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USER GUIDE
PURCHASE

Exact Globe

Exact Globe

USER GUIDE PURCHASE

CONTENTS

WELCOME TO EXACT GLOBE

This guide provides the information you need to work effectively with Exact Globe Next. It is part of the series of user guides for Exact Globe Next. The goal of this documentation is to help you to get quickly acquainted with the product and the possibilities it offers. It will help all users, especially those without much experience with our software, to get started with and benefi t from the product straightaway.

Exact Globe Next is an integrated software solution; its modules of related business processes function together in an integrated manner. Besides the user guides, there are several information sources, related to the software, available to you. You can access online help documents on Exact Globe Next functionalities while working with the software by just pressing the F1 key. The list of help document also contains release notes related to the product. They inform you of the improvements and functional additions in the various releases of the product.

You can also access the help documents, release notes and other related documents online through the Exact Customer Portal on www.exact.com. The Customer Portal is a protected part of the Exact Software internet site, which has been specially developed to provide you with information and to help you get the maximum yield from your software. This portal informs you about our contacts, downloads, FAQs, and the latest product news. We invite you to use the portal as often as you wish!

Thank you for using Exact Globe Next and this user guide!

INTRODUCTION

Purchases are usually made to meet requirements and demands. The sources of requirements and demands can vary from an organization to another. The **Purchase** module within the integrated Exact Globe Next ERP system provides a means of manually purchasing the required items or identifying purchase requirements from various sources by using the integrated functionalities.

An important prerequisite of the **Purchase** module is the **Finance** module which covers the maintenance of creditor's information and recording of purchase invoices and payment to suppliers. The **Inventory** module is also required for the maintenance of items and warehouse information which will be required to record receiving of items.

The advantages of the **Purchase** module are:

- **Well-defined recording and processing of purchasing activities**
  Detailed information of purchases can be created or generated, authorized for accuracy and validity, and processed accordingly for optimum results. It covers manual purchase orders, generating purchase orders from internal, production or sales requirements, purchase receipts and returns, grouping of purchase orders for quick processing, blanket purchase orders, and transfers of items in warehouse locations.

- **Controlled and yet flexible purchase pricing**
  Standard purchase prices for items are recorded for each supplier. Purchase prices can be updated and price agreements can be set up to cater for promotional prices offered by the suppliers for a period of time.

- **Distribution of purchase cost according to financial procedures**
  The **Purchase** module enables the distribution of purchase cost over several periods or a year to obtain accurate financial figures in the financial reports, such as the profit and loss and balance sheet.

- **Ensures accuracy and validity of purchase receipts, invoices, and payments**
  The process of matching purchase receipts against purchase invoices and the payments to the supplier is vital to ensure that only invoiced items have been received and payments have been made for only what has been received.

- **Various types of reports and statistics for better control**
  The **Purchase** module provides quick and accurate generation of reports and statistics to help managers in their planning and analysis. Reports ranging from purchase histories to statistics of creditors, purchases and items are important in the overall operation of an organization.

This user guide will cover the following chapters:

- Chapter 1: Setting Up
- Chapter 2: Purchase Management
- Chapter 3: Management Information
- Chapter 4: Advanced Features

Chapter 1

Setting Up

1. SETTING UP

Prior to using the **Purchase** module of Exact Globe Next, you must ensure that the relevant system settings are defined according to your organization's internal business conduct. The following settings are relevant to the module:

- Purchase settings
- Number settings
- Document settings
- General ledger settings

1.1 PURCHASE SETTINGS

Purchase settings determine the purchase process flow in your organization. To define the purchase settings, go to System → General → Settings. Under **Settings** (on the left menu), click **Purchase settings**.
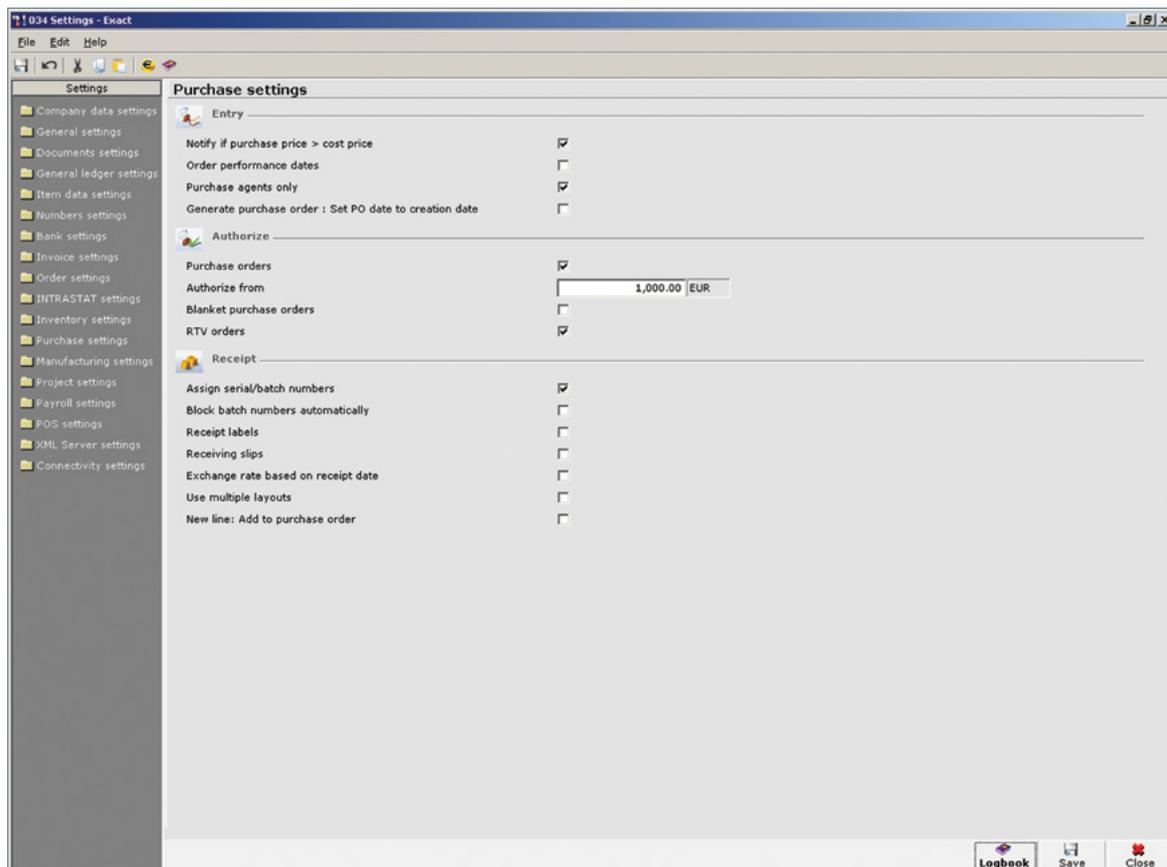
Purchase settings consists of the **Entry**, **Authorize**, and **Receipt** sections.

Entry section

The settings under this section determine whether purchase orders require notifications on purchase prices, order performance dates, and purchase agents upon entry.

Notify if purchase price > cost price
Select this check box to enable the notification if the purchase price defined for the item is higher than the cost price of the item as defined in the item maintenance. If this happens, the system will send the notification.

Order performance dates

Select this check box to enable the **Requested date**, **Planned date**, and **Original planned date** columns in the purchase order entry lines. These dates are important if you want to measure the performance of the purchase orders. The purpose of the order performance date is to track the purchase orders by keeping records of the requested date, planned date, and original planned date. With these dates, it is possible to measure the lead time, and decide whether the delivery performance is acceptable.

Purchase agents only

Select this check box only if you want to allow people with the **Purchase Agent** role and rights to create purchase orders. Purchase agents are employees who perform the daily purchasing of items based on the purchasing planning and instructions from the purchasing manager.

Generate purchase order : Set PO date to creation date

Select this check box to set the purchase order date based on the login date, and the purchase price of the item as of the login date will be used in the purchase order. If this check box is not selected, the purchase order date and purchase price of the item will be based on the first fulfillment date of the sales order. This check box is used for back-to-back purchase orders.

Authorize section

The settings under this section determine whether purchase orders, blanket purchase orders, and RTV orders require authorization. Authorization is required to avoid misuse and unauthorized purchases by the employees, which is a means of internal control. If authorization is mandatory, and no minimum amount has been defined, every purchase order created by the purchase agents will require validation and approval from the purchasing manager. If the **Authorize from** amount is defined, purchase orders with amount that exceeds the **Authorize from** amount will have to be authorized by the purchasing manager.

