



Taskmaster Business Accounts Summary of Ledger Transactions

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1.0 INTRODUCTION

The purpose of this document is to give a description of how each transaction posted in the Taskmaster system is updated. It will show how the individual ledger is affected as well as which nominal codes are updated.

CONTROL ACCOUNTS

The document refers to various control accounts, which the system uses. Each Ledger has a screen, which will have been set up prior to transactions being posted showing the nominal codes to be used for the various transactions.

Sales, Purchase & Nominal Ledgers

To look at which nominal codes have been designated on your system, choose the Maintain Control option on the individual ledgers and look at the codes nominated. Note also that the Customer & Supplier master files can also designate a default sales or purchase nominal code to be used when processing manual transactions.

Vat Control Accounts

The Vat Control Accounts are designated in the Nominal Ledger, Maintain Vat Rates Screen.

Stock Control

The Maintain Stock Controls has an additional designation, which must also be taken into account. The Stock Ledger Control will hold a list of the default nominal codes to be used but depending on how your system has been set up, it may look first in one of a number of places to determine the nominal code to be used. In the stock ledger control screen, there will be a section headed Nominal Update Method. For each of the codes, there will be a letter against it:

L – means that the nominal codes to be used are to be found in the location master file

P – means that the nominal codes to be used are to be found in the individual product master file

G - means that the nominal codes to be used are to be found in the group master file

O - means that the nominal codes to be used are to be found in the default Ledger Control file

C - means that the nominal codes to be used are to be found in the Customer master file

It is essential that default codes are entered in the Ledger Control screens. In the event that no nominal code has been designated in one of the other specified files, the system will always use the default.

2.0 NOMINAL LEDGER

The Nominal Ledger allows you to post all cash book transactions as well as repeat and reversing journals. The following transaction types are available within the ledger:

PAY - Bank Payments

RCT - Bank Receipts

JNL – For all Journals, including reverse journals & Repeating journals (eg direct debits)

Bank Payments - PAY

07 Feb 06 NOMINAL - Bank Payments DEMO

Batch : 0006 Exp Value : 0.00 Actual Value : Total :
 BANK ACCOUNT : 5010 BANK ACCOUNT

<<< VAT DETAILS >>>

Payment Date	1) 01 Jan 06	Nett Goods	Code	Rate	Amount
Description	2) 1: Rates	5) 1:	350.00	0 0%	0.00

Reference No 3) cheque 009001 Payment Total (Nett + Vat) 350.00
 Their Ref 4)

Nominal Code & Description	Line Description	Line Amount
6) 1:3231 RENT & RATES	monthly rates	350.00

Balance 0.00

Field number File Transaction Quit Print

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The system defaults in the bank account from the Nominal Ledger Controls (see introduction) but this can be changed if the payment is coming from a different account. If VAT is included in this payment you can input the rate and amounts and then allocate the payment to the specific nominal code.

Summary of Updated Nominal Bank Payment Transaction

Bank Control Account nominal code credited	-£350.00
Vat Control Account nominal code debited	£0.00
Specific Rates nominal code (in this case 3231) debited	£350.00

Bank Receipts - RCT

07 Feb 06 NOMINAL - Bank Receipts DEMO

Batch : 0007 Exp Value : 0.00 Actual Value : Total :
 BANK ACCOUNT : 5010 BANK ACCOUNT

Receipt Date 1) 01 Jan 06 Net Goods Code Rate Amount
 Description 2) 1: Interest recvd 5) 1: 123.05 0 0% 0.00

Reference No 3) BACS Receipt Total (Nett + Vat) 123.05
 Their Ref 4)

Nominal Code & Description	Line Description	Line Amount
6) 1:1301 Interest Received	Interest to 31.12.05	123.05

Balance 0.00

Field number **File Transaction** Quit Print

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The system defaults in the bank account from the Nominal Ledger Controls (see introduction) but this can be changed if the receipt is to be paid into a different account. If VAT is included in this receipt you can input the rate and amounts and then allocate the receipt to the specific nominal code.

Summary of Updated Nominal Bank Receipt Transaction

Bank Control Account nominal code debited	£123.05
Vat Control Account nominal code credited	-£0.00
Specific Interest nominal code (in this case 1301) credited	-£123.05

Nominal Journal - JNL

There are three main types of journal in the Nominal Ledger. Repeat, Repeat/Reverse & one-off journals.

