

Invoice Reconciliation

Fishing equipment and accessories company

- Reconcile collections against invoices while accounting for discounts and allowances at individual transaction and invoice level
- Conduct credit reviews by analyzing data from credit bureaus and propose credit limit based on findings

Invoice reconciliation & credit review for fishing equipment company

Situation

- Client was going through organizational changes and faced challenges in timely reconciliation of receipts against invoices, leading to delays and lack of systematic management of receivables. There was also an opportunity for a more robust credit reviewing mechanism for new account addition applications.
- Partnered with the client to develop a robust SOP for the reconciliation process, set up a weekly reporting process to manage receivables and took over the credit review process

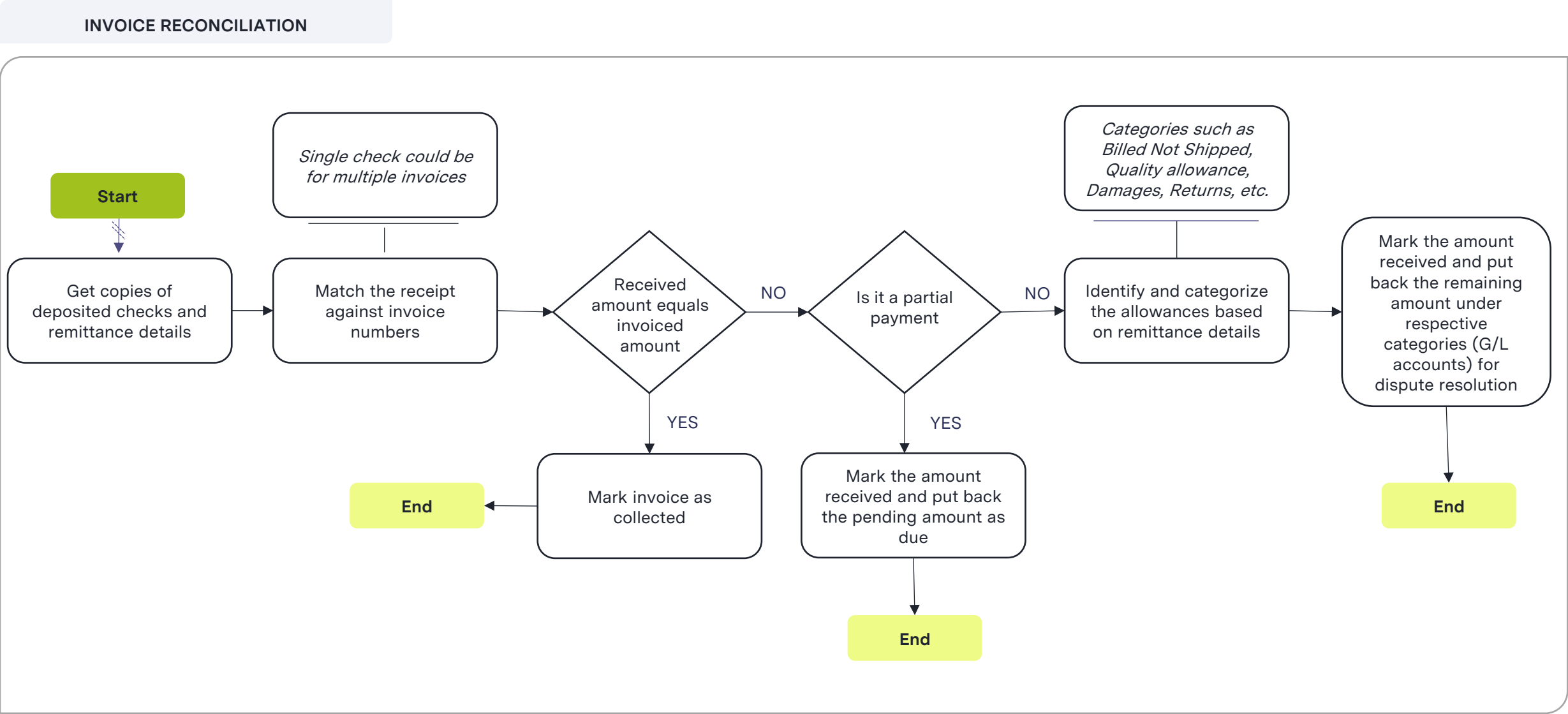
Accordion Value Add

- Reconciled amount collected through different payment methods such as checks, wires, credit cards, etc. with customer orders by matching invoice numbers. This also involves identifying and accounting for discounts, returns, quality and quantity allowances, etc.
- Established a process of preparing receivables summary report for the Controller and the Collections team
- Performed credit reviews of new applicants using references from their existing trading partners, D&B and Reimer to determine the trade credit limit
- Established a process that enables all stakeholders in the chain to track status of any new application, the observations used to determine the credit limit and all other relevant information within the same tool

Impact

- Daily reconciliation of bank receipts helped the company to have more immediate visibility into Collections and Receivables within a D+1 timeframe
- Developed process helped the company in reviewing their receivables position across brands, customers and ages on a weekly cadence
- Streamlined credit review process helped turnaround the approval process quickly and properly communicate timelines to customers

Approach & methodology - Invoice reconciliation



Methodology/ Approach - Credit review (1/2)



CUSTOMER APPLICATION

- Requested Credit limit
- Projected/ PY Annual Sales
- Age of the Business
- References



D&B, REIMER

- Credit Scores
- Number of Reviewers
- Aged Credit Dues
- Highest Credit Handled till Date
- Competitors' Credit Dues/ High Credit



REFERENCES

- Credit History
- Trade Experience

INPUTS



DATA SOURCES

DECISION MODEL



OUTPUTS



CREDIT LIMIT

PROPOSED CREDIT
LIMIT TO BE
APPROVED BY
CREDIT MANAGER

Methodology/ Approach – Credit review (2/2)

