

How to capture Purchase amount for the current month in Profit and Loss Statement

In the standard Profit and Loss Statement, the report captures accounts from the turnover range—typically accounts under drawers 4 to 7, which include revenue and expense accounts.

Purchase amounts, such as those from AP Invoices, are usually recorded as liabilities and affect the Balance Sheet, not the P&L directly—unless they are linked to expense accounts like COGS or other operating expenses.

If you're referring to inventory-related purchases, the cost typically flows into the P&L via the Cost of Goods Sold (COGS) when the items are delivered.

In Accounting standard for Cost of Goods Sold is Opening stock + Purchase – Closing Stock but why I can't find this information on below Profit and Loss Statement.

I am confusing under G/L Account 51004 will take into system when the items are delivered instead of follow Goods Receipt.

| | | |
|--|-------------|---------------|
| COST OF GOODS SOLD | | |
| ➡ 51001 - PURCHASE - LOCAL (STD RATE) | | |
| ➡ 51002 - PURCHASE - OVERSEA (MES, ZERO RATE) | | -24,139.02 |
| ➡ 51003 - PURCHASE - DIRECT SHIPMENT(OUT OF SCOPE) | | |
| ➡ 51004 - COST OF GOODS SOLD | -526,897.51 | -5,735,269.89 |
| ➡ 51100 - HANDLING CHARGES-GOLDLINK | | |
| ➡ 51200 - FREIGHT/SHIPMENT COST-CUSTOMER | -117.00 | -307.00 |
| ➡ 51300 - FREIGHT & SHIPMENT - INWARDS | -13,313.87 | -110,095.56 |
| ➡ 51350 - FREIGHT & SHIPMENT - OUTWARDS | -1,840.01 | -25,433.74 |
| ➡ 51400 - MISCELLANEOUS EXPENSES | | |
| TOTAL COST OF GOODS SOLD | -542,168.39 | -5,895,245.21 |
| GROSS PROFIT | 139,297.33 | 1,227,858.67 |

Regarding the first point — in SAP Business One, the Profit and Loss (P&L) Statement does not display Opening Stock + Purchases – Closing Stock directly, as seen in traditional accounting formulas.

Instead, the Cost of Goods Sold (COGS) is automatically recorded and reflected in the P&L at the time goods are delivered to the customer.

The system posts COGS based on the item cost at the time of delivery, not through inventory stock movement calculations shown in the Balance Sheet (e.g., opening and closing inventory).

For the second point — you are correct that G/L Account 51004 is used for posting COGS at the time of Delivery (A/R Delivery).

In contrast, Goods Receipt PO (GRPO) impacts the inventory account, such as 13040, which is part of the Balance Sheet and not the P&L.

The inventory value increases when items are received via GRPO and only decreases when the delivery is made, which is when the COGS account is affected.

Could I confirm what we should do if we want to show the amount of goods purchased during the month in the profit and loss statement?

You can adjust your P&L report by navigating to Financials > Financial Report Templates > Choose Report type and Template.

Financial Report Templates

Template Details

Report Profit and Loss

Template

Template Properties

☐ Show Missing Account

G/L Account Details

PROFIT AND LOSS

PROFIT AND LOSS v2

SYSTEM

Define New

Account Name

Foreign Name

G/L Account Location

Parent Article

Loc. on Tree

Financial KPI Factors

Factor


Format Control

Double Click which you wanna update and define chart of account as shown below figure and update.

| | |
|------------------|--------------------|
| Template Details | |
| Report | Profit and Loss |
| Template | PROFIT AND LOSS v2 |

Template Properties

G/L Account Details

| | |
|--------------|--|
| Account Name | COST OF GOODS SOLD  |
| Foreign Name | |

G/L Account Location

| | |
|----------------|--------------------|
| Parent Article | COST OF GOODS SOLD |
| Loc. on Tree | First |

Financial KPI Factors

Format Control

Indent Characters

Group Data

☐ Subtotal

☒ Mock Title

☐ Hide Accounts

Turnover
REVENUE
REVENUE
REVENUE
OTHER REVENUE
OTHER REVENUE
OTHER REVENUE
Cost of sales
COST OF GOODS SOLD
COST OF GOODS SOLD
COST OF GOODS SOLD
Gross Profit
Operating costs
ADMINISTRATIVE EXPENSES
ADMINISTRATIVE EXPENSES
ADMINISTRATIVE EXPENSES
Non-operating income and expenditure
OTHER INCOME & EXPENSES
OTHER INCOME & EXPENSES
OTHER INCOME & EXPENSES
Taxation and Extraordinary Items
PROVISION FOR INCOME TAXATION
TAXATION
TAXATION
NET EARNING / (LOSS) FOR PERIOD

Account Category - Details

[illegible]

OK

Cancer

Delete Rows

Add Same-Level Acct