PO to GL Interface

Prior to version 5.3, Taxes and duties were posted when a GRN was confirmed. However, many customers are of the view that the taxes and duties should be based on Supplier Invoices and Not when a GRN is posted. This is particularly important when invoices from suppliers are based on milestones and not GRN. The new interface fixes this problem. It also takes care of Purchase Discounts which were automatically deducted from price instead of crediting to discounts earned, even when a separate account was specified in GL Interface table for that purpose.

Confirm GRN

When a GRN is confirmed, the following accounting entries are created

GL Interface Type	Sub-account	Currency	Dr	Cr	Notes
Purchase Commission		Prime	(PurchasePrice-Discount)*Commission%/100		
Accrued Purchases-Agents		Prime		(PurchasePrice-Discount)*Commission%/100	
Accrued Purchases-Supplier		Prime		PurchasePrice-Discount	
Purchase Discount		Prime		Discount	
Accrued Purchases-Sundries		Base		AdditionalCost	
Inventory/Accruals		Base	StandardCost		
Purchase Variance		Base	PurchasePrice*ExchangeRate+AdditionalCost-StandardCost		

Post Supplier Invoice - Local Purchases

When a Supplier Invoice is posted, either from GRN or Payment Milestones, the following accounting entries are created.

GL Interface Type/[Account]	Sub-account	Currency	Dr	Cr	Notes
Accrued Purchases-Supplier		Prime	PurchasePrice-Discount		
[Accounts Payable]	Vendor	Prime		(PurchasePrice-Discount)*(100+TaxRate)/100	
[Tax]		Prime	(PurchasePrice-Discount)*TaxRate/100		

Post Supplier Invoice - Imports

When a Supplier Invoice is posted, either from GRN or Payment Milestones, the following accounting entries are created.

GL Interface Type/[Account]	Sub-account	Currency	Dr	Cr	Notes
Accrued Purchases-Supplier		Prime	PurchasePrice-Discount		
[Accounts Payable]	Vendor	Prime		(PurchasePrice-Discount)	
[Tax]		Prime	(PurchasePrice-Discount)*TaxRate/100		

GL Interface Type/[Account]	Sub-account	Currency	Dr	Cr	Notes
Taxes/Duties Payable Contra[1]		Prime		(PurchasePrice-Discount)*TaxRate/100	

Examples

Say, PucrchasePrice=USD 100 Discount=10% Commission=5% ExchangeRate=1.5 BaseCurrency=SGD StandardCost=SGD 70 AdditionalCost=SGD 35 Vendor=SUP-000001 Agent=AGNT000001 TaxRate=7%

The generated vouchers will contain:

Confirm GRN

GL Interface Type	Sub-account	Currency	PrimeDr	PrimeCr	BaseDr	BaseCr	Notes
Purchase Commission		USD	(100-10)*5/100=4.50		6.75		
Accrued Purchases-Supplier		USD		(100-10)*5/100=4.50		6.75	
Accrued Purchases-Supplier		USD		100-10=90.00		135.00	
Purchase Discount		USD		10.00		15.00	
Accrued Purchases-Sundries		SGD		35.00		35.00	
Inventory/Accruals		SGD	70.00		70.00		
Purchase Variance		SGD	100*1.5+35-70=115		115.00		
Totals					191.75	191.75	

Post Supplier Invoice - Local Purchases

When Country Code of the Business matches that of the Supplier.

GL Interface Type/[Account]	Sub-account	Currency	PrimeDr	PrimeCr	BaseDr	BaseCr	Notes
Accrued Purchases-Supplier		USD	100-10=90.00		135.00		
[Accounts Payable]	SUP-000001	USD		(100-10)*(100+7)/100=96.30		144.45	
[Tax]		USD	(100-10)*7/100=6.30		9.45		
Totals					144.45	144.45	

Post Supplier Invoice - Imports

When Country Code of the Business DOES NOT match that of the Supplier.

GL Interface Type/{Account}	Sub-account	Currency	PrimeDr	PrimeCr	BaseDr	BaseCr	Notes
Accrued Purchases-Supplier		USD	100-10=90.00		135.00		
[Accounts Payable]	SUP-000001	USD		100-10=90.00		135.00	
[Tax]		USD	(100-10)*7/100=6.30		9.45		
Taxes/Duties Payable Contra		USD		(100-10)*7/100=6.30		9.45	
Totals					144.45	144.45	

1)

This a new Interface Type that must be defined.