Purchase orders

Select this check box to make authorization of purchase orders a mandatory process.

Authorize from

Type the minimum amount that requires authorization. For example, if you type "1,000 EUR", purchase orders with the amount of EUR 1,000 and above must be authorized before the purchase orders can proceed to the next process step. By default, the amount displayed is "0.00". If the minimum amount is not defined, purchase orders with any amount must be authorized.

> **Note :**
> This field can be edited only if you have selected the **Purchase orders** check box.

Blanket purchase orders

Select this check box to make authorization of blanket purchase orders a mandatory process. Blanket purchase orders are unlike ordinary purchase orders, whereby the orders are created for a set of quantity of items and for a set period of time from the supplier. This means the quantity of items in the blanket purchase order is released periodically, which is then generated into an ordinary purchase order.

RTV orders

An RTV (Return To Vendor) order is created to return purchased items to vendors for specific reasons, such as wrong items received, faulty items, malfunction of items, or when extra quantity of items is received. Select this check box to make authorization of RTV orders a mandatory process.

Receipt section

The settings under this section determine whether you need to assign unique serial or batch numbers, or block batch numbers automatically, or print receiving labels and receiving slips upon receipt of purchased items.

Assign serial/batch numbers

Select this check box to make it mandatory for every purchase receipt to be assigned with a unique serial number upon the receipt of purchased items.

Serial and batch numbers are unique numbers assigned to items. These numbers allow easier identification and tracking of an item. Serial numbers are unique for one quantity of item; for example item M1350 with a quantity of 10 will be assigned 10 unique serial numbers, one for each item. Batch numbers are unique for each batch quantity of items; for example, one batch of 10 screws will be assigned one unique batch number.

If you do not select this option, it is not mandatory to assign serial or batch numbers during the receipt of the items. In this case, you can assign a serial or batch number later via the **Item transaction card** or upon the delivery of the goods. In order to be able to assign serial or batch numbers to an item, you must enable the **Serial** or **Batch** attribute in the item maintenance under the **Inventory** tab. Furthermore, you will also need the **Serial/Batch** module to be able to work with serial or batch items.

The use of serial or batch items also work concurrently with the settings in **Order settings**, under the **Entry** section at **Selection: Serial/batch numbers**. If the option at **Selection: Serial/batch numbers** is set to **Manually** and the **Assign serial/batch numbers**

check box is selected, then it is possible to reuse the existing serial numbers at the moment of receiving the items by selecting **Yes** to continue when the message "Already exists - Continue anyway?" is displayed.

If the option at **Selection: Serial/ batch numbers** is set to **Valid**, then it is not possible to reuse existing serial numbers and you must define unique serial numbers for the items at the moment of receipt. If you clear the **Assign serial/ batch numbers** check box, then it is possible to receive serial or batch items without assigning serial or batch numbers to them. You may manually assign the serial or batch numbers at a later stage during the fulfillment of the serial items in the sales process.

Block batch numbers automatically

Select this check box to enable the system to automatically block batch numbers upon the receipt of items to avoid the delivery of these items to customers due to some reasons, for example, to avoid delivery of these items due to inferior quality.

Receipt labels

Select this check box to enable the printing of receipt labels upon the receipt of purchased items. Receipts labels are stick-on labels printed with information about the item, such as the bar code, product code, product name, serial numbers, and other information. Receipt labels can be pasted on the items being received for easy identification.

Receiving slips

Select this check box to enable the printing of receiving slips upon the receipt of purchased items. A receiving slip is a document printed with information on what has been actually received. It serves as a proof document to acknowledge the receipt of items.

Exchange rate based on receipt date

Select this check box to use the exchange rate based on the receipt date. By selecting this check box, the value of goods received will be calculated based on the exchange rate on the receipt date. If you do not select the check box, the value of goods will be calculated based on the exchange rate on the date of the purchase order.

Use multiple layouts

Select this check box to enable multiple layouts for purchase orders, blanket purchase orders, purchase receipts, or purchase returns to be printed at the same time when receiving items. If you have selected this check box, you can maintain the multiple layouts via System → Logistics → Layouts. You will not see this menu path if you do not selected this check box.

New line: Add to purchase order

Select this check box to enable an automatic entry line in an existing purchase order when additional items are delivered apart from the original purchase items.

1.2 NUMBERS SETTINGS

All orders and requests must have unique numbers assigned to them, so that any order can be identified and traced. For purchase management, two types of orders must be assigned with unique numbers; purchase orders and RTV orders.

> **Note :**
> Blanket purchase orders share the order numbers with purchase orders as upon the release of a blanket purchase order, it will be generated as a normal purchase order.

The **Number settings** at System → General → Settings are used to define the settings for generating the purchase order numbers.

Logistics section

Purchase order number
Type a unique number for the purchase order. Upon creating a purchase order, a new purchase order number will be generated by the system based on the running number specified here. The purchase order number serves the purpose of identifying and tracing a purchase order.

Blanket purchase order number
Type a unique number for the blanket purchase order. Upon creating a blanket purchase order, a new blanket purchase order number will be generated by the system based on the running number specified here. The blanket purchase order number serves the purpose of identifying and tracing a blanket purchase order.

RTV order number
Type a unique number for the RTV order. Upon creating an RTV order, a new RTV order number will be generated by the system based on the running number specified here. The RTV order number serves the purpose of identifying and tracing an RTV order.

Allow change entry number
Select this check box to define a number greater than the one in **Number settings**.

1.3 DOCUMENTS SETTINGS

It is important to use proper layouts when printing documents generated from various purchase processes. You can select from existing layouts or customize layouts according to your needs. The **Documents settings** are defined at System → General → Settings. Under Settings, click **Documents settings**. The relevant documents settings are under the **Logistics** section.

Logistics section

Purchase order
This is the document layout for purchase order confirmation. A purchase order confirmation is a valid purchase order which will then be sent to the relevant supplier for placing the order. The purchase order confirmation is printed when you print or process the purchase order. Click 🔍 **Select** to select an existing document layout, and then click **Select**.

Blanket PO

This is the document layout for the blanket purchase order. Click 🔍 **Select** to select an existing document layout, and then click **Select**.

Receipt

This is the document layout for the receiving slip. Click 🔍 **Select** to select an existing document layout, and then click **Select**.

Receipt labels: Purchase

This is the document layout for the receipt label. Click 🔍 **Select** to select an existing document layout, and then click **Select**.

Returns: Supplier

This is the document layout for the return slip used for the items that are returned. Click 🔍 **Select** to select an existing document layout, and then click **Select**.

1.3.1 Creating and maintaining document layout

You can also customize a new document layout by creating a layout or editing an existing layout. It is advisable that you copy the existing document layout before editing to retain the original version of the document layout.

You can also preview a document layout to ensure that the layout meets your needs. To create a layout based on an existing layout, you can copy an existing layout. Deleting an existing layout is also possible.

To copy document layouts:

1. At **Purchase order** or any other document, click 🔍 **Select**. The **Layout** screen will be displayed.
2. In the **Layout** screen, select a document layout.
3. Click **Copy**.
4. In the **Copy Layout** screen, type the new document layout name at **Layout name**.
5. Click **Copy** to copy the selected document layout to the new document layout name.

To customize document layouts:

1. At **Purchase order**, click 🔍 **Select**. The **Layout** screen will be displayed.
2. Click **New** to create a layout, or select a layout.
3. Click **Edit** to edit the selected layout.
4. In the **Layout** screen, define the layout that you want by clicking **Edit** at the toolbar, and then clicking **Insert**.
5. Insert the **Database field**, **Text field**, **Calculation field**, **Frame** and/or **Image** in the new layout by clicking the respective options. For each field, define the text, alignment, and other settings.
6. To define the font for the layout, click **Edit** at the toolbar, and then click **Font**. Click the **Name**, **Font size**, **Bold**, **Italic**, or **Underlined** to set the font.

> **Note :**
> The Purchase order and Blanket PO confirmation layouts can be customized to include two fields for total quantity; **Total quantity in purchase pkgs**. (for total quantity in purchase packages) and **Total quantity in sales packages**. The following steps describe how you can include these fields.

To include Total quantity in purchase pkgs. and Total quantity in sales packages fields in Purchase order and Blanket PO confirmation layouts:

1. At **Purchase order** or **Blanket PO**, click 🔍 **Select**, and the **Layout** screen will be displayed.
2. Click **New** to create a layout, or select a layout.
3. Click **Edit** to edit the selected layout.
4. In the **Layout** screen, define the layout that you want by clicking **Edit** at the toolbar, and then click **Insert**.
5. Select **Database field**.
6. In the **Database field** screen, select **Total Block** at **Block**.
7. Under the **Field box**, select **Total quantity in purchase pkgs.**, or **Total quantity in sales packages** to include the selected field in the purchase order or blanket purchase order confirmation document layout.

