Product Training
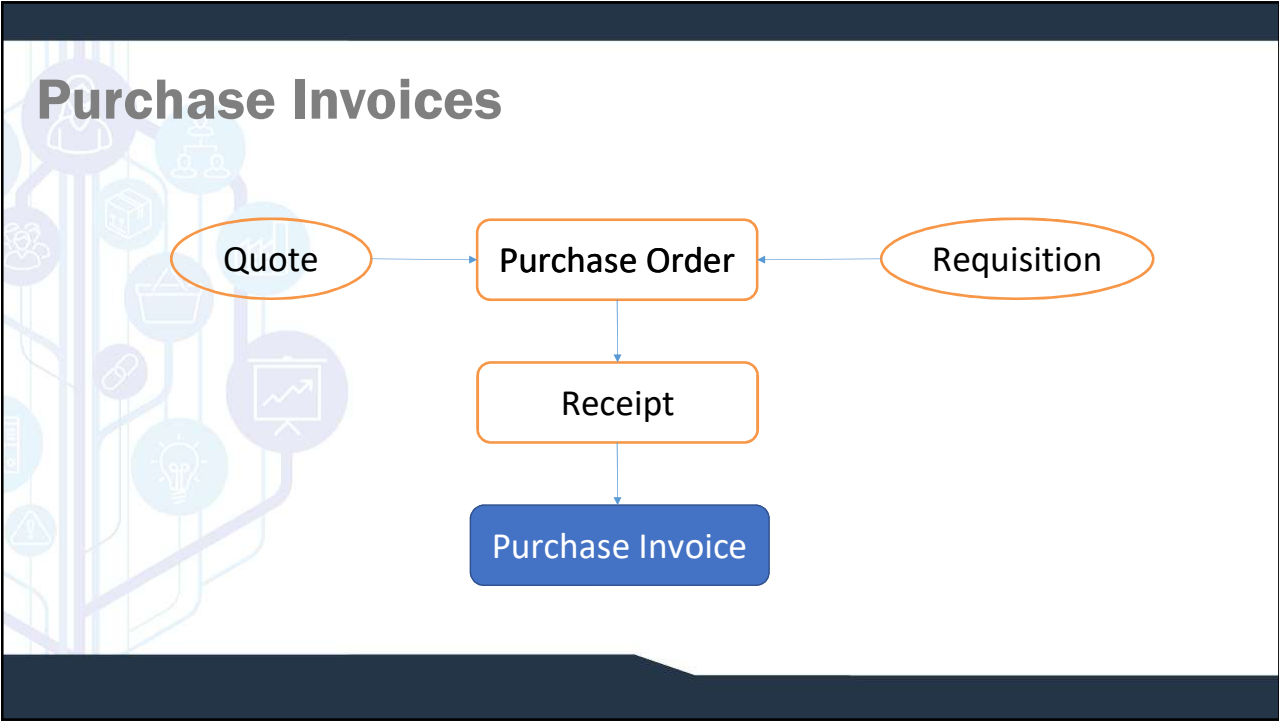
Purchase Invoices

Where "Lean" principles are considered common sense and are implemented with a passion!

winman
ADVANCED ERP SYSTEMS

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Purchase Invoices

Quote → Purchase Order ← Requisition

Purchase Order → Receipt

Receipt → Purchase Invoice

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Purchase Invoices

A purchase invoice can be completed for a goods receipt, purchase order or a manual purchase. A finalised purchase invoice will remove items from GRNI (Goods Received Not Invoiced) or expense items. A finalised purchase invoice will also be available for payment and can be seen on the supplier's account.

Purchase Invoices consist of one purchase invoice header and at least 1-line item. The purchase invoice header contains information for the entire invoice such as the supplier or invoice date. The lines contain information for each item on the purchase invoice such as the item and quantity.

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Purchase Invoice Header

General Tab

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Purchase Invoice Header

❑ **Invoice Type** – Can be an invoice or credit.

❑ **Supplier** – The supplier for the invoice or credit. Enter either the supplier name or supplier number when selecting a supplier.

❑ **Invoice** – The invoice number from the supplier's invoice.

❑ **Invoice date** – The date on the invoice from the supplier. This is used to calculate early pay discounts and the due date of the invoice.

❑ **Accounting date** – The date used to determine the posting period of the invoice or credit.

❑ **Due date** – When the invoice is due for payment. This is automatically calculated using the terms of the supplier.

❑ **File Reference** – A field for an internal filing reference.

❑ **GL account** – The AP account that the transaction will post to. This is creating using the supplier control account, and supplier division.

❑ **Stop Payment** – If stop payment is selected, the invoice is not available for payment in cash transactions.