Repeat Journal

AccuTerm 2000 - [etcl (1)]

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07 Feb 06 NOMINAL - Journal Entry DEMO

Batch : 0008 Journals Entered :

Journal Date 01 Jan 06

Journal Description 1) Business Premises Rates

Journal Reference 2)

Journal to Period 3) 10 Reverse Journal 4) N

Nominal Code & Description	Transaction Description	Amount
5) 1:5010 BANK ACCOUNT	Business Premises Rates	-350.00
2:3231 RENT & RATES	Business Premises Rates	350.00

Balance 0.00

Field Number **File Transaction** Quit Print Screen

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The above example shows the creation of a repeat journal which is to be repeated every period from the period of creation to the period number entered in field 3.

Summary of Updated Nominal Repeat Journal Transaction

In period of creation:

Bank Control Account nominal code credited	-£350.00
Rent & Rates nominal code (in this case 3231) debited	£350.00

When the period end procedure is run, the system will automatically create a batch of transactions for any transactions which are to be repeated in the new period. You must manually update these transactions by selecting the Nominal Batches Update option.

Reverse & repeat Journal

07 Feb 06 NOMINAL - Journal Entry DEMO

Batch : Journals Entered :

Journal Date 01 Jan 06

Journal Description 1)Insurance accrual

Journal Reference 2)

Journal to Period 3)03 Reverse Journal 4)Y

Nominal Code & Description	Transaction Description	Amount
5) 1:6001 SUNDRY CRED/ACCRUAL	Insurance Accrual	-150.00
2:3260 INSURANCES - ADMIN	Insurance Accrual	150.00

Balance 0.00

Field Number File Transaction Quit Print Screen

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

The above example shows the creation of a repeat & reversing journal which is to be repeated every period from the period of creation to the period number entered in field 3 and then the total reversed in the following period (in this case period 4.)

Summary of Updated Nominal Reverse& Repeat Journal Transaction

In period of creation (1) and periods 2 & 3

Accruals nominal code credited	-£150.00
Insurances nominal code (in this case 3260) debited	£150.00

The system keeps track of each journal done so that in period 4 when the journal is to be reversed the following transaction will be updated:

Accruals nominal code debited	£450.00
Insurances nominal code credited	-£450.00

When the period end procedure is run, the system will automatically create a batch of transactions for any transactions which are to be repeated or reversed in the new period and haven't already been created. You must manually update these transactions by selecting the Nominal Batches Update option.

One-off Journals

07 Feb 06 NOMINAL - Journal Entry DEMO

Batch : Journals Entered :

Journal Date 01 Jan 06

Journal Description 1) Correction of nominal acct entered

Journal Reference 2)

Journal to Period 3) 01 Reverse Journal 4) N

Nominal Code & Description	Transaction Description	Amount
5) 1:3250 POSTAGE	correction to posting	-50.00
2:3240 TELEPHONE 624023	transferred from 3250	50.00

Balance 0.00

Field Number File Transaction Quit Print Screen

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

The above screen shows an example of a one-off adjusting journal to correct an amount posted to the wrong nominal code. In this example, field 3 default of the current period is accepted as it is not to be repeated and the reverse journal flag is set to N.

Summary of Updated Nominal Journal Transaction

Postage nominal code credited	-£50.00
Telephone nominal code debited	£50.00

3.0 SALES LEDGER

Manual Sales Invoice Transactions

A manual sales invoice is used simply to post details of a sale onto the system. It is not linked to Stock and it does not produce a printed Invoice.

In the example below a manual invoice transaction has been posted showing that a sales invoice has been raised for **Aberdeen Harbour** for a total of **£352.50**

Once the transaction has been updated the following processes occur:

- The amount of **£352.50** is added to the Aberdeen Harbour Sales Ledger Balance & the details of the invoice held in their Account details.
- In the Nominal Ledger, the Sales Ledger Control Account is debited with **£352.50**, the Vat Control Account is credited with **-£52.50** and the allocated sales nominal code(s) (in this case code 1080) is credited with **-£300.00** . The sales value can of course be allocated across an unlimited no of nominal codes.