The layouts for **Purchase order**, **Blanket PO**, **Receipt**, **Receipt labels**, and **Return: Supplier** documents can be customized to include the **State/Province code** and **State/Province** descriptions.

To preview document layouts:

1. At **Purchase order** or any other document, click 🔍 **Select**. The **Layout** screen will be displayed.
2. Select a document layout.
3. Click **Preview**. The selected document layout will be displayed in the preview.
4. Click **Zoom in** or **Zoom out** to obtain a closer or overall view of the layout respectively.
5. Click **Print** to print the document layout.
6. Click **Close** to close document layout preview.

To delete document layouts:

1. At **Purchase order** or any other document, click 🔍 **Select**. The Layout screen will be displayed.
2. Select a document layout.
3. Click **Delete**. A message "Delete layout?" will be displayed.
4. Click **Yes** to delete, or **No** to cancel the deletion.

1.3.2 Linking document layout to creditors

You can link a creditor to this document layout or remove the link to a creditor from this layout. To link or remove the link to a creditor, do the following:

1. At **Purchase order**, click 📇 **Link layouts to creditors**. The **Layouts: Purchase orders** screen will be displayed.
2. To link a creditor to this document layout, select a creditor.
3. Click **Change**.
4. Select a document layout at **Layout**.
5. Click **OK**.
6. To remove the link to a creditor from the document layout, select a creditor, and then click **Unlink**.
7. Click **Close** to exit.

1.4 GENERAL LEDGER SETTINGS

An appropriate general ledger code for the invoices to be received account must be assigned so that the amount from invoices to be received can be posted to the correct general ledger. This section describes the G/L account settings relevant to purchase management.

The **Invoices / items to be received** account is an intermediate account which is used before you actually receive the invoices or items.

To define the general ledger account settings for items to be received:

1. Go to System → General → Settings.
2. Under **Settings**, click **General ledger settings**.
3. Under the **General ledger** section, at **Invoices / items to be received**, select the appropriate general ledger account.
4. Click **Select**.
5. Click **Save** to save the defined settings. A message "Changes will only take effect after restarting the software" will be displayed.
6. Click **OK**.
7. Restart Exact Globe Next for the new settings to take effect.

> **Note :**
> Based on accounting principles, the general ledger account selected at **Invoices / items to be received** must be of neutral type under the balance sheet reporting group. The **Invoices / items to be received** amount falls under current liabilities. Thus, this general ledger account must be from the balance sheet reporting group. The amount credited or debited is written off at the final reporting stage. Thus, this general ledger account must be of type neutral.

To define the tax and discount calculation

1. Go to System → General → Settings.
2. Under **Settings**, click **General ledger settings**.
3. Under the **Default** section, at **Tax & Discount calculation**, select any one of the following options:
   – Tax calculated over net invoice amount excluding discount
   – Tax calculated over net invoice amount including discount
   – Tax calculated over gross invoice amount

The following explains the calculation for the above options:

Tax calculated over net invoice amount excluding discount
The tax amount is calculated based on the net amount of the invoice before discount while the discount amount is calculated based on total invoice amount (net amount + calculated tax).

Example:
Net amount: 100 EUR
Tax: 19% (Including)
Payment condition: 2% discount for payment within 10 days
Calculated tax: 19% * 100 EUR = 19 EUR
Total amount: 100 EUR + 19 EUR = 119 EUR
Calculated discount (if payment is made within 10 days): 2% * 119 EUR = 2.38 EUR

Tax calculated over net invoice amount including discount

The tax amount is calculated based on the net amount of the invoice after discount. The discount amount is then calculated based on the net amount of the invoice.

Example:
Net amount: 100 EUR
Tax: 19% (including)
Payment condition: 2% discount for payment within 10 days
Calculated discount (if payment is made within 10 days): 2% * 100 EUR = 2 EUR
Net amount after discount: 100 EUR - 2 EUR = 98 EUR
Calculated tax: 19% * 98 EUR = 18.62
Total amount: 100 EUR + 18.62 EUR = 118.62 EUR

Tax calculated over gross invoice amount

The tax amount is calculated based on the gross amount of invoice.

Example:
Net amount: 100 EUR
Tax: 19% (including)
Payment condition: 2% discount for payment within 10 days
Calculated tax: 19% * 100 EUR = 19 EUR
Total amount: 100 EUR + 19 EUR = 119 EUR
Calculated discount (if payment made within 10 days): 2% * 100EUR = 2EUR

> **Note :**
> This option is only used for single tax environment. It is not available if you have selected the **Use tax module** check box under the **VAT** section of **General ledger settings**.

Chapter 2

Purchase Management

2. PURCHASE MANAGEMENT

Purchase is an important element in the supply chain process of a business organization. You usually do the purchases to fulfill the needs deriving from sales and internal use.

In Exact Globe Next, purchase orders can be created when you want to place an order to suppliers. The created purchase orders can be edited or deleted if the purchase orders have not been authorized.

Exact Globe Next provides a complete process flow for the purchase management whereby it covers the planning of the purchase order, authorization of the purchase order, processing and printing of the purchase order confirmation, receiving of purchased items, registration of the purchase invoice, and reconciliation of the purchase invoice to receipts.

The sequence of the purchase order process flow is as follows:

2.1 PURCHASE ORDER PROCESS

The following topics are relevant to the basic purchase order process:

- Creating, editing, and deleting purchase orders
- Generating purchase orders based on requirements
- Authorizing purchase orders
- Printing and processing purchase orders
- Receiving purchase orders
- Creating purchase invoices
- Reconciling purchase invoice to receipts

2.1.1 Creating purchase orders

Creating purchase orders is the starting point of the purchase process. The purchase order is a legal offer to buy. Thus, it is important that you state the purchase details clearly and accurately. Purchase orders can be created for the purpose of sales whereby you purchase items to be sold to your customers. Purchase orders can also be generated based on your organization's requirements that are based on internal use and manufacturing activities.

- Purchase order process flow — Displays the process flow of the purchase order, and the process step(s) that has been completed for the purchase order such as authorized, processed, received, and other steps. Once a process step has been completed, a green check mark and the completion date will be displayed. Otherwise, a red cross will be displayed. If the process step is not required, "Skip" will be displayed.

- **Purchase order header** — Displays the supplier and purchase order information, such as the supplier's name and address, purchase order date, and other details.
- **Purchase order lines** — Displays the information of the items ordered, such as the quantity ordered, requested date, price, and other information.

To create purchase orders:

1. Go to Purchase→ Entries→ Purchase orders.
2. Click **New**. You will see the purchase order entry screen.
3. At **Ordered at**, type or select the supplier to whom you are placing the purchase order. The warehouses and addresses where the items purchased are to be delivered, and where the purchase invoices are to be sent to, are automatically pre-filled with the default warehouse.
4. Type the purchase order number at **Purchase order number** or press TAB to automatically generate an order number based on the **Number settings** defined at System → General → Settings.
5. The date at **PO date** is pre-filled with the current date. You can change the date by typing or selecting the appropriate date.
6. Type a description at **Description**.
7. Type or select a person at **Person** for the purchase order. The person is pre-filled based on the login of the person.
8. At **PO method**, type or select the method of placing the purchase order. You can create a PO method by clicking **New** in the **Purchase order methods** screen.
9. At **Shipping via**, select the appropriate shipping method of how the supplier will deliver the items.
10. Click **Conditions** to define the payment conditions for the purchase order. For more details, see *To define payment conditions for purchase orders*.
11. In the **Item** column, type or select the item (by pressing the F2 key) that you intend to purchase. The description is automatically pre-filled as defined in the item maintenance. However, you can change the description.
12. At **Total quantity**, if the total quantity pre-filled (as defined at **PO size in Items by supplier** under the item maintenance) is different from the quantity you want to purchase, type the required quantity. The amount of units at **Pur. unit** (purchase unit) is pre-filled as defined at **Purchase unit in Items by supplier** in the item maintenance.
13. At **Fulfillment date**, type the appropriate delivery date if it is different from the pre-filled current date.
14. At **Requested date**, type the date which you require to have the stock arriving in the warehouse. This is used to evaluate whether the

supplier can respond to your requests by the planned date. The number of days the supplier will need to deliver the item can be defined in the **Time of delivery** box at the item maintenance (go to Purchase → Items → Maintain, select the relevant item, and click **Open**. Under the **Purchase/Sales** tab, select the supplier under the **Suppliers** section, and click 📝 **Edit**).