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Purchase Invoice Header

Values Tab

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Purchase Invoice Header

- ❑ **Gross Value** – The total value of the invoice including any tax value. If a value is entered, it will be used as a control total. When an invoice is finalised, the control total will be checked against the value of all lines entered on the invoice.

- ❑ **Tax Value** – The tax value of the primary tax code.

- ❑ **Tax value secondary** – The tax value of the secondary tax code.

- ❑ **Net value** – The value of the invoice MINUS any tax calculated.

- ❑ **Exchange rate** – The exchange rate for the invoice transaction. This is defaulted from the standard rate in the currency table.

- ❑ **Tax code** – The primary tax code used for the invoice. This is defaulted from the supplier master.

- ❑ **Tax code secondary** – The secondary tax code for the invoice. This is defaulted from the supplier master.

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Purchase Invoice Header
Supplier Tab

- ❑ Supplier information for the selected supplier. This is used for reference only.

- ❑ If supplier information needs to be changed, it must be done in the supplier master.

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Purchase Invoice Header

Notes Tab

Notes for the invoice used for internal reference only.

Purchase Invoice Header

New Credit Note

Purchase Invoice Header

❑ A new credit note can either be created manually or converted from a debit note created in the supplier returns module.

❑ Credits created manually can be related to an invoice or have no relationship to an invoice.

❑ Credits that are related to an invoice will automatically match to the related invoice when the credit note is finalised. Line items on a credit must be a free text item or an item from the invoice.

❑ Credit that are created with no relationship to an invoice will post to the supplier's account and can be matched to an invoice in the Supplier Review module. Only free-text items can be added to credit that is not related to an invoice.

SYSTEM SETTING:
By default credits have a suffix of CR added to the invoice number to identify it as a credit. The suffix added to a credit can be modified using the Purchase Invoices option **Suffix for purchase invoice credits.** Enable the option and set the value to the suffix that will be added to the purchase credit number.
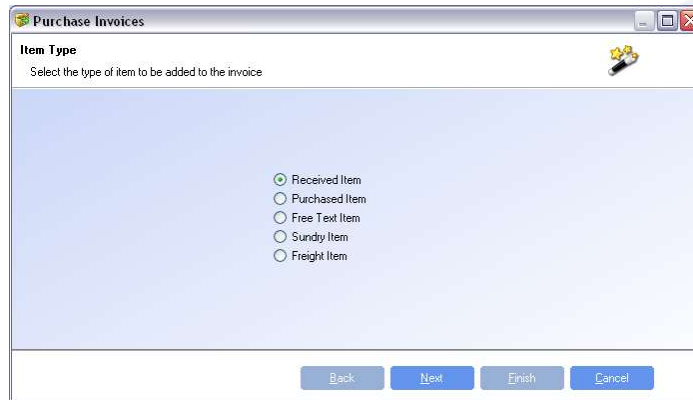
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Purchase Invoice Items

Multiple purchase invoice items can be added to a single purchase invoice. Multiple purchase orders or goods receipts can be selected for the same purchase invoice. Purchase invoice items are added to a purchase invoice by selecting the action Add Item.

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Purchase Invoice Items
Adding an Item

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Purchase Invoice Items

❑ **Received Item** – All open receipts from the supplier can be selected. To include received items for invoicing, expand or collapse the goods receipts details, click on the include check box to include/exclude any receipts. This option should be selected for any products being invoiced.

❑ Received items assume that the price the item was received at is the same as the invoice value. If a value needs to be changed, the line must be created, and then modified.

❑ **Purchase Order Item** – All open purchase order items that are not required to be received into the system can be selected. All purchase order items that have a quantity outstanding greater than zero can be selected. Make sure that items that are selected are not to be received in.

NOTE: Stock items can not be used with the purchase order item selection.

❑ To include purchase order items for invoicing, expand or collapse the purchase order details, click on the include check box to include/exclude any purchase orders items. This will reduce the quantity outstanding on the purchase order as if the items were received.

SYSTEM SETTING:
When adding Received items, items are grouped their Goods Received number. The grouping can be removed and only lines displayed using the Purchase Invoices system option **Show only the detail grid by default on purchase invoices**. Enable the option and set the value to Y to remove the Goods receipts grouping.

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Purchase Invoice Items

❑ **Sundry Item** – A list of all sundries can be selected from.

    ❑ After choosing a sundry, click Next and enter the quantity and price.

    ❑ Continue to click Next until you enter a valid GL Account that the sundry will be expensed to.

❑ **Free Text Item** – A item and description must be manually entered by the user.

    ❑ After entering a free text item, click Next and enter the quantity and price.

    ❑ Continue to click Next until you enter a valid GL Account that the line will be expensed to.

❑ **Freight Item** – A list of all freight items can be selected from.

    ❑ After choosing a sundry, click Next and enter the quantity and price.

    ❑ Continue to click Next until you enter a valid GL Account.