19 Jan 06 SALES - Ledger Invoice Creation DEMO

Batch : 0016 Exp Value : 0.00 Actual Value : Total :
 CUSTOMER CODE : ABER01 ABERDEEN HARBOUR

<<< VAT DETAILS >>>

Trans Date	1) 12 May 05	Nett Goods	Code	Rate	Amount
Pay Due Date	2) 19 May 05	6) 1:	300.00	2	17.5%
Invoice Number	3) 019273				52.50
Internal Ref	4)	Trans Total (Nett + Vat)			352.50
Customer Ref	5)				

Nominal	Code & Description	Line Description	Line Amount
7) 1:1080	MISC SALES - XX	sale of goods	300.00

Credit Limit 999999.00 Current Balance 7359.43 Balance 0.00

Field number File Transaction Quit Print

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

Summary of Updated Sales Invoice Transaction

Customer Account updated with value & details of Invoice	£352.50
Sales Ledger (Debtors) Control Account nominal code debited	£352.50
Vat Control Account nominal code credited	-£52.50
Specific Sales nominal code (in this case 1080) credited	-£300.00

Manual Sales Credit Transactions

A manual sales credit is used simply to post details of a credit onto the system. It is not linked to Stock and it does not produce a printed Credit Note.

In the example below a manual credit transaction has been posted showing that a credit has been raised for **Aberdeen Harbour** for a total of **£493.50**

Once the transaction has been updated the following processes occur:

- The amount of **£493.50** is deducted from the Aberdeen Harbour Sales Ledger Balance & the details of the credit held in their Account details.
- In the Nominal Ledger, the Sales Ledger Control Account is credited with - **£493.50**, the Vat Control Account is debited with **£73.50** and the allocated sales nominal code (in this case code 1080) is debited with **£420.00**

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19 Jan 06 SALES - Ledger Credit Note Creation DEMO

Batch : 0018 Exp Value : 0.00 Actual Value : Total :
 CUSTOMER CODE : ABER01 ABERDEEN HARBOUR

<<< VAT DETAILS >>>

Trans Date	1) 15 May 05	Nett Goods	Code	Rate	Amount
Pay Due Date	2) 22 May 05	6) 1:	420.00	2 17.5%	73.50
Credit Number	3) cr09876	Trans Total (Nett + Vat)			493.50
Internal Ref	4)				
Customer Ref	5)				

Nominal Code & Description	Line Description	Line Amount
7) 1: 1080 MISC SALES - XX	goods not required	420.00

Credit Limit 999999.00 Current Balance 7359.43 Balance 0.00

Field number File Transaction Quit Print

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

TaskMaster (1)

Summary of Updated Sales Credit Transaction

Customer Account updated with value & details of Credit	-£493.50
Sales Ledger (Debtors) Control Account nominal code credited	-£493.50
Vat Control Account nominal code debited	£73.50
Specific Sales nominal code (in this case 1080) debited	£420.00

Receipt Transactions

In the example below a receipt transaction has been posted showing that a receipt has been posted for **Aberdeen Harbour** for a total of **£810.75** including discount.

Once the transaction has been updated the following processes occur:

- The amount of **£810.75** is deducted from the Aberdeen Harbour Sales Ledger Balance & the details of the receipt inc discount held in their Account details.
- In the Nominal Ledger, the Sales Ledger Control Account is credited with - **£810.75**, the Bank Control Account is debited with **£800.00** and the Settlement Discount control account is debited with **£10.75**

19 Jan 06 SALES - Cash Receipt Creation DEMO

Batch : 0022 Exp Value : 0.00 Actual Value : Total :
 CUSTOMER CODE ABER01 ABERDEEN HARBOUR

Bank Acct Code 1) 5013 Cash Receipt 5) 800.00
 Receipt Date 2) 15 May 05 Discount 6) 10.75
 Receipt Ref 3) pacs Receipt Method 7) M
 Customer Ref 4)

	Amount Paid	Balance O/S	Our Ref	Discount	Trans Per	Date	Type
8) 1:	0.00	117.50		0.00	00020 03	31-05-01	INV
2:	0.00	524.06	12998	0.00	00031 03	01-02-02	INV
3:	0.00	117.50		0.00	00012 04	01-06-01	INV
4:	0.00	528.47	12993	0.00	00037 04	01-02-02	INV
5:	0.00	2350.00	23123	0.00	00019 07	10-11-98	INV
6:	0.00	637.50	465665	0.00	00020 07	12-01-99	INV
7:	0.00	1175.00		0.00	00022 07	12-01-99	INV
8:	0.00	17.63	12957	0.00	00024 07	31-03-99	INV
9:	810.75	810.75	12955	0.00	00003 08	22-01-99	INV
>>> 10:	0.00	71.68	12956		00004 08	02-04-99	INV

