How to create Invoice Transaction from Scratch

by OSOE Project.

▼ Details

This visual guide is part of a collection of documents created by the One Student One ERP (OSOE) project in collaboration with Institut Mines Telecom, Telecom Bretagne, Dresden University of Technology and the South Westfalia University of Applied Sciences. It can be used to teach modern ERP theory and practice to undergraduate students or professionals.

From the tutorials in the session "Packing Lists", you know that a **Sale Invoice Transaction can be created directly from a Sale Packing List** , as you can see from the above workflow of Invoice, after "Ship Packing List", a new Invoice will be created in "Confirmed" state, which the method we recommend as everything is automated, and it will be almost impossible to make an error.

But you might need sometimes to **create sale or purchase invoice transactions from scratch**. If so, this tutorial will help you!

Agenda

- How to create a Purchase Invoice Transaction from the Accounting module
- How to check the transactions in the Accounting module "Accounting Transactions" list

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Please note that this tutorial explains how to create a Purchase Invoice Transaction, but the exact same procedure will help you create a Sale Invoice Transaction, only the first step is different-do not choose to create a Purchase Invoice Transaction, but a Sale Invoice Transaction.

Note: in this session "IFRS Accounting", we will still use our company Hongzhao as an example. So when you are practicing, please replace Hongzhao with the company you created when you configured your ERP5 instance.

New Purchase Invoice Transaction

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As shown in the above workflow, the first step will be to create a Purchase Invoice Transaction manually. To do so, take this simple step, to which you should be used now: in your ERP5 instance Home Page, **click the New tab** and choose **Purchase Invoice Transaction** under the Accounting module as shown on the picture.

Edit Invoice View

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After the creation, you will be located firstly in the **Invoice View tab** of this new Purchase Invoice Transaction. Edit this page in detail, such as the information of your company who is the **client**, the **supplier**, the **product to purchase**. You can also enter a description in the Description field, which will be displayed on the Invoice for your company if you print it.

Then, what you should keep in mind to fill in, is a very important information-the **Purchase Trade Condition** (circled in red). The idea is that **instead of filling all the remaining tabs of this invoice (Payment, Trade Model, etc.), you can import this information from a Purchase Trade Condition** . If you haven't created this type of document before, we would recommend to read the tutorial "How to create Trade Conditions" before taking the following steps. **ATTENTION: You must create a purchase trade condition instead of a sale trade condition** . So even, if you already did the tutorial, you still have to create a new purchase trade condition.

Type the name of your Purchase Trade Condition in the field or click on the little magnifying glass icon next to the Purchase Trade Condition field and pick your Purchase Trade Condition from the displayed list. In our case, as you see in the screenshot, we use "VAT France Purchase Trade Condition".

When you are done, save the changes and jump to next page.

Apply Purchase Trade Condition

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Once you selected your Purchase Trade Condition, it is time to apply. In order to apply the Purchase Trade Condition, click on **Apply Purchase Trade Condition** on the sidebar.

Add an Invoice Line

▼ Details

You can now see that **some information have been imported from the Purchase Trade Condition you just applied**, such as the Currency. You can also browse the Payment, Trade Model tabs, that should also have been updated from your Purchase Trade Condition document. But you can still modify the details if needed.

As shown in the Invoices workflow, when you create the invoice manually, you will need to add invoice lines, which will present the products or services to the Purchase Invoice Transaction. Indeed, **in order for ERP5 to calculate the amount of the transaction, it has to be linked with a product or a service** . In order to do this, we will **create an Invoice Line that will bear the Product/Service you purchase** . In order to create an Invoice Line, click on **"+ Add"** and **select "Invoice Line"** from the list, and click on "**Create Document**" .

After you are done the checking and adding the Invoice Line, jump to next page in order to edit this line.

Edit Invoice Line

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A new Invoice Line has been created. On this line, you will be able to link a product to your Purchase Invoice Transaction, that will help ERP5 to calculate the total amount of the Transaction.

Except for the Title and Reference, **the first step we recommend to take is to link a product to the new Invoice Line**. Indeed, the reason of taking this step first is that the information borne on the product document such as the price will be imported automatically to the Invoice Line (If the product has not variations). In order to link a product, **enter the name of the product/service you want to link in the Product field, or click on the magnifying glass Icon** next to the product field and choose the product or service from the displayed list.

After you save the change in the "Product or Service" field, as you can see in the next screenshot, **some information will be updated as soon as your product is linked to the Invoice Line** . Indeed, these information has been imported from the product document such as the **Base Contribution** which is now set as Taxable, and the **Price (If the product has not variations). If the product linked has variation in prices, the Price field will not be updated automatically, because ERP5 will not choose a price between different prices, but we can set the price later** .

▼ Details

In our case, as we link a complex product with variations, you can see also the **Variation filed** has been updated (as shown in the next screenshot). Jump to next page in order to understand how to set the price and quantity of variations.

If your product has no variation, you will see the price is updated automatically according to the purchase price set in the product document. So the only step to take after this, is to enter in this View page the quantity you purchase in the **Quantity field** . When this is done, click the **Save** button, and you will see the **"Total Price" be calculated by ERP5** .