15. The value at **Price** is pre-filled automatically as defined at **Price** at **Items by supplier** in the item maintenance. At **Disc. %** (discount percentage), type the percentage of discount offered by the supplier. The values at **Net price** and **Amount** are automatically calculated based on the price and the discount percentage.
16. Type or select the person that is responsible for receiving the purchased item at **Person**.
17. Click **Close** to save the purchase order.

Note :
To add or remove the columns in the purchase order lines, click 📋 **Columns** at the toolbar. The **Requested date**, **Planned date**, and **Original planned date** columns are available only if the **Order performance dates** check box under **Purchase settings** in system settings is selected. **Planned date** is the date the supplier promised to deliver the goods to the warehouse. This date can be changed after the purchase order has been confirmed with the final print of the purchase order confirmation. This can be used to evaluate whether the supplier delivers the goods on the promised date. **Original planned date** is the planned date prior to modification and it cannot be changed. This can be used for comparison with the planned date. You can define the payment conditions for a new or existing purchase order.

To define payment conditions for purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select a purchase order.
3. Click **Open**.
4. Click **Conditions**. The **Purchase order** screen will be displayed.
5. Under the **Payment data** section, type or select the currency used by the supplier at **Currency**.
6. Type or select the appropriate payment condition at **Payment condition**. By default, the payment condition displayed is based on the **Payment condition** defined at the creditor maintenance under the **Financia**l tab. You can create payment conditions at System → General → Countries → Payment conditions.
7. To edit a payment term for the purchase order, select the payment term line, and click 📝 **Edit**. By default, the payment term will be displayed based on the payment condition selected at **Payment condition**.
8. In the **Other** screen, click **Advanced** to define more criteria.
9. Define the relevant conditions for the payment term, and then click **Save** to save the newly defined payment term.
10. You can also delete an existing payment term by clicking 📝 **Delete**.
11. Under the **Note** section, type in notes specific to the supplier and the created purchase order.
12. Under the **Purchase order data** section, type the description specific to the purchase order at **Description 1** to **Description 3**.
    Note: These descriptions can be printed on the purchase order confirmation provided the information is defined in the document layout for the purchase order confirmation.
13. Type or select the code of the extra description that you want to be printed on the purchase order form, receiving slip, and/or other documents at **Extra description**.
14. At **Project cod**e, type or select the project code to link the relevant project to the purchase order.
15. Select the **Confirm prices** and **Acknowledge order** check boxes to display this information in the purchase order layout if the layout is set to display the additional information.
16. At **Incoterm**, type or select an Incoterm.
17. At **Incoterm code**, type or select an Incoterm code to display this information in the purchase order layout if the layout is set to display the additional information.

18. Under the **Analytical group** section, select the relevant cost center at **Cost center** to link the purchase order to respective cost center. This will be used for distribution of cost occurred across cost centers.
19. At **Selection code**, select the appropriate selection code. This is used for analysis.
20. At the **Customer code**, select the relevant customer code to link the purchase order. This is used for analysis.
21. Under the **Freight data** section, type the **Gross weight**, **Net weight**, **Packages**, and **Route**.
22. Click **Close** to save the payment condition and exit.

2.1.2 Editing purchase orders

You may want to make modifications to the created purchase order, such as adding, deleting, or changing the quantity of an item. You may also want to change the delivery date of the item due to some business reasons.

You can also insert notes and attach documents to the purchase order. A green check mark will be displayed in the **Notes** column if notes are added to the purchase order, and a green check mark will be displayed in the **Attachment** column if the purchase order has documents attached. Changes can be made to the purchase order as long as it has not been received and invoiced.

To edit purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select the purchase order that you want to edit.
3. Click **Open**.
4. Make the change(s).
5. Click **Close** to save the changes and exit.

To change delivery dates of purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select the relevant purchase order.
3. Click **Change**.
4. In the **Fulfillment date** screen, select a purchase order under the **Purchase order lines** section.
5. Type the new delivery date at **Fulfillment date** under the **New** section.
6. Click **Save** to save the changes. Click **Refresh** to view the newly changed delivery date, or **Close** to exit.

To insert notes to purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select a purchase order.
3. Click **Note**.
4. In the **Notes** screen, click **Timestamp** to indicate the person that made the notes, time, and date.
5. Type the notes.
6. Click **Save** to save the notes, or **Close** to exit.

To attach documents to purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select a purchase order.
3. Click **Attachment**.
4. In the **Purchase orders - Attachments** screen, click **Add existing** to attach an existing document in Exact Globe Next.
5. Select a document, and then click **Select**. Alternatively , you can attach a new document by clicking **New**.
6. If you clicked **New** in the previous step, in the **Document** screen, locate the intended document under the **Attachment** section, and then click **Select**. The selected document will be created in Exact Globe Next.
7. Type the subject at **Subject**, and details of the document.
8. Click **Save** to save the newly created document.
9. Click **Close** to return to the **Purchase orders - Attachments** screen. The document is now attached.
10. Click **Close** to exit.

To view logs of purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select the relevant purchase order.
3. Click **Logbook**. The **Logbook** button is enabled only if changes have been made to the selected purchase order. However, this button is available only if the Logbook check box in **Order settings** under the **Entry** section at System → General → Settings is selected.
4. In the **Purchase order logbook** screen, the details of the changes made to the purchase, such as the person that made the changes, date, field, and reason for changing will be displayed. The old and new values for the fields will also be shown.
5. Click **Close** to exit.

2.1.3 Deleting purchase orders

Deleting purchase orders is part of housekeeping in maintaining your database to eliminate unwanted records. You may want to delete purchase orders that are obsolete. In Exact Globe Next, you can delete purchase orders that are outstanding and have not been received before. You cannot delete completed and rejected purchase orders.

To delete purchase orders:

1. Go to Purchase → Entries → Purchase orders.
2. Select a purchase order.
3. Click **Delete**. A message "Delete the data selected?" will be displayed.
4. Click **Yes** to delete. Otherwise, click **No** to cancel.
5. Click **Close** to exit.

2.1.4 Generating purchase orders based on requirements

You can generate purchase orders based on requirements such as stock shortage, sales demand, or internal use request. When generating a purchase order, the system will suggest a list of suppliers for the item for you to select from, and define the advice quantity that you want to purchase.

Based on the selection and input, the system generates the purchase order by automatically filling in the intended information for the purchase order. This is different from creating purchase orders whereby you need to fill in the information manually for the purchase orders you create.
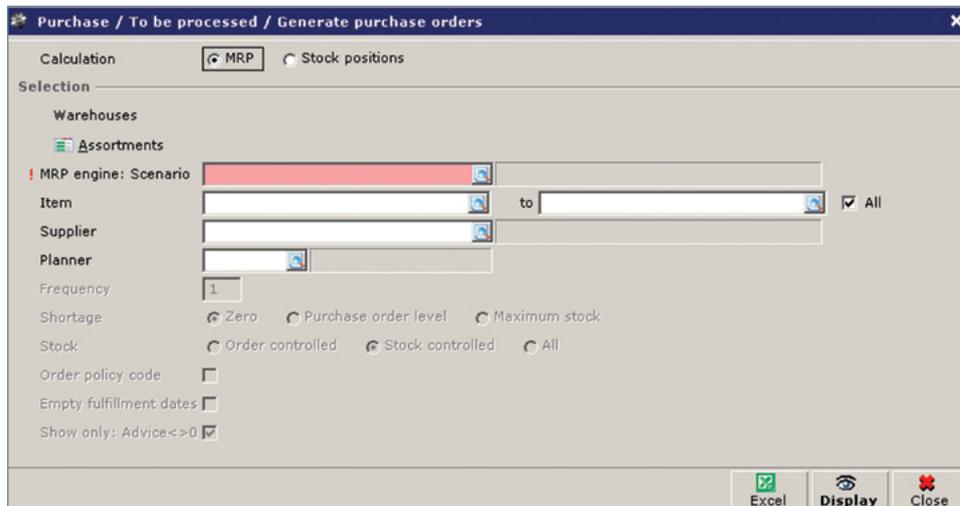
To generate purchase orders:

1. Go to Purchase → To be processed → Generate purchase orders.
2. At **Calculation**, select **MRP** or **Stock positions**.
3. Select an assortment(s) by clicking **Assortments** to obtain the stock positions for items linked to the selected assortment(s).
4. At **Item**, type or select the item(s) to obtain the stock positions for the selected item(s). Select the **All** check box to display the stock positions for all items.
5. At **Supplier**, type or select the supplier(s) to obtain the stock positions for the selected supplier(s). Select the **All** check box to display the stock positions for all suppliers.
6. At **Planner**, type or select a person who enters the planning. This field is pre-filled if the planner for the item is defined in the **Items per warehouse** screen under the **Inventory** tab in the item maintenance.
7. At **Frequency**, type the purchase frequency. Frequency is the number of days from the current date that you want the items to be displayed. For example, if you type "10", the items that will be required in 10 days will be displayed.
8. At **Shortage**, select one of the following options:
   - **Zero** — Select this to obtain the requirements of items with zero or no stock.
   - **Purchase order level** — Select this to obtain the requirements of items with purchase order level stock shortage.
   - **Maximum stock** — Select this to obtain the requirements of items with maximum stock shortage.