Unallocated 0.00 Credit Limit 999999.00 Current Balance 7359.45

Field number File Transaction Quit Print

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

Summary of Updated Sales Receipt Transaction

Customer Account updated with value & details of Receipt -£810.75
 The Invoice(s) which have been paid are marked as having zero o/s and the transaction number of the receipt is held as a cross reference.
 Sales Ledger (Debtors) Control Account nominal code credited -£810.75
 Settlement Discount Control Account nominal code debited £10.75
 Bank Control Account debited £800.00

Journal Transactions

Transaction type JNL in the Sales Ledger can be used to post any small adjustments to a customer account. In the example below a journal transaction has been posted showing that an adjustment has been posted for **Aberdeen Harbour** for a total of **£0.02**

Once the transaction has been updated the following processes occur:

- The amount of **£0.02** is added to the Aberdeen Harbour Sales Ledger Balance & the details of the journal transaction held in their Account details.
- In the Nominal Ledger, the Sales Ledger Control Account is debited with **£0.02**, and the designated sales nominal code (in this case 1090) is credited with **-£0.02**

Please note that it is possible also to post a negative journal, eg enter **-0.02 in the journal total field. The process described above would then be reversed.**

AccuTerm 2K2 - [TaskMaster (1)]

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Item 25 of 25 SALES - Transaction Enquiry DEMO

TRANSACTION NUMBER 10015 PERIOD 02 TYPE JNL

Customer Code : ABER01 ABERDEEN HARBOUR

Journal Date : 15 May 05 Trans Number : jn1123
Pay Due Date : 22 May 05 Customer Ref :
Internal Ref : adjustmnt Journal Total : 0.02
Batch number : B0021

Nominal Code & Description	Line Description	Line Amount
1) 1:1090 CABLING SALES - XX	adjustment	0.02

Payment 2) 1: Balance 0.02

Details

Field number Return to List Fwd Back Print Screen

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

TaskMaster (1)

Summary of Updated Sales Journal Transaction

Customer Account updated with value & details of Journal	£0.02
Sales Ledger (Debtors) Control Account nominal code debited	£0.02
Designated sales nominal code (in this case 1090) credited	-£0.02

NB In order to match a journal against an o/s amount on a previous transaction, a zero cash receipt would have to be posted and the two amounts matched against each other.

4.0 PURCHASE LEDGER

Manual Purchase Invoice Transactions

Manual purchase invoices simply record the details from a received purchase invoice. It is not linked to Order processing or Stock control.

In the example below a manual purchase invoice transaction has been posted showing that an invoice has been received from **Aberdeen Carpet Manufacturers** for a total of **£632.50**

Once the transaction has been updated the following processes occur:

- The amount of **£632.50** is added to the Aberdeen Carpet Purchase Ledger Balance & the details of the invoice held in their Account details.
- In the Nominal Ledger, the Purchase Ledger Control Account is credited with - **£632.50**, the Vat Control Account for vat code 2 (17.5%) is debited with **£87.50** , the Vat Control Account for Vat code 0 (0%) is debited with £0.00 and the allocated purchase nominal codes are debited with **£475.00, £25.00 and £45.00**

19 Jan 06 PURCHASE - Ledger Invoice Creation DEMO

Batch : 0001 Exp Value : 0.00 Actual Value : Total :
 SUPPLIER CODE : ABER01 ABERDEEN CARPET MANU

Trans Date 1) 19 May 05 Net Goods Code Rate Amount
 Pay Due Date 2) 20 Jun 05 7) 1: 500.00 2 17.5% 87.50
 Authorised 3) Y 2: 45.00 0 0% 0.00

Invoice number 4) 12345
 Internal Ref 5) Trans Total (Nett + Vat) 632.50
 Supplier Ref 6)

Nominal Code & Description	Line Description	Line Amount
8) 1:2000 HWARE PURCHASES - XX	hware purchases	475.00
2:2070 CARRIAGE ON PURCH XX	carriage	25.00
3:2444 widget & gadget pur	exempt purchases	45.00

Credit Limit Current Balance Balance 0.00
 1372.00

Field number File Transaction Quit Print

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

Summary of Updated Purchase Invoice Transaction

Supplier Account updated with value & details of Invoice	£632.50
Purchase Ledger (Creditors) Control Account nominal code credited	-£632.50
Vat Control Account nominal code debited	£87.50
Purchase nominal code (in this case 2000) debited	£475.00
Purchase nominal code (in this case 2070) debited	£25.00
Purchase nominal code (in this case 2444) debited	£45.00

Manual Purchase Credit Transactions

Manual purchase invoices simply record the details from a received purchase credit note. It is not linked to Order processing or Stock control.

