

Invoicing Process

PHX007

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Invoicing Process

Purpose

The purpose of these process is to ensure correct invoicing to the customer and payment to the supplier within the agreed terms and conditions.

Scope

This process applies to all accounts personnel and impacts on customers and suppliers. This applies to the Account Manager and Sales Manager when initiating a request for a credit note.

Responsibility

It is the responsibility of the accounts personnel to handle all customer and supplier invoicing/ credit notes and the related payments. Account Managers are responsible for initiating invoicing requests that differs from the standard customer invoice procedure.

Procedures

Customer Invoice

Oasis Sales Orders that have been shipped to the customer are automatically transferred into Sage for invoicing. Sage is a proprietary accounting software tool.

The accounts personnel run the Order Status Report in Sage prior to invoicing to check the VAT rules have been applied correctly. Invoicing takes place on a regular basis towards the end of the day. Phoenix invoices are generated for emailing or posting to customer. Invoice details are collected by Oasis and held against the Sales Order.

See Invoicing Process Flowchart

Instant Invoice

If a customer requests to be invoiced by a specified date, even if it precedes the receipt of their goods, the order on Oasis can be flagged to 'Instant Invoice'. The Account Manager selects the invoicing type and specifies the date on the Sales Order header.

The sales order appears on the Instant Invoices list. If shipment of the goods is still outstanding on the specified date the invoice is created and forwarded to the customer.

If the goods have been shipped prior to the specified date the invoice is created following the normal customer invoice procedure.

See Invoicing Process Flowchart

Deferred Invoice

If a customer requests to be invoiced outside the normal terms and conditions of trading, the order on Oasis can be flagged as 'Deferred Invoice'. The Account Manager selects the invoicing type and specifies the date on the Sales Order header.

An email is generated and sent to the Senior Finance Department for review and approval. The Senior Finance Department approve/decline the request on the Pending Deferred Invoices list. If approved, the order appears on the Approved Deferred Invoice list until the date of invoicing when the invoice is created and sent to the customer.

If declined the order is treated as a normal order and will be invoiced using the Customer Invoice Procedure and the customer will be informed.

See Invoicing Process Flowchart

Credit Notes

Credit notes can be generated by the accounts personnel dealing with the request for a customer return. The accounts personnel clicks on Create Credit Note within the Oasis Returns Module which initiates the process. The credit note appears in the format of a sales order in the sales module with its own sales order number. It is then released and goes directly into Sage for printing and forwarding to the customer.

Credit notes can also be generated by the Sales Managers in cases such as price corrections, delivery charges. Sales Managers raise an Oasis Refund Request – which is emailed to customer services who will do an Oasis refund credit – which is then automated into Sage for sending to the customer.

VAT queries need to be requested via a credit request form to accounts who do the VAT checks before raising a manual Sage credit to rectify the VAT.

Notes of these transactions are recorded manually on the Oasis Sales Order and on the "Credit" excel sheet for tracking purposes.

See Customer Return Procedure – Purchased Products Flowchart and Customer Return Procedure – Reported Products Flowchart in the Returns Process

Supplier Invoice

On receipt of the Supplier Invoice, the accounts personnel verify and enter the details on to Sage, checking the product description, cost, and order amount with the Phoenix purchase order.

Nominal Ledger invoices are registered on Sage and sent out for approval to the relevant Phoenix personnel responsible. Once approved the invoice is returned to the accounts personnel and the details entered on to Sage for payment.

In the event of a discrepancy an invoice is placed on hold and the query is raised with the supplier until a credit note is received.

Payment is made to the supplier within the agreed terms and conditions.