9. At **Stock**, select **Order controlled**, **Stock controlled**, or **All** to obtain requirements for the respective items.
10. Select the **Empty fulfillment dates** check box to obtain requirements with no fulfillment dates.
11. Select the **Show only: Advice <>0**, check box to obtain item requirements only with advice quantity which is not zero.
12. Click **Display** to view the item requirements in the **Item management: Planning** screen.
13. Select an item and click ┼ to view more information on the requirements of the item.
14. Select the specific requirement quantity of the item and click **PO**.
15. In the **Generate purchase orders** screen, filter the supplier(s) you want by selecting **All warehouses**, or a specific warehouse at **Warehouse**. Select **Zero**, **Purchase order level**, or **Maximum stock** at **Shortage**. Based on these selections, the relevant suppliers are listed.
16. Select the **Selected** column to select the supplier from whom you want to purchase. Clear the **Selected** column to remove the supplier if you do not want to purchase from the supplier. This step is important as it determines the supplier from whom you want to generate the purchase order.
17. Type the purchase quantity in the **Advice** column, and click **Purchase**. Both the **Created: Order** and **Purchase order** screens will be displayed showing the purchase order that is generated from this requirement for the selected supplier.
18. Click **Close** in the **Purchase order** screen to save the generated purchase order.
19. Click **Close** in the **Created: Order** screen to exit.

> **Note :**
> The **Frequency** field, **Shortage** options, **Stock** options, **Order policy code** check box, **Empty fulfillment dates** check box, and **Show only: Advice <>0** check box are enabled only if the **Stock positions** option at **Calculation** is selected.

To view details of stock requirements:

1. Go to Purchase → To be processed → Generate purchase orders.
2. Define the search criteria.
3. Click **Display**.
4. In the **Item Management: Planning** screen, select an item requirement quantity.
5. Click **Details**. In the **Details** screen, the requirements, such as sales orders are displayed at the top section, while purchase orders, production orders, and inter-branch transfers are displayed at the bottom.

2.1.5 Authorizing purchase orders

Exact Globe Next provides you the option of approving purchase orders before sending the orders to suppliers. Authorization of purchase orders is necessary to ensure the validity of the purchases and also provides a means of monitoring the outgoing purchase orders. Authorization is an optional process as it depends on the purchase settings that you have defined at System → General → Settings, under **Purchase settings**.

However, not all the people are able to authorize purchase orders. Only people with the appropriate rights and roles can authorize or reject purchase orders. A person with authority can decide to authorize or reject a purchase order; for example, reject purchase orders that are not within the company's budget. Authorization of purchase orders also depends on the purchase order limit given to the person with authorization status. If the total amount of the purchase orders to be authorized exceeds the authorization limit given to the person, authorization of purchase orders will not be allowed.

For example, if the person's authorization limit is EUR 1,000 and the total amount of the purchase order to be authorized is EUR 1,500, the person will not be permitted to authorize the purchase order. The authorization status and purchase order limit of each person can be defined at the people maintenance (at System → HR & Security → People, select the relevant person, and then click **Open**), under the **Rights** tab.

To authorize or remove authorization of purchase orders:

1. Go to Purchase → Entries → Authorize.
2. Define the search criteria.
3. Click **Search**. Purchase orders that match the defined criteria will be displayed.
4. Select a purchase order.
5. Click **Authorize**. A message "Change the authorization status?" will be displayed.
6. Click **Yes** to authorize the purchase order, or **No** to exit.
7. Click **Close** to exit.

To reject purchase orders:

1. Go to Purchase → Entries → Authorize.
2. Define the search criteria.
3. Click **Search**. The purchase orders that match the defined criteria will be displayed.
4. Select a purchase order.
5. Click **Reject**.
6. In the **Reject** screen, type an e-mail, and then click **Send** to notify the supplier of the rejection. Otherwise, click **Skip** if you do not want to email the notification.

2.1.6 Printing and processing purchase orders

After purchase orders have been authorized, the next step is to print the purchase orders, indicating that the purchase orders are processed. You can then send the printed purchase orders to the suppliers.

To print and process the purchase orders:

1. Go to Purchase → Entries → Print / Process.
2. Define the search criteria.
3. Click **Search**. Purchase orders that match the defined criteria will be displayed.

4. Select a purchase order.
5. Click **Print**.
6. In the **Print: Purchase orders** screen, select **Final** under the **Print** section to print the final copy of the purchase order.
7. Under the **Output** section, select **Printer** to print the purchase order, or **E-mail** to send the purchase order via e-mail to the supplier.
8. Under the **Options** section, select the appropriate layout for the purchase order at **Layout**.
9. To compress the purchase order lines, select the **Compress** check box. If the purchase order contains more than one purchase order line, the purchase order lines are compressed based on per item.
10. You can type more details for the purchase order by selecting the **Free text lines** check box to enable the **Text block 1** and **Text block 2** sections.
11. Click **Print** to print the purchase order. The purchase order is now processed.

2.1.7 Receiving purchase orders

Once you receive the items from your supplier, you can register the receipt in the system. You can determine if the ordered and received quantities are the same. When you receive the items in your warehouse, the stock of the items will be increased and available for use. A receipt also results in a financial entry in the general ledger account **Invoices to be received**.
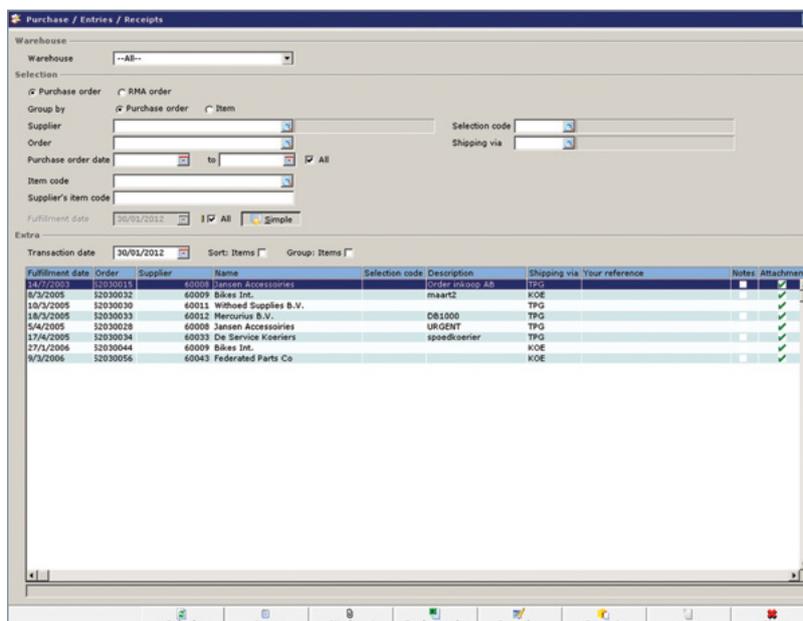
To receive purchase orders:

1. Go to Purchase → Entries → Receipts.
2. Under the **Warehouse** section, select a warehouse at **Warehouse**.
3. Under the **Selection** section, define the search criteria.
4. Click **Refresh** to retrieve the purchase orders that match the search criteria.
5. Select the purchase order you want to register the receipt for and click **Receipts**. In the **Receipts** screen, the information of the selected purchase order will be displayed on the header, such as the purchase order number, supplier, purchase order date, receipt date, buyer, and entry. You can type a supplier reference at **Your ref.**.
6. In the receipts realization line, ensure that the correct item is listed in the **Item** column.
7. In the **Actuals** column, type the actual quantity received of the item. The quantity of items can be shown in sales unit or purchase unit.
8. Click **Process** to process the receipt.