NOTE: When adding a line item for a credit, the value should be negative.

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Purchase Invoice Items
Modifying a line

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Purchase Invoice Items

General Tab

❑ **Quantity Required** – The quantity of the item that is to be expensed.

❑ **Value** – The value of the item being expensed

   ❑ For purchase order items and received items, the quantity and value will default from the transaction. To change either quantity or value, modify the line item.

   ❑ If a quantity is decreased for a purchase order item, the quantity not invoiced will remain outstanding.

   ❑ If a quantity is decreased for a received item, the remaining value to be invoiced will remain outstanding on the line item of the receipt.
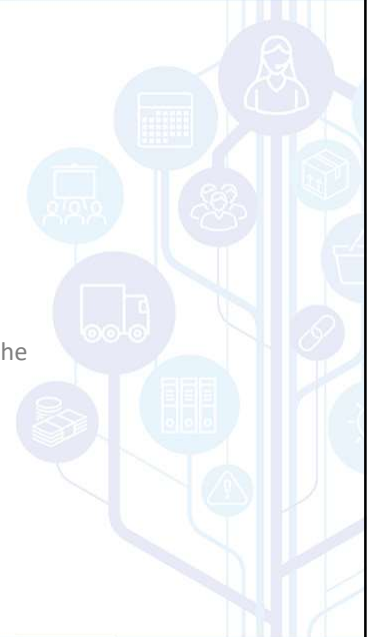
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Purchase Invoice Items

Additional Tab

❑ **Distribution Account** – The account that the item is expensed to. When products are used this will be the GRNI account.

   ❑ For non-inventoried items that are received or are from a purchase order the expense account will default from the purchase order line, but can be changed.

   ❑ Its non-inventoried items are to be accrued, the NRNI account will be used.

❑ **Variance Account** – The variance account will be used when a difference in value exists between the value of the receipt and the value on the invoice. The variance account is from the system set-up and can not be amended by the user.

❑ **Variance Value** – The difference in value from the receipt and the invoice. This can not be changed by the user and is calculated automatically from the value entered on the invoice.

❑ **Description** – The description for the line item. This can be amended by the user if required.

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Purchase Invoice Actions

Finalise

❑ The finalise action will set the purchase invoice ready to post to the GL.

❑ No amendments can be made once the invoice has been finalised.

❑ If a control total was entered into the header, and the line items have a different total, the user is prompted. The user can go back and modify the line items so that the totals will match or proceed and have WinMan automatically update the header values.

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Purchase Invoice Header

Relations Tab

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Purchase Invoice Header

❑ The relations tab displays purchase orders and goods receipts that have been created for the purchase invoice.

❑ The relations tab also shows cash allocations for the purchase invoice. This includes any payments for the invoice or credits that were matched to the invoice.

❑ Right click on line item to drill down to related transaction.

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Purchase Invoice Header
Self Billing Tab

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Purchase Invoice Header

❑ Self Billing invoice is a lean tool used to automate the invoice matching process

❑ A lean tool that can have big savings in time from time saved doing invoice matching. With time saved in invoice matching process it is much more feasible to take advantage of early pay discounts.

❑ Self-Billing Invoice is used best with suppliers that can provide cost certainty and a receiving department that is accurate.

❑ Self Billing Invoice is determined by supplier. A supplier is designated as self billing if the field Include in SBI on the Details Tab is selected.

   ❑ Suppliers that are set to be Included in SBI can still have items invoice matched. However, it a supplier is not Included in SBI, an invoice can be created using Self Billing.

❑ All suppliers that are set up for SBI can be viewed on the self billing tab.

❑ Expand each supplier to view and select open items that an invoice can be created for.

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Purchase Invoice Header

❑ Once items are selected for creation right click on the supplier and select Process.

❑ A default Invoice number starting with SBI will be generated.

❑ The dates for the invoice will default to the day it is created and the due date is calculated using the terms.

❑ Use the search feature Last 10 System records to find the SBI invoice and finalise the invoice.

NOTE 1: If accurate pricing is not established either with the supplier or through accurate prices on purchase orders, many credits will need to be created and productivity gains will be lost.

NOTE 2: Self billing can be used to transition suppliers on a per part basis. Select parts can be selected for SBI while other parts are invoice matched.

NOTE 3: Kanban parts work extremely well with Self Billing as prices and quantities are fixed.

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Purchase Invoice Header

Summary Tab

The summary tab will show all purchase invoices that have not been invoiced yet. It will also show all purchase invoices that have a last modified date within 20 days of the current date.

SYSTEM SETTING:
When adding Received items, items are grouped their Goods Received number. The grouping can be removed and only lines displayed using the Purchase Invoices system option **Show only the detail grid by default on purchase invoices**. Enable the option and set the value to Y to remove the Goods receipts grouping.

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