In the example below a manual purchase credit transaction has been posted showing that a credit has been received from **Aberdeen Carpet Manufacturers** for a total of **£411.25**. Once the transaction has been updated the following processes occur:

- The amount of **£411.25** is deducted from the Aberdeen Carpet Purchase Ledger Balance & the details of the credit held in their Account details.
- In the Nominal Ledger, the Purchase Ledger Control Account is debited with **£411.25**, the Vat Control Account for vat code 2 (17.5%) is credited with **£61.25**, and the allocated purchase nominal codes are credited with **£300.00, £25.00 and £25.00**

AccuTerm 2K2 - [TaskMaster (1)]

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19 Jan 06 PURCHASE - Credit Note Creation DEMO

Batch : 0003 Exp Value : 0.00 Actual Value : Total :
 SUPPLIER CODE : ABER01 ABERDEEN CARPET MANU

<<< VAT DETAILS >>>

Trans Date 1) 19 May 05 Net Goods Code Rate Amount
 Pay Due Date 2) 20 Jun 05 7) 1: 350.00 2 17.5% 61.25
 Authorised 3) Y
 Credit number 4) Cr12345
 Internal Ref 5) Trans Total (Nett + Vat) 411.25
 Supplier Ref 6)

Nominal	Code & Description	Line Description	Line Amount
8) 1: 2000	HWARE PURCHASES - XX	damaged - returned	300.00
2: 2070	CARRIAGE ON PURCH XX	return carriage	25.00
3: 2005	LASER CONS PURCH XX	damaged - return	25.00

Credit Limit Current Balance Balance 0.00
 2004.50

Field number File Transaction Quit Print

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

TaskMaster (1)

Summary of Updated Purchase Credit Transaction

Supplier Account updated with value & details of Credit	-£411.25
Purchase Ledger (Creditors) Control Account nominal code debited	£411.25
Vat Control Account nominal code credited	-£61.25
Purchase nominal code (in this case 2000) credited	-£300.00
Purchase nominal code (in this case 2070) credited	-£25.00
Purchase nominal code (in this case 2444) credited	-£25.00

Manual Purchase Payment Transactions

In the example below a manual purchase payment transaction has been posted showing that a payment has been made to **Aberdeen Carpet Manufacturers** for a total of **£632.50 including discount taken**.

Once the transaction has been updated the following processes occur:

- The amount of **£632.50** is deducted from the Aberdeen Carpet Purchase Ledger Balance & the details of the payment held in their Account details.
- In the Nominal Ledger, the Purchase Ledger Control Account is debited with **£632.50**, the settlement discount code is credited with **£32.50**, and the bank account is credited with **£600.00**

AccuTerm 2K2 - [TaskMaster (1)]

File Edit View Tools Reset Window Help

19 Jan 06 PURCHASE - Cash Payment Creation DEMO

Batch : 0004 Exp Value : 0.00 Actual Value : Total :

SUPPLIER CODE ABER01 ABERDEEN CARPET MANU

Bank Acct Code 1) 5010 Cash Payment 5) 600.00

Payment Date 2) 19 May 05 Discount 6) 32.50

Payment Ref 3) Chq 000001 Payment Method 7) 5

Supplier Ref 4)

Amount	Paid	Balance	O/S	A	Discount	Trans	Per	Date	Type	Supp Ref
8) 1:	0.00	191.00	Y	0.00	00013	09	02-06-99	INV	100213	
2:	0.00	100.00	Y	0.00	00015	09	02-06-99	INV		
3:	0.00	117.50	Y	0.00	00017	09	02-06-99	INV	123123	
4:	0.00	117.50	Y	0.00	00022	09	02-06-99	INV		
5:	0.00	117.50	Y	0.00	00023	09	02-06-99	INV		
6:	0.00	258.50	I	0.00	00029	09	17-11-00	INV	123213	
7:	0.00	470.00	I	0.00	00030	09	17-11-00	INV	123123	
8:	632.50	632.50	Y		10001	02	19-05-05	INV	12345	