It is also possible to add items that you have received but were not part of the original purchase order. In this case, the actual stock quantity will increase. There are no consequences in the financial transactions until you create the relevant purchase invoice for the additional items that you have received in the purchase journal at Finance → Entries → Purchase.

2.1.8 Creating purchase invoices

Once you have received the items and registered the receipt, the next step in the process is to create the purchase invoice. The purchase invoice is a legal demand of payment from the supplier. The purchase invoice is created in the purchase journal.

When you create the purchase invoice for a purchase order or receipt in the purchase journal, the actual purchase price of the item is registered. At the same time, an outstanding amount will be created for the supplier. If tax is applicable, a tax entry will also be created.

After the purchase invoice has been created, an invoice due date will be created based on the invoice date and the payment terms.
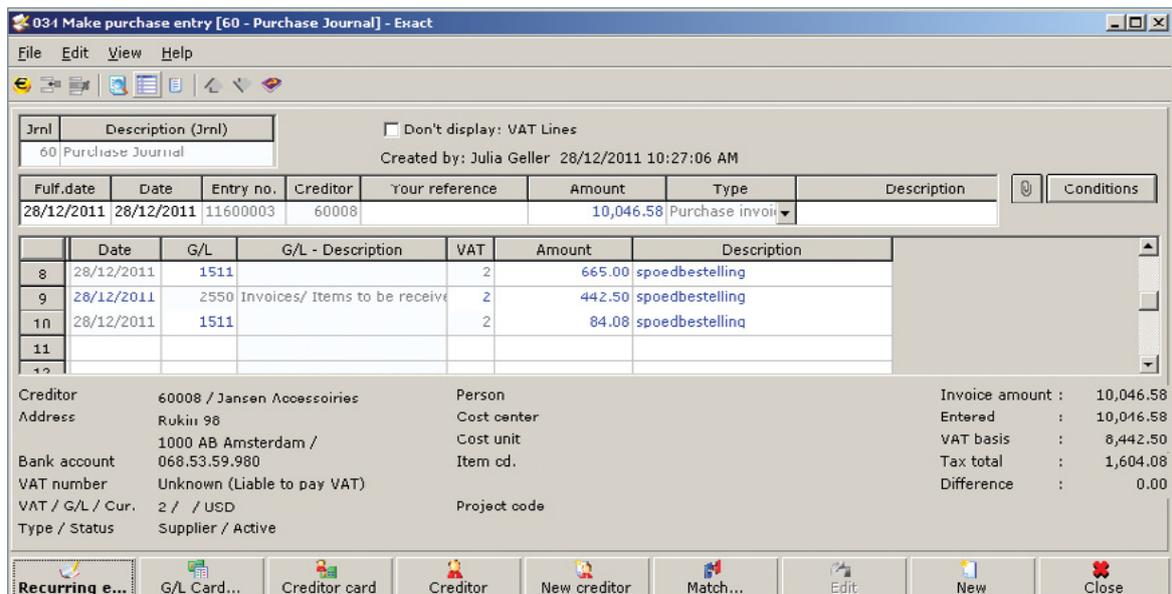
To create purchase invoices:

1. Go to Finance → Entries → Purchase.
2. Select a purchase journal.
3. Click **New**. The **Make purchase entry** screen will be displayed. The **Date** column is, by default, filled with the current date, but this can be modified. The value in the **Entry no.** column is automatically generated and cannot be changed.
4. Press TAB to go to the entry lines.
5. In the **Creditor** column, type or select the supplier.
6. Press TAB and the **Invoices to be received** screen will be displayed.
7. In the **Invoices Items to be received** screen, define the search criteria.
8. Click **Refresh** to show all invoices to be received for this supplier.
9. Select an invoice.
10. Click **Enter** to fill in the entry lines based on the selected invoice.
11. At **Your reference** in the **Make purchase entry** screen, type the supplier's reference number. This information is mandatory.
12. Once all necessary data has been defined, click **Close** to save the purchase entry. The message "New: Offset account. Update: Creditor data?' will be displayed if you are registering the entry for the first time. If you click **Yes**, the offset account and tax account linked to this creditor will be updated (at Finance → Accounts Payable → Maintain, under the **Financial** tab). For another entry, these accounts will be used and the message will not be displayed again.

> **Note :**
> You can add or remove columns by clicking ▥ **Columns**, and selecting or clearing the check boxes.

If the created purchase invoice needs to be changed, you can always retrieve the entry from the purchase journal and edit it. You can also delete the entry and add new entry lines. For example, if there is a change in the invoiced amount, then you can change the invoice amount directly in the entry line.

Upon entering the purchase invoice, the invoice process flow step in the purchase order entry will have a green check mark and a date, indicating that the purchase invoice has been created on that date.

2.1.9 Reconciling purchase invoices to receipts

When you receive the items you have ordered, it is not always known what the actual purchase price is. This especially applies to items with prices that change frequently. The actual purchase price is shown on the purchase invoice.

When the purchase entry is created, the amount of the purchase invoice is booked into the creditor account against the outstanding amount from the purchase order in the **Invoices to be received** account. Thus, it is possible that the total and amount of your purchase orders or receipts are not equal to the total and amount of the purchase invoice.

To ensure that actual total prices are booked accurately, the logistics order, receipts, and invoices must be reconciled. By doing this, the actual totals and purchase price of the purchase order are booked in your administration.

You can reconcile invoices and receipts automatically or manually.

To automatically reconcile purchase invoices to receipts:

1. Go to Purchase → To be processed → Reconcile.
2. In the **Reconcile** screen, at **Group by**, select **Supplier** or **Item** to group the transactions respectively.
3. Type or select a date or date range at **Date from/to**, or select the **All** check box to view transactions for all the dates.
4. Click **Refresh**. All transactions that have not been reconciled will be displayed.
5. Select a supplier or item.
6. Click **Automatically** to start the automatic reconciliation.

Purchase receipts and purchase invoices are automatically matched based on the purchase order number. You can only reconcile receipts and invoices automatically when the total quantity of invoiced items is equal to the total quantity of received items. Thus, the purchase price from the purchase order is retrieved from the actual purchase price in the purchase invoice.

To manually reconcile purchase invoices to receipts:

1. Go to Purchase → To be processed → Reconcile.
2. In the **Reconcile** screen, at **Group by**, select **Supplier** or Item to group the transactions respectively.
3. Select a date range at **Date from/to**, or select the **All** check box to view transactions for all the dates.
4. Click **Refresh** to retrieve the transactions that have not been reconciled, grouped by **Supplier** or **Item**.
5. Select a supplier or an item.
6. Click **Zoom**. The **Reconcile** screen will be displayed showing all the transactions for the selected supplier or item.
7. Select more than one receipt or invoice.
8. Click **Reconcile**. The selected receipts or invoices must have the same purchase order number. If the quantity invoiced and quantity received is not the same, a message "Quantity invoiced <> Quantity received" will be displayed. If the reconciliation of the receipts or invoices is successful, the receipts or invoices will be removed from the screen, and you can continue to manually reconcile other invoices to receipts.

2.2 PURCHASE ORDER RETURNS

You can return purchased items to the supplier. There can be planned and unplanned returns. Planned returns are returns that are pre-planned before actually receiving the items. For example, you expect to return items every month based on the history that at least four items are expected to be faulty every month. Unplanned returns are items that you have already received or items that are outstanding (yet to be received), and you want to return them. A return of items entry is created when the items received do not meet the specification(s), or are not up to satisfactory quality. The following topics are relevant in this section:

• Planned returns
• Unplanned returns

Planned returns

A planned return is the Return to Vendor (RTV) order in the **Purchase** module in Exact Globe Next. You can create an RTV order at Purchase → Entries → RTV orders. RTV order works hand-in-hand with Return to Merchant Authorization (RMA) orders, whereby the RMA and RTV orders are based on the process flow of returning items between you, the customer, and supplier. The returned item is linked from the RMA to RTV order.

For example, in the case of items purchased (from supplier) for resale (to customer) purpose; when a customer returns a faulty item to you, this is entered in the RMA order. The same item is then returned to the supplier for the same reason under the RTV order. RMA and RTV orders do not only make the returning of items between customers and suppliers easy, but also provide a means of documenting all the returns.

Return to Vendor (RTV) orders

The following topics describe the basic process flow for Return to Vendor (RTV) orders:

• Creating RTV orders
• Authorizing RTV orders
• Printing or processing RTV orders
• Fulfilling RTV orders
• Creating invoices for RTV orders
• Creating payment received for RTV orders

The sequence of the RTV order process flow is as follows:

2.2.1 Creating Return to Vendor (RTV) orders

Return to Vendor (RTV) orders are created when you make a planned return of purchased items to the suppliers.