Supplier Invoice Procedure for Direct Delivery Orders

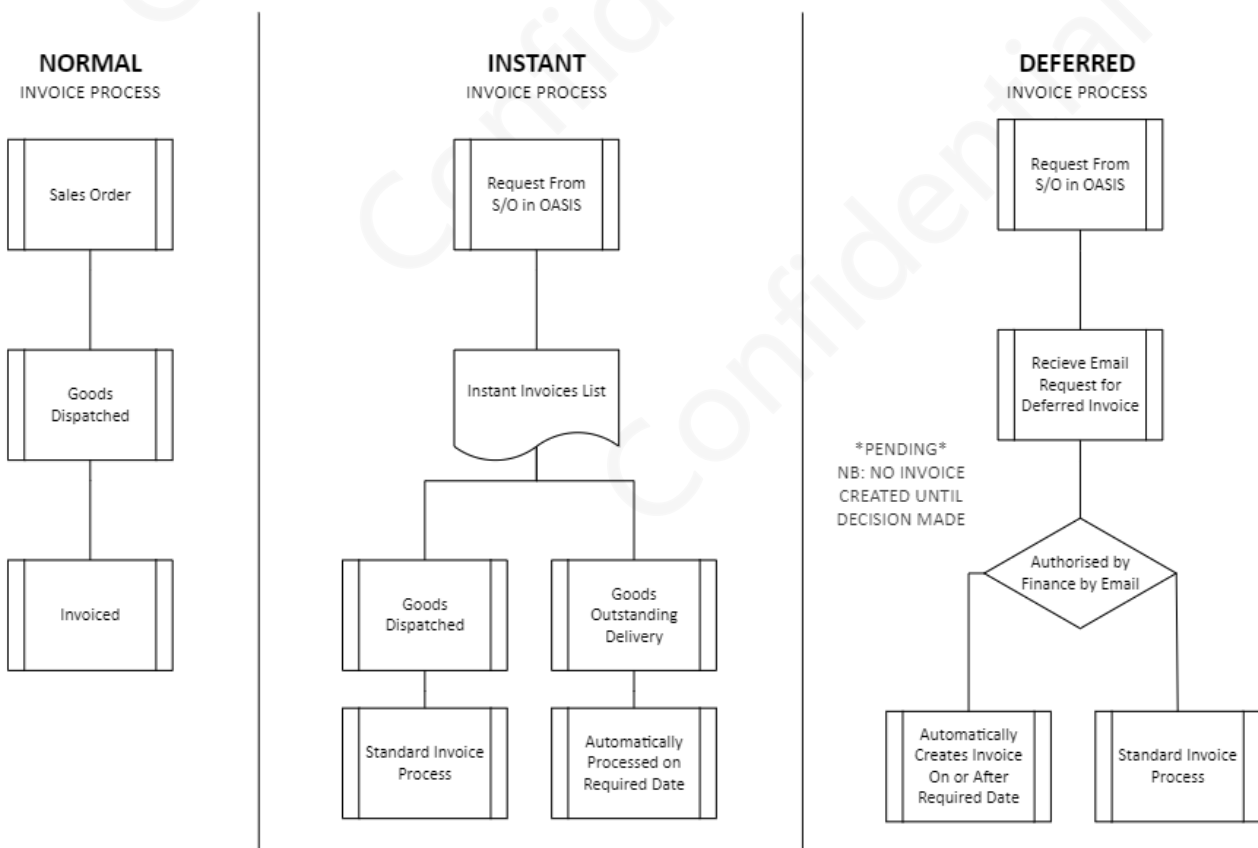
Direct deliveries can be confirmed by supplier invoice to Phoenix. Once the supplier invoice is received the goods can be booked in on Oasis and this will generate the sales invoice to the customer. Once the goods have been booked in on Oasis the supplier invoice can be manually processed on Sage for payment.

While entering the invoice details on to Sage the product description, cost and order amount are verified with the Phoenix purchase order. In the event of a discrepancy the invoice is put on hold and the query is raised with the supplier until a credit note is received.

Payment to the Supplier is made within the agreed terms and conditions.

See Order Shipment Process Flowchart in the Warehouse Process

Invoicing Process Flowchart



Version Control

<u>Author</u>	<u>Version</u>	<u>Date</u>	<u>Description</u>
QMS	1.0	01/05/2016	Original Document
Accounts	1.0	30/12/2017	Annual review – no changes
Accounts	1.0	30/12/2018	Annual review – no changes
Accounts	1.0	05/12/2019	Annual review – no changes
Accounts	1.0	11/11/2020	Annual review – no changes
Natasha Jefferson	2.0	11/11/2021	Credit Note/Supplier Invoice Procedure for DD Orders
Natasha Jefferson	2.0	10/11/2022	Annual review – no changes

Document Approval

<u>Name</u>	<u>Version</u>	<u>Date</u>	<u>Position</u>
Sam Mudd	1.0	01/05/2016	Managing Director
Sam Mudd	1.0	30/12/2017	Managing Director
Sam Mudd	1.0	30/12/2018	Managing Director
Sam Mudd	1.0	05/12/2019	Managing Director
Sam Mudd	1.0	11/11/2020	Managing Director
Sam Mudd	2.0	11/11/2021	Managing Director
Clare Metcalfe	2.0	18/11/2022	Operations Director

Signed: *Clare Metcalfe* Clare Metcalfe, Operations Director

Dated: 18/11/2022