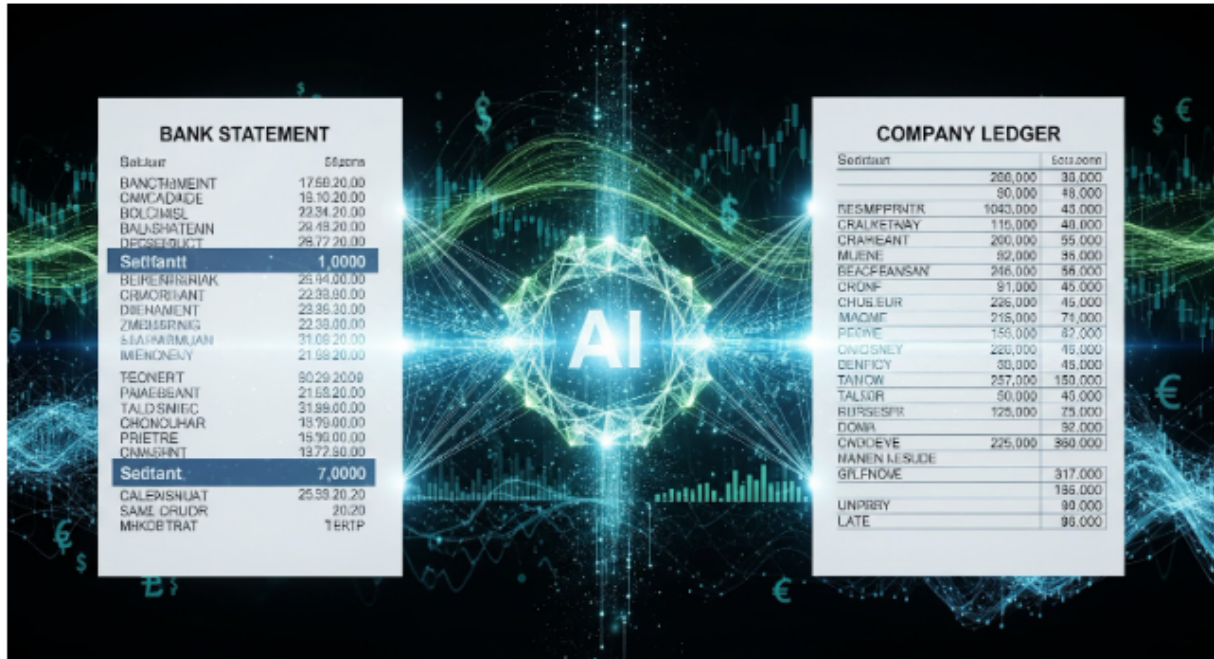


**Stop Reconciling. Start Analyzing.**

Find the balance in my AI Book  [AI for the Rest of Us](#)

*Practical • Timely • Human-First.*



## AI for Finance – Practical Reconciliation Demo

*A Most-Used Showcase Example from the MMA AI for Finance Workshop*

### Introduction: Why AI Matters in Reconciliation

Reconciliation—bank vs. company ledger—is one of the most repetitive, error-prone, and time-consuming tasks in finance.

Small mismatches, narration variations, duplicate entries, missing invoices, and unexpected debits make manual reconciliation slow and frustrating.

AI changes this completely.

Modern AI systems can:

- Read raw bank statements
- Compare them with ledgers
- Detect mismatches
- Identify duplicates
- Spot name variations
- Produce a clean reconciliation table
- Explain issues and recommend actions

This demo is widely used in the **MMA AI for Finance Workshop**, where finance professionals experience how AI eliminates hours of manual work and reduces errors.

This document is released for **public interest**, allowing anyone to learn how AI accelerates reconciliation work for both **corporate** and **personal finance**.

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# 1. The Problem

Finance teams often struggle with:

- Narration variations between bank and ledger
- Amount mismatches
- Missing entries
- Duplicate ledger entries
- Payments made but not recorded
- Ledger entries not yet paid

Reconciling these requires concentration, time, and repeated cross-checking.

AI solves this by performing **data comparison + pattern recognition + logical matching** instantly.

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## 2. Input Data for the Demo

This is the short dataset used in MMA workshops for live reconciliation.  
It contains **realistic mismatches** to show AI capability clearly.