To create Return to Vendor (RTV) orders:

1. Go to Purchase → Entries → RTV orders.
2. Click **New**. The **RTV order** screen will be displayed.
3. At **Return to**, type or select the supplier whom you wish to return the item(s) to. The **Delivery from (Warehouse)** is pre-filled.
4. Press TAB, and the **RTV order number** is automatically generated based on the number defined at RTV order number under the Logistics section in Numbers settings at System → General → Settings.
5. At **RTV order date**, the current date will be displayed. However, the date can be changed.

6. At **RTV supplier**, type or select the supplier's name.
7. At **Person**, the name of employee that is creating the RTV order is pre-filled.
8. At **Description**, type the description for the RTV order.
9. At **Shipping via**, type or select the shipping method of the item(s) to be returned.
10. Press TAB to go to the RTV order lines.
11. In the **Item** column, press F4 to select the existing receipt of the item(s), or F2 to select the item(s) being returned.
12. In the **Description** column, the item description is pre-filled.

13. In the **Total quantity** column, type the total quantity of the item to be returned.
14. In the **Fulfillment date** column, type the fulfillment date of the item(s).
15. In the **Disc. %** column, type the discount percentage of the item. The **Net price** is automatically calculated based on the **Price** and **Discount percentage** while the **Amount** is automatically calculated based on the **Net price** and **Total quantity**.
16. In the **Reason** column, select a reason code for the item return. Reason codes can be created at System → Logistics → Reason codes.
17. In the **Person** column, type or select the code of the person in charge of the returned item(s).
18. Click **Close** to save the RTV order and exit.

2.2.2 Authorizing Return to Vendor (RTV) orders

Authorization of Return to Vendor (RTV) orders is done to monitor all the item returns. The authorization of RTV orders is done by people with the appropriate roles and rights. This also ensures the validity of the RTV orders.

To authorize Return to Vendor (RTV) orders:

1. Go to Purchase → Entries → Authorize.
2. Define the search criteria.
3. Under the **Selection** section, select **RTV order**.
4. Click **Search**.
5. Select the RTV order that you want to authorize.
6. Click **Auth.**. A message "Change authorization status?" will be displayed.
7. Click **Yes** to authorize. Otherwise, click **No**. The **Auth.** column will display a check mark if the RTV order has been authorized.

2.2.3 Printing and processing Return to Vendor (RTV) orders

After Return to Vendor (RTV) orders have been authorized, the items to be returned to the suppliers can be processed. Returned items must be processed to monitor the movement of stock in the warehouse.

To print and process Return to Vendor (RTV) orders:

1. Go to Purchase → Entries → Print / Process.
2. Define the search criteria.

3. Under the **Selection** section, select **RTV order**.
4. Click **Search**.
5. Select the RTV order that you want to print and process.
6. Click **Print**. The **Print : RTV orders** screen will be displayed.
7. Under the **Print** section, select **Final** to print the final copy of the RTV order. When the RTV order has been printed, it is considered processed.
8. Under the **Output** section, select **Printer** to print the RTV order, or **E-mail** to send the RTV order via e-mail to the supplier.
9. Under the **Options** section, select the appropriate layout for the RTV order.
10. To compress the RTV order lines, select the **Compress** check box. If there is more than one order line with the same item code, you can compress the order lines into one line by selecting the **Compress** check box.
11. To type more details for the RTV order, select the Free text lines check box to enable the **Text block 1** and **Text block 2** sections.
12. Under the **Text block 1** and **Text block 2** sections, type the text at the text boxes. Examples of details for the free text lines can be "Return of item due to faulty item" and "Require replacement".
13. Click **Print** to print the RTV order. The RTV order is now processed.

At this point of completing the printing and processing process flow step, there will be no effect on the stock positions. Unlike purchase orders, the stock positions will be affected only when the actual item(s) has been returned.

2.2.4 Fulfilling Return to Vendor (RTV) orders

Fulfilling Return to Vendor (RTV) orders is to do the actual return of the physical items. Upon completing this step, there will be a decrease in the stock positions. Once the return process has completed, the return slip will be displayed for printing. The return slip is a document with information on the return of items.

To fulfill Return to Vendor (RTV) orders:

1. Go to Order → Entries → Fulfillment.
2. Define the search criteria. Under the **Selection** section, select **RTV order**.

3. Click **Refresh**.
4. Select the RTV order that you want to fulfill.
5. Click **Returns**. The **Returns** screen will be displayed. Alternatively, you can also fulfill the RTV order via the process flow in the **RTV order** screen at Purchase → Entries → RTV order. Select the RTV order, click **Open**, and then click the **Returned** process step.
6. In the **Returns** screen, type the return quantity of the item in the **Return** column.
7. Click **Process**. The **Print** screen will be displayed.
8. Under the **Options** section, select the RTV order document layout at **Layout**. The layout can be defined at System → General → Settings, in **Documents settings** at **Returns: Supplier** under the **Logistics** section.
9. Click **Start**.

2.2.5 Creating invoices for Return to Vendor (RTV) orders

The invoice for the Return to Vendor (RTV) order is considered a credit note. This is an invoice with a negative amount. When a credit note is sent to the supplier, the supplier will make an adjustment to your balance debt.

To create invoices for Return to Vendor (RTV) orders:

1. Go to Finance → Entries → Purchase.
2. Select a purchase journal.
3. Click **New**.
4. In the **Make purchase entry** screen, press TAB to go to the next entry column.
5. The date at **Date** is pre-filled with the current date while the entry number at **Entry no.** is automatically generated.
6. Type the reporting date at **Reporting date** for the RTV invoice.
7. At **Creditor**, press F2 to select the supplier.
8. Press TAB, and the **Invoices to be received** screen will be displayed.
9. In the **Invoices to be received** screen, define the search criteria.
10. Click **Refresh** to display the RTV orders.
11. Select the RTV order that has a negative ordered amount.
12. Click **Enter**. The selected RTV order will be entered into the purchase journal.
13. In the **Make purchase entry** screen, type the supplier's reference number at **Your reference**. This information is mandatory.

14. Type a description for the RTV invoice at **Description**.
15. Click **Close** to save the RTV invoice.

> **Note :**
> You can add or remove columns by clicking
> 📋 **Columns**, and selecting or clearing the check boxes.

2.2.6 Creating payments received for Return to Vendor (RTV) orders

Once payment has been received from the suppliers for the Return to Vendor (RTV) orders, the payment received can be recorded in the cash or bank journal entries. The cash or bank account (debit), and account payable (credit) are then created.

To create payments received for Return to Vendor (RTV) orders:

1. Go to Finance → Entries → Bank / Cash.
2. Select a bank or cash journal, depending on which bank the payment is received.
3. Click **New**.
4. In the **Make bank entries** or **Make cash entries** screen, press TAB to go to the next column.
5. The current date is pre-filled at **Date** as the date when the payment was received.
6. The statement number at **Statement number** is pre-filled whereby the statement number is derived via System → Finance → Journals (select a journal, and then click **Open**), under the **Number** tab.
7. The opening balance amount at **Opening balance** is based on the closing balance of the last cash or bank journal entry.
8. The closing balance amount at **Closing balance** will be automatically calculated once the journal has been saved, depending on the debit and credit amount defined in the journal entry.
9. Press TAB to go to the journal entry lines.
10. The date in the **Date** column is pre-filled with the current date.
11. The reporting date in the **Reporting date** column is pre-filled with the current date. You can change the reporting date according to the date the payment was received.
12. Type the description of the payment entry at **Description**.

13. Press TAB.
14. In the **Account** column, press F2 to select the supplier's account.
15. Press TAB again, and the **Code** (Supplier's Account Code) and **Type** (Account Type) columns are automatically pre-filled.
16. Type the amount of payment received from the supplier in the **Cash in** column.
17. Press TAB. The **Amount** column is pre-filled automatically.
18. Press TAB until the **Allocate** screen will be displayed.
19. Select the purchase invoice that was created for the return.
20. Click **Match**.
21. Click **Close** to close the **Allocate** screen, and return to the **Make bank entries** or **Make cash entries** screen.
22. The **Your ref.** and **Our ref.** columns are automatically pre-filled based on the selected purchase invoice.
23. The check box in the **Matched** column will be selected.
24. The **G/L** (General Ledger Number), and **G/L – Description** (General Ledger Description) columns are pre-filled.
25. Click **Close** to save the payment entry.

