-2022	1.698.683,58	1.850.522,54	3.549.206,12		3.549.241,12		-35,00	
01-04-2022	30-04-2022	1.698.683,58	1.850.532,54	3.549.216,12	10,00	3.549.256,12	15,00	-40,00	-5,00

Type	Balance account	Inventory value in total	Posted in total	Ledger balance	Difference
Transaction	140200			25,00	-25,00
Sum				25,00	-25,00

With Smart Reconciliation you can push a button to drill deeper into such a period and get a complete specification of all posted amounts made in the inventory module in the actual period. On the reconciliation tab pages posted inventory values and General ledger balances are presented side by side on this granular level showing any difference.

Thus the Smart Reconciliation tool box makes it very easy to find inventory transactions which have been posted on an incorrect account or posted amounts on inventory accounts which were not performed through the inventory module.

Hereby you can easily correct the transactions creating the imbalance - which ensures that you can finalize your P&L in due time to avoid critical questions from your auditor or manager.

Date	Ledger account	Voucher	Inventory balance	Ledger bal...	Difference
01-01-2022	140200	Piv-110000993		-10,00	
16-01-2022	140200	Piv-110000997		15,00	-15,00

  

Profit and loss acc...	Type	Item number	Lot ID	Reference	Number	Inventory value in ...	Posted in total	Packing slip	Item type	Receipt status
600180	Financial	ServiceAsItem1	012641	Purchase order	00000125	10,00	10,00		Service	Purchased

  

Ledger account	Posting type	Amount in transaction currency
140200-001	Cost of purchased materials invoiced	10,00
200110-001	Vendor balance	-10,00
600180-001	Purchase expenditure for product	0,00



FSB Development is a software company developing modules for Microsoft Dynamics.

The Smart Reconciliation module is an extension to standard Microsoft Dynamics 365 / AX 2012 R3

Smart Reconciliation is available for Microsoft Dynamics 365 for Finance and Operations and Dynamics AX 2012 R3.

FSB Development's Dynamics modules are sold via certified Dynamics partners in more than 30 countries. More than 175 Dynamics customers with over 20000 Dynamics users have chosen a module from FSB Development.

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