



Article # 1090

Technical Note: Understanding the Differences between the Cash Receipts and Payment Distribution Reports

Difficulty Level: Beginner Level AccountMate User

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

Module(s) Affected: AR

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DESCRIPTION

The **Payment Reports** option on the Accounts Receivable **Reports** menu provides selections for Cash Receipts and Payment Distribution Reports. Customer payments are shown on the **Cash Receipts Report**; while information about which invoices are paid with a particular receipt is shown on the **Payment Distribution Report**. This document discusses, in detail, the differences between the two reports.

SOLUTION

Use of the Report

Cash Receipts Report

This report provides information necessary for verifying daily receipts and for matching those receipts with bank deposits. Credit card payments shown on the report will assist with verification of the deposits from the credit card companies. Use this report as an audit trail to assist in determining the occurrence of theft or fraud involving cash receipts and to verify the balance in the GL Account ID for each bank selected to receive those receipts. In addition, this report is significant as one of the bases for forecasting cash flow.

Payment Distribution Report

This report provides information about which invoices are paid with a particular receipt. Use this report to verify customer statements and to reconcile the balance in Accounts Receivable GL Account ID.

Types of Transactions Shown

The following matrix illustrates the way the reports differ with regard to the information they present:

Transactions	Cash Receipts Report	Payment Distribution Report
Applied Customer Payments	Shown	Shown
Customer Prepayments*	Shown	Not Shown
Refunds **	Not Shown	Not Shown
Refunded Customer Prepayments **	Not Shown Note: The report shows the original customer prepayment transaction only because the cash reduction of a refunded payment is not performed until the check is written out of Accounts Payable, and, therefore, will not affect cash receipts.	Not Shown Note: Customer prepayments and refunded customer prepayments do not appear on the report because a customer prepayment transaction is never applied to an invoice and, therefore, has no invoice information.
Applied Payment Adjustments	Does Not Show Adjustment Details	Shows Adjustment Details
Voided Payment	Shown Note: The report shows the transaction as another record with negative amount.	Not Shown Note: The report does not show the original and voided payment transactions.
Voided Adjustment	Not Shown Note: The same as applied payment adjustment transactions, this transaction does not affect the report.	Not Shown Note: The report does not show the applied payment adjustment and voided adjustment transactions.

* Customer prepayments are customer payments not applied to an invoice. These transactions result in customer open credits.

In AccountMate 7 for SQL and Express, negative receipts brought about by cash/credit card refunds on open credits may be shown on the **Cash Receipts Report by marking the **Include Refund Payment in AR** checkbox.

Transaction Details Shown

It is important to know the information available in each report in order to generate the report that fits your need. The following is a matrix of transaction details available in both reports based upon the filter criteria selected:

Details	Filter Criteria								Cash Receipts Report	Payment Distribution Report
	Show Discount	Show Adjustment	Show Write-off	Payments Only	Voided Payments Only	Payments and Voided Payments Only	Include Refund Payment in AR*	Include App Credits from Sales Returns*		
1. Bank Number									Yes	No
2. Pay Type									Yes	No
3. Invoice Number									No	Yes
4. Discount Amount	✓								No	Yes
5. Adjustment Amount		✓							No	Yes
6. Write-off Amount			✓						No	Yes
7. Payments				✓		✓	✓		Yes	No
8. Voided Payments					✓	✓			Yes	No
9. Reference Information									Yes	No
10. Applied Credits from Sales Returns*								✓	No	Yes

** applicable in AccountMate 7 for SQL and Express only*

Knowing the differences between the **Cash Receipts Report** and **Payment Distribution Report** may help you identify what report to use based on the information you need. **Cash Receipts Report** provides payment detail that you can use to compare against bank deposits. the **Payment Distribution Report** provides you with information showing the invoices that are covered by a particular payment and other details relating to this payment.

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