Unallocated 0.00 Credit Limit Current Balance 2004.50

Field number File Transaction Quit Print

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

TaskMaster (1)

Summary of Updated Purchase Payment Transaction

Supplier Account updated with value & details of Payment inc disc	-£632.50
Purchase Ledger (Creditors) Control Account nominal code debited	£632.50
Settlement discount control nominal code credited	-£32.50
Bank Control acct credited with actual cash paid	-£600.00

Journal Transactions

Transaction type JNL in the Purchase Ledger can be used to post any small adjustments to a supplier account. In the example below a positive journal transaction has been posted showing that an adjustment has been posted for **Aberdeen Carpet** for a total of **£1.10**. Once the transaction has been updated the following processes occur:

- The amount of **£1.10** is added to the Aberdeen Carpet Purchase Ledger Balance & the details of the journal transaction held in their Account details.
- In the Nominal Ledger, the Purchase Ledger Control Account is credited with - **£1.10**, and the designated purchase nominal code (in this case 2000) is debited with **£1.10**

Please note that it is possible also to post a negative journal, eg enter -1.10 in the journal total field. The process described above would then be reversed.

AccuTerm 2K2 - [TaskMaster (1)]

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Item 10 of 10 PURCHASE - Transaction Enquiry DEMO

TRANSACTION NUMBER 10003 PERIOD 02 TYPE JNL

Supplier Code : ABER01 ABERDEEN CARPET MANU

Journal Date : 19 May 05 Trans Number : jn112345
 Pay Due Date : 20 Jun 05 Supplier Ref :
 Internal Ref : Journal Total : 1.10
 Batch number : B0005

Nominal Code & Description	Line Description	Line Amount
1) 1:2000 HWARE PURCHASES - XX	Correction	1.10

Payment 2) 1: [] Balance 1.10

Details

Field number Return to List Fwd Back Print Screen

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator

TaskMaster (1)

Summary of Updated Purchase Journal Transaction

Supplier Account updated with value & details of Journal	£1.10
Purchase Ledger (Creditors) Control Account nominal code credited	-£1.10
Designated purchase nominal code (in this case 2000) debited	£1.10

5.0 STOCK CONTROL

6.0 SALES ORDER PROCESSING

Sales Order & Invoice

A Sales Order transaction is linked to the Stock Control module, Sales Ledger Module Purchase Ordering module and the Nominal Ledger. The whole procedure is used to create an order for a customer, check stock balances & prices, flag the need to raise a purchase order if stock not available, pick the goods, despatch the goods and finally create an invoice. Depending on how your particular system is set up, this may involve separate stages for each of the steps or may combine one or more into one operation. The main steps are:

Create Order, Print Picking List, Confirm Despatch & Print Delivery Note, Raise Invoice.

Create Order

1. Customer Check

This procedure first accesses the Sales Ledger master file to check the status of the customer code entered, ie are they on stop, have they exceeded credit terms etc?

2. Details of items required

The next stage is where the stock codes of the items on the order are entered. The system now accesses the stock control module to find out balances available & pricing for this particular customer/quantity.

3. Quantity entered/items selected

On selecting the quantity for this order, the system flags this amount as “allocated”, meaning that another operator accessing the same stock code will not be able to select the same goods. The stock has not been issued at this stage but is not available for anyone else to select. Pricing details are gathered depending on how your system has been set up. Prices may be based on quantity, customer special price or standard stock price as held in the master file.

4. Order Delivery Details

Delivery address, method, time etc are all entered on the second screen.

Print Picking List, Confirm Despatch & print Delivery Note

These stages may all be combined on your system. Prior to creating and updating the invoice, an order is available for amendments to be made.

Raise Invoice

Creation of the Sales Invoice from the Order is the stage when the other modules are accessed and updated. An example of the process is as follows:

On filing and updating the invoice:

1. The total invoice amount is added to the Customer’s Sales Ledger Balance & the details of the invoice held in their Account details on the Sales Ledger.
2. In the Nominal Ledger, the Sales Ledger Control Account is debited with the total value of the invoice, the Vat Control Account(s) are credited with vat amounts and the allocated sales nominal code(s) are credited with goods amount. See introduction for details of where the system picks up the appropriate sales nominal codes

depending on the stock item. The sales value can of course be allocated across an unlimited no of nominal codes.