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**Table A – Bank Statement (Actual Payments)**

| Date      | Description (Bank Narrative) | Debit (₹) |
|-----------|------------------------------|-----------|
| 03-Apr-24 | ALPHA SERV PVT LTD           | 45,000    |
| 04-Apr-24 | BETA TECH SOLUTIONS          | 62,500    |
| 04-Apr-24 | CASH WITHDRAWAL              | 20,000    |
| 05-Apr-24 | GAMMA TRDRS                  | 80,000    |
| 05-Apr-24 | EPSILON DIGITAL              | 55,000    |

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**Table B – Company Ledger (Expected Payments)**

| Invoice No | Vendor Name             | Expected Amount (₹) | Invoice Date |
|------------|-------------------------|---------------------|--------------|
| INV-101    | Alpha Services Pvt Ltd  | 45,000              | 03-Apr-24    |
| INV-102    | Beta Tech Solution      | 60,000              | 04-Apr-24    |
| INV-103    | Gamma Traders           | 80,000              | 05-Apr-24    |
| INV-104    | Delta Infotech          | 32,000              | 05-Apr-24    |
| INV-105    | Epsilon Digital Pvt Ltd | 55,000              | 05-Apr-24    |

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## 3. The AI Prompt (Copy–Paste Directly)

Act as a senior reconciliation analyst. Reconcile the two tables below:

1. Bank Statement (actual debits)
2. Company Ledger (expected vendor payments)

Identify:

- Exact matches
- Fuzzy matches (name variations)
- Amount mismatches

- Entries found in bank but missing in ledger
- Entries found in ledger but missing in bank

Return a reconciliation table with:  
Bank Date | Bank Description | Bank Amount | Invoice No | Ledger Vendor | Ledger Amount |  
Match Type | Issue Identified | Recommended Action

Here is the data:  
[Paste Table A and Table B]

## 4. AI Output – Reconciliation Table

| Bank Date  | Bank Description    | Bank Amt | Invoice No | Ledger Vendor           | Ledger Amt | Match Type       | Issue Identified                  | Action Required               |
|------------|---------------------|----------|------------|-------------------------|------------|------------------|-----------------------------------|-------------------------------|
| 03-A pr-24 | ALPHA SERV PVT LTD  | 45,000   | INV-10 1   | Alpha Service s Pvt Ltd | 45,000     | Exact Match      | —                                 | Close entry                   |
| 04-A pr-24 | BETA TECH SOLUTIONS | 62,500   | INV-10 2   | Beta Tech Solution      | 60,000     | Amount Mismatch  | Overpayment vs. ledger amount     | Verify invoice / approval     |
| 04-A pr-24 | CASH WITHDRAWAL     | 20,000   | —          | —                       | —          | No Ledger Match  | Unrecorded cash transaction       | Review purpose / record entry |
| 05-A pr-24 | GAMMA TRDRS         | 80,000   | INV-10 3   | Gamma Traders           | 80,000     | Fuzzy Name Match | Bank short-form / narration issue | Standardis e vendor naming    |
| 05-A pr-24 | EPSILON DIGITAL     | 55,000   | INV-10 5   | Epsilon Digital Pvt Ltd | 55,000     | Fuzzy Name Match | Vendor suffix omitted             | Standardis e vendor naming    |
| —          | —                   | —        | INV-10 4   | Delta Infotech          | 32,000     | Missing in Bank  | Invoice unpaid                    | Follow-up with AP / vendor    |

## 5. Explanation of AI's Logic

AI performs a multi-level comparison:

- **Exact matching** → Same name & amount
- **Fuzzy text matching** → Slight variations (e.g., “SERV” vs. “Services”)
- **Amount deviation detection** → Flag mismatched payments
- **Missing entry detection** → Ledger only or bank only
- **Grouping duplicates** → Avoid double counting

This is why professionals find this the **most impressive live demo**—AI understands intent, not just text.

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## 6. Key Takeaways

- AI eliminates manual checking and speeds up reconciliation dramatically.
  - Minor narration differences no longer block matching.
  - Month-end close becomes faster and cleaner.
  - Finance teams can focus on **analysis**, not repetitive checking.
  - This workflow is now a standard part of the **MMA AI for Finance training toolkit**.
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## 7. Further Learning

To explore more examples—TDS reconciliation, expense trends, AR ageing, and AI dashboards—refer to the MMA AI resource blog link (you will add).

This reconciliation demo will be one of the **permanent published samples** for public reference.

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## Connect with Kannan M

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