

P2P Cycle:

PR → Purchasing → Supplier → RFQ → PO → Receiving Area → Inspection → Inventory → Payables → Payment → Bank → Cash Management

Journals:

- PR & Purchasing & Supplier & RFQ & PO: None

1- Receiving Area:

Dr\ Receiving area

Cr\ AP Accrual

2- Inspection:

Dr\ Inspection

Cr\ Receiving Area

3- Inventory:

Dr\ Material

Cr\ Inspection

4- Payables:

Dr\ AP Accrual

Cr\ Liability

5- Payment:

Dr\ Liability

Cr\ Cash Clearing

- Bank: Statement

6- Cash Management:

Dr\ Clear

Cr\ Reconcile

Order to Cash Cycle: o2c

RFQ → Sales Order → Inventory → Invoice

→ Receipt → Bank → Cash Management → Transfer all journals to GL

Journals:

- RFQ & Sales Order: None

1- Inventory:

Dr\ COGS

Cr\ Material

2- Invoice:

Dr\ Customer(receivables)

Cr\ Revenue

3- Receipt:

Dr\ Cash

Cr\ Remittance

4- Bank: Bank Statement - Cash Management:

Dr\ Clear

Cr\ Reconcile