3. A stock issue transaction is created showing who the stock was issued to, the quantity & price. The balance on individual stock items is reduced by the quantity on the invoice. The system checks the cost (Buying in) price of the goods on the invoice. An issue transaction is then created which in the nominal ledger, credits the Stock Control Account(s) with the cost value of the stock issued and debits the Cost of Sales control acct(s).

Sales Order Credit

Once the invoice has been created & updated from a Sales Order, it is no longer possible to amend. A credit transaction can be raised or other stock transactions processed directly to the Stock Ledger if required.

Credit Note which updates stock

If any or all of the goods in the credit note transaction have been returned to stock, you will need to create a transaction which returns the appropriate quantity to the stock balance.

Depending on how your system has been set up, there may be a flag within the credit note screen which allows you to say Y or N to Stock update. If you say **Y** to update Stock, the system is updated in the following way on filing and updating the credit.

1. The total credit amount is deducted from the Customer's Sales Ledger Balance & the details of the Credit held in their Account details on the Sales Ledger.
2. In the Nominal Ledger, the Sales Ledger Control Account is credited with the total value of the credit note, the Vat Control Account(s) are debited with vat amounts and the allocated sales nominal code(s) are debited with goods amount. See the introduction for details of where the system picks up the appropriate sales nominal codes depending on the stock item. The sales value can of course be allocated across an unlimited no of nominal codes.
3. A stock return transaction is created (RET). The balance on individual stock items is increased by the quantity on the credit. The system checks the cost (Buying in) price of the goods. A returns transaction is then created which, in the nominal ledger, debits the Stock Control Account(s) with the cost value of the stock returned and credits the Cost of Sales control acct(s).

A credit transaction which does not update stock will simply follow steps 1 and 2 above. There will be no adjustment to stock quantities or value. If such an adjustment is required, the user should go to the Stock control ledger and enter the appropriate transaction directly. See section 6.0 in this guide for details of Stock transactions.

7.0 PURCHASE ORDER PROCESSING

Purchase Order & Invoice

A Purchase Order transaction is linked to the Stock Control, Purchase Ledger, Sales Ordering and the Nominal Ledger. The whole procedure is used to create an order for goods from a supplier, either for general stock or it may be to meet a specific sales order which has been raised. The process allows the creation of the order, receipting of the goods into stock and entry of the purchase invoice from the supplier. Depending on how your particular system is set up, this may involve separate stages for each of the steps or may combine one or more into one operation. The main steps are:

Create Order & confirm order, Receipt goods, enter Invoice.

Create & confirm Order

07 Feb 06 POP - Create Purchase Orders DEMO

SUPPLIER CODE ABER01 ABERDEEN CARPET MANU PO NUMBER
 Telephone No. Fax No. A/C No.
 Prev Order 1) _____

Stock Code	Quantity	Rate	Line Value
2) 1: CARPET	40.00	Quantity Available	135.00
2: CARPET	45.00	Quantity on Re-Order	0.00
		Quantity on Back Order	0.00
		Next Delivery Date	
		Re-Order Level	0.00
		Minimum Quantity	0.00
		Total	

2)	Stock Code	CARPET	Unit
1:	Sales Order No	_____ Line _____	Unit Price
	Description	carpet	Disc Rate
			Line Value
			Reqd Date
	Quantity	40.00	

Enter the Quantity

Quit Help Back Fwd End Blank-> Blank<- Search Browse Extra Calculator



1. Supplier Code

This procedure first accesses the Purchase Ledger master file to get details of the supplier entered

2. Stock Codes

The next stage is to enter the stock codes of the items required. The system now accesses the stock control module to find out & display the balances available, if there are any other orders placed and due dates etc.

3. Quantity entered/items selected

Once this order is filed the system will update the Quantity on order amount for other operators to see what is already on order. The stock has not been receipted at this stage but the fact that it is on order is available for anyone else to see. Pricing details are gathered depending on how your system has been set up. Prices may be based on quantity, special price or standard stock price as held in the master file.

4. Order Delivery Details

Delivery address, method, time etc are all entered on the second screen.

5. Confirm/ Print /Send Order

These stages may all be combined on your system.

Prior to confirming the order, the details are available for amendments to be made.