This procedure to define the **Quantity** is a security procedure to be sure that the price will be calculated depending upon the ordered quantity, because if you have read the tutorial "How to create Products", you know that the **purchase/sale price of some products could depend upon the ordered quantity** .

If your product has no Product Individual Variation, you are done with the Invoice Line after you set the quantity, you can jump directly to the page **"Purchase Invoice Transaction"** .

Choose variation for complex product

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If you linked a product that has individual variations, you have to tell to ERP5 which variations you want to link to this Invoice Line. To do so, **choose the Product Individual Variation shown in the Variation field** which you want to link to this Invoice Line, as circled in red on the screenshot. You should also verify and edit the remaining information, such as Shipping and Delivery Dates, etc.

Don't forget to **click the Save button** and then jump to next page.

The variation tabs

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As you can see in the case of product Variations, two new tabs have been created for you to select the **Quantity and the Price** . These tabs will only be created if you want to link a product with Product Individual Variations **Click on the Quantity tab and jump to next page** .

Set Quantity

▼ Details

As you can see, this Quantity tab displays the Product Individual Variation you have selected in last step, in order for you to enter a quantity for it. When you would have set the quantity and saved your work, the price will be calculated automatically, depending upon the quantity steps you defined, if you did define it in the product document. If not, it will take the unique Purchase Price you set in your product for this variation.

Type the Quantity you want to purchase in the quantity field, and click the Save button Jump to next page.

Check Price

▼ Details

After set the Quantity, ERP5 will calculate the Price automatically. To check the updated Price, **click on the Price tab** , you will see that the price of the product variation, the Total Price and the Quantity has been updated from the Quantity you set in last step.

Now you have finished setting the price and quantity of variations. You can go back to your Purchase Invoice Transaction document. To do so, click on "↑**Invoice Line: JavaScript Patterns**" on the screenshot. Note that the current page is the Invoice Line document where you are located now, don't mix up with the page of the Purchase Invoice Transaction.

Invoice Line added

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Now we are back to the **Invoice View tab** of the Purchase Invoice Transaction we created manually. You will see now in the **Invoice Lines list** the line of the product we just added into this invoice.

Accounting View

▼ Details

After editing the Invoice View tab, we will now check the Accounting View tab, where some information have been updated according to your inputs in Invoice View tab. **Click on the Accounting View tab of this Purchase Invoice Transaction**, you will see the updated information, such as Section, Title, Supplier, Invoice Number, Accounting Operation Date, etc.

You will find that the section for **Accounting Transaction Lines (circled in red) are empty now because you haven't Journalise the transaction** .

If you have read the previous tutorial "How to manage Invoices", you will know the accounting transaction operation includes "Journalise Transaction", "Post Transaction To General Ledger" and "Definitively Close Accounting Transaction". But **before Journalise the transaction, we still have to Confirm the transaction** . Please jump to next page.

Confirm Transaction

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You are now used to workflows, so you should know that the workflows are available for each object without exceptions and can be found in the Action item list.

As shown in the workflow of Invoices, after the creation of invoice, the next step will be to **Plan Transaction** , but you can also **Confirm Transaction directly, if you want it to be taken into account, or if you want to be able to start the accounting operation** . Note that this step should be taken by the company manager, and aims at saying to the accounting department that the transaction is confirmed and that the Purchase will become effective.

In order to confirm this Purchase Invoice Transaction, click on **Confirm Transaction** on the sidebar.

Then you can **start the accounting transaction operation by doing Journalise Transaction** . Please jump to next page.

Journalise Transaction

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As you have learned in the previous tutorial "How to manage Invoices", and as shown in the workflow of Invoices, after the Invoice is confirmed, you will need to act Journalise Transaction to create the Accounting Transaction Lines. So here, the action "Journalise Transaction" is to create accounting transaction lines according to the purchased product linked to this invoice into the Invoice Lines, which include the calculation considering the Trade Model (tax, discount) set in the Purchase Trade Condition.

In order to journalise a purchase invoice transaction, **click on Journalise Transaction** .

Check Accounting Transaction Lines

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After journalised transaction, check the updating of accounting transaction lines. There will be one line for Purchases Account, one line for the VAT (if it is set in the Purchase Trade Condition you applied to this purchase invoice), and one line for the Suppliers Account.

Note that you might need to modify the amounts directly in existing lines; "**Add Accounting Transaction Lines**" (from the Action list on the sidebar); or even delete some transaction lines (by click on the **"Edit"** in the highlighted area on the screenshot, according to each particular transaction.

Create Related Payment

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In order to create the related treasury movements, you will have to create the related payment transaction. In order to do so, we would recommend you to read the tutorial "How to create a Payment" first, to have a general ideal why and how should we do this step. Then you can **click on "Create Related Payment" on the sidebar** .

Go to Accounting Module

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Once the related payment has been created, you can go back to the the Accounting module and check the invoice and payment created by you. To do so, **click on Modules on the sidebar to go back to the page with all modules displayed, and click on Accounting module to enter.**

Check invoice and payment transactions in the Accounting Transactions List

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The **Accounting module displays all the transactions that you have entered in your ERP5**. As you can see on the screenshot, you can find in this list the two accounting transactions that we have created in this tutorial.