

OpenERP Transaction – default mode with:

Stock account set on warehouse location

Stock input/Output contra-transaction accounts set on product

Product cost	9
Supplier price	10
Sale price	20
Sale/Purchase Tax	19.00%
Stock Valuation Account	3000
Stock Input Account	2800
Stock Output Account	2801
Expense Account	7000
Income Account	8000
Debtor Account (Receivable)	4000
Creditor Account (Payable)	4400
Bank/Cash account	5000

Operations

1. Purchase 1 product
No entry
2. Receive 1 product
3. Supplier invoice
4. Pay supplier
5. Sell 1 product
No entry
6. Deliver 1 product
7. Customer Invoice
8. Customer pays

2800 (Stock In)		2801 (Stock Out)		3000 (Stock Val.)		4000 (Receivable)		4400 (Payable)		5000 (Cash/Bank)		7000 (Expense)		8000 (Income)	
Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
	9			9											
								10	10		10	10			
		9			9										
						20	20			20					20

OpenERP Transaction – anglo-saxon mode with:

Stock account set on warehouse location

Stock interim accounts set on product

Cost of Goods Sold set as expense account on product

Price difference account set on product

Product cost	9
Supplier price	10
Sale price	20
Sale/Purchase Tax	19.00%
Stock Valuation Account	3000
Stock Interim account (Received)	2800
Stock Interim account (Delivered)	2801
Cost of Goods Sold Account	7000
Price difference creditor Account	7095
Income Account	8000
Debtor Account (Receivable)	4000
Creditor Account (Payable)	4400
Bank/Cash account	5000

Operations

1. Purchase 1 product
No entry
2. Receive 1 product
3. Supplier invoice
Price difference
4. Pay supplier
5. Sell 1 product
No entry
6. Deliver 1 product
7. Customer Invoice
Cost of Sale
8. Customer pays

2800 (Interim rec.)		2801 (Interim del.)		3000 (Stock Val.)		4000 (Receivable)		4400 (Payable)		5000 (Cash/Bank)		7000 (COGS)		7095 (Price diff.)		8000 (Income)	
Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
	9			9													
9								10				10		1			
								10		10							
		9			9												
						20											20
			9									9					
							20			20							

Generic Principles

In double-entry accounting, Debit and Credit symbols are used instead of + and – operations.

Debit (Dr) transaction = increase in **assets** or **expenses****Credit (Cr)** transaction = increase in **liabilities** or **gain**Opposite transactions also used to decrease the values, e.g. a **debit** transaction will *decrease liabilities* or **gain**

For each transaction, the total of Dr and Cr must be equal

Reminder table	Dr	Cr
Asset	+	-
Liability	-	+
Expense	+	-
Income / Gain	-	+
Capital	-	+