Receipt Goods

Once the goods-in note has been checked, the operator is ready to receipt the goods onto the computer system. The operator can part receipt a purchase order if only certain items have been received, or if there is a shortfall which is not going to be filled, the operator can mark the order as fully receipted so that it does not remain on the “open” purchase order list. An example of the receipting process is described below:

On filing and updating the receipt:

- The Purchase Order status is changed from being “Issued” to being either “Part” or “Fully Receipted” depending on whether the whole order has been delivered at once. The stock item file is also updated with the quantity now available and to show that there are now fewer on order as these have been received. This information will be accessible from both the Sales & Purchase Order processing modules.
- A stock receipt transaction is created which adds the total quantity(ies) received for each item onto their respective stock balances and value in the stock ledger.
- In the Nominal Ledger, the Stock Control Acct(s) is debited with the value of the stock received and the Goods Received Awaiting Invoice code is credited with the value of stock received.

Enter Purchase Invoice

At some later stage, a supplier invoice is received. The operator calls up the supplier code or order number and enters the details from the invoice. If there is carriage to be added it can be entered at this stage. Only goods which have been receipted can be invoiced through the Purchase Order Invoice entry.

There are two key points to note about the effects of entering a purchase order invoice:

1. If the goods invoiced match the quantity & price on the Purchase Order

In this case, on filing and updating the invoice the following processes take place:

- The Supplier Account is updated with the value & details of the invoice
- In the nominal ledger, the Purchase Ledger Control Account is credited with the total value of the invoice. The Vat Control accts are debited with the vat amount(s) and the designated purchases nominal codes are debited with the goods amount.
- There is no further effect on the Stock Ledger in this case.

NB – Some systems designate the Stock Received Awaiting Invoice Control acct and the Purchases code as the same code so that the balance in this nominal code (balance sheet figure) will reflect the total value of stock which has been received to date but remains uninvoiced. This figure can then be transferred at year end to the new year balance sheet.

2. If the quantity & price on the invoice do not match the Purchase Order

In this case, on filing and updating the invoice the following processes take place:

- The Supplier Account is updated with the value & details of the invoice
- In the nominal ledger, the Purchase Ledger Control Account is credited with the total value of the invoice. The Vat Control accts are debited with the vat amount(s) and the designated purchases nominal codes are debited with the goods amount.
- Where the difference is in the price of the goods invoiced, the system will create a stock transaction to adjust the value of the goods received as held in the Stock Ledger. For example if the original order placed was for a quantity of 10 items at a price of £5.00 each but the invoice is for £4.95 each, that batch of goods needs to be revalued to show a cost of £49.50 instead of £50.00.
A Stock Price Adjustment transaction (PAD) transaction will be created updating the following nominal codes – (where the invoiced amount was lower than the order amount) it will credit the Stock Received Awaiting invoice acct with £-0.50 and debit the Stock Control Account with the same.

NB – If, however, this batch of goods has already been sold, in this example, the nominal journal will be to credit the Stock Received Awaiting Invoice acct and debit the Cost of Sales Account.

Purchase Order Returns

For a variety of reasons, (damage, duplication etc) goods may have to be returned to Supplier. You can post a Purchase Order Return transaction within the Purchase Order processing module which brings up details of the original order and allows you to select the item(s) on the order which are to be returned to the Supplier.

On filing & updating a return transaction the system performs the following tasks:

- A stock return (SRT) transaction is created which deducts the total quantity(ies) received for each item on the respective stock balances and value in the stock ledger.
- In the Nominal Ledger, the Stock Control Acct(s) is credited with the value of the stock returned and the Goods Received Awaiting Invoice code is debited with the value of stock received.

Purchase Order Credits

A Purchase Order Credit note posted in the Purchase Order Processing module will bring up details of the original order and will display details and quantities of any items within the order that have been returned to the supplier.

Filing and updating a credit transaction will have the following effect:

- The Purchase Order items which have been credited will be flagged as such
- The Supplier Account will be updated with the value and details of the credit
- A nominal transaction will debit the Purchase Ledger Control acct with the total value of the credit note, credit the Vat Control acct(s) with the vat amount(s) and credit the individual purchase nominal codes.
- NB – No stock transaction is created in this case

NB If the reason for the credit note is that the original invoice price was incorrect, it will be necessary to go to the Stock Ledger and create a PAD (Price Adjustment) transaction to show that these goods are now to be valued at a different price.