> **Note :**
> Usually in the basic purchase process, payments made to the suppliers are defined in the **Cash out** column. For return of items, the payment is reversed (supplier pays you). Thus, you must type the payment amount in the **Cash in** column.

Unplanned returns

To create unplanned returns, you need the **RMA/RTV** module in your license.

You can create unplanned returns at Purchase → Entries → Returns. Unplanned returns are returns of items that you have already received, or returns of items that have yet to be received. These returns are considered unexpected, and the items are returned due to unexpected reasons, such as faulty or receipt of wrong items. An unplanned return of items usually contains the existing purchase order, and receipt transaction.

8. Click **Search**.
9. Select an item to be returned.
10. Click **OK**.
11. In the **Returns** screen, in the **To be received** column, do one of the following:
    - Select the check box to order a replacement item in the same purchase order. An item order line for the replacement of the returned item will be created in the purchase order.
    - Clear the check box if you do not want to order a replacement item. An item order line for the replacement of the returned item will not be created in the purchase order.

To create unplanned returns:

1. Go to Purchase → Entries → Returns.
2. Click **New**. The **Returns** screen will be displayed.
3. Type or select a supplier at **Supplier**.
4. Press TAB. The **Receipts** screen will be displayed.
5. Under the **Returns** section, select **Outstanding** to display items that have yet to be received, or **Receipts** to display received items.
6. Select the **Show : Only Serial/Batch items in stock** check box to display only the serial and batch items with available stock (excluding items that have been sold). However, this check box is displayed only if the **Receipts** option is selected at **Returns**.
7. Define the search criteria.

12. Click **Process**. The **Print** screen will be displayed.
13. Click **Start** to print a return slip.

> **Note :**
> For unplanned returns, the purchase order line will be split into two order lines, which is the return order line with a negative quantity, and another for the balance quantity.

An extra order line will be created in the purchase order if you have selected the **To be received** check box in the **Returns** screen.

The next step for unplanned returns is to process the purchase orders. The order lines of the purchase orders are automatically adjusted.

2.3 PRICE MANAGEMENT

The standard purchase price of an item may vary for each supplier, and is based on various conditions, such as quantity discounts, changes in exchange rates, special agreements, and temporary discounts. In Exact Globe Next, the three types of prices used are standard purchase price, price list, and price agreement.

Each standard purchase price for the same item offered by each supplier can be defined and maintained in the **Items by supplier** screen under the **Purchase/Sales** tab. A price agreement will be linked to one specific supplier.

A standard purchase price is the default price of an item, while a price list is an agreement between the company and a target group of suppliers, or an individual supplier of the items.

A price agreement is similar to a price list except that it is linked to a specific supplier. The price agreement is applied across a range of dates. Thus, when purchases are made within the specified dates, the discounted price applies. Purchases made after or before the price agreement dates will not be applicable for the discounted price agreement.

With **Price Management**, you can manage your price lists per target group, which is a group of suppliers with the same classification, and price agreements for an item. **Price Management** enables you to record quantity discounts easily, and create price lists for multiple currencies and countries.

The following topics are relevant to this section:

- Defining purchase prices
- Defining price agreements
- Updating purchase prices and/or price agreements

To define purchase prices:

1. Go to Purchase → Item → Maintain.
2. Select an item for which you want to define the purchase price.
3. Click **Open**.
4. In the **Items** screen, click the **Purchase/ Sales** tab.
5. Under the **Suppliers** section, click ⊞ **Add.** The **Items by supplier** screen will be displayed.
6. Type or select a supplier of the item at **Supplier**. This information is mandatory.
7. Under the **Purchase** section, type or select a purchase unit for the item, and then type the quantity for each unit at **Purchase unit**.

8. Type or select a currency used by the supplier at **Currency**.
9. Type or select a VAT code at **VAT**.
10. Type the default quantity of the purchase order when a purchase order is created for the item from the supplier at **PO size**.
11. Type the number of days taken by the supplier to deliver (fulfill) the item at **Time of delivery**.
12. Click **Save** to save the purchase price of the supplier. This will be reflected at Purchase → Price management → Purchase prices.
13. Click **Close** to exit.

To define price agreements:

1. Go to Purchase → Price management → Purchase prices.
2. Type or select a supplier at **Creditor number**.
3. Select the **Price agreements** and **Purchase prices** check boxes to display all the items that are included in the price agreement and price list for the selected creditor.
4. Select an item for which you want to create a price agreement.
5. Click **New**.

6. In the **Price agreement** screen, type the standard purchase price without discount at **Purchase price**.
7. Type or select the purchase unit at **Unit**.
8. Type or select the date range of the validity of the purchase agreement at **Valid**.
9. At **Discount** type, select one of the following:
   – **New price** — Select this to define the new price of the item for the price agreement.
   – **Amount** — Select this to define the discount amount of the item for the price agreement
   – **Percentage** — Select this to define the discount percentage of the item for the price agreement.

10. Type the minimum quantity of the item that will be applicable for the discount or new price at **Quantity**.

11. The **Discount %**, **Discount amount**, and **New price** fields will be enabled based on the selection at **Discount type**. Type the discount percentage at **Discount %**, discount amount at **Discount amount**, or new price at **New price**.

12. You can define up to 10 different discounts for the price agreement for the item and supplier.

13. Click **Save** to save the price agreement.

14. To define only the standard purchase price without the discount, click **Simple**.

15. Click **Close** to exit.

2.2.7 Updating, adding, and deleting purchase prices and/or price agreements

The purchase prices of items and information in the price agreements can change regularly. With the configuration function, you can update the purchase prices and/or price agreements simultaneously to ensure they contain the correct information at that point of time.

To update purchase prices and/or price agreements:

1. Go to Purchase → Price management → Configuration.

2. Select the **Purchase price** check box to update the purchase price, or select the **Price agreements** check box to update the price agreement. To update both price agreement and purchase price, select both the check boxes.

3. Under the **Selection** section, type or select the currency of the purchase price at **Currency**.

4. Type or select the unit of measure for the purchase price and/or price agreement that you want to update at **Unit**. Select the **Default** check box to update the purchase price and/or price agreement with the same unit as the default unit of the item in the item maintenance, under the **Basics** tab.

5. The **Active from** and **Active to** fields are enabled if the **Price agreements** check box is selected. Select a date at **Active from** and **Active to** for the price agreement that you want to update.

6. Type or select an item at **Item** to update the purchase price and/or price agreement for the item. Select the **All** check box to update the purchase prices and/or price agreements for all the items.

7. Type or select an item group at **Item group**.

8. Select an assortment(s) at **Assortment 1** to **Assortment 5**.

9. Type or select a supplier at **Supplier**.

10. Type or select a classification of the supplier at **Classification**.

11. Click **Update** to update the purchase price and/or price agreement based on the search criteria. The **Price lists / Price agreements** screen will be displayed.

12. Select the **Purchase price** check box.

13. At **New price**, select **Purchase price** or **Standard sales price**, + or –, type the new price, and select **Percent** or **Amount**.

14. If there are discounts, select the **Discount** check box, and then select **New price**, **Amount**, or **Percentage** at **Discount typ**e. After that, define the item quantity at **Quantity**, and new price at **New price**, or discount at **Discount**, depending on the selection at **Discount type**.

15. Click **OK** to update the price agreement and/or purchase price.

To add price agreements:

1. Go to Purchase → Price management → Configuration.

2. Under the **Type** section, select the **Price agreements** check box.

3. Under the **Selection** section, define the search criteria.

4. Click **Add**. The **Price lists / Price agreements** screen will be displayed.

5. Define the fields.

6. Click **OK**.

To delete price agreements:

1. Go to Purchase → Price management → Configuration.
2. Under the **Type** section, select the **Price agreements** check box.
3. Under the **Selection** section, define the search criteria.
4. Click **Delete**. The **Price lists / Price agreements** screen will be displayed.
5. Select the price agreement that you want to delete.
6. Click **Continue**. A message "Delete the data selected?" will be displayed.
7. Click **Yes**.

Chapter 3

Management Information

3. MANAGEMENT INFORMATION

In Exact Globe Next, various reports for **Purchase** are available for the management team to help them manage the business better. The reports give a good indication of the company's business performance by presenting financial and non-financial data on purchase orders, suppliers, and items in an easy to read format.

The search criteria for all reports allow you to search, and filter the reports according to the type of information you intend to view. In some reports, purchase orders can be further processed and completed.

3.1 OVERVIEW OF PURCHASE ORDERS

The purchase order report provides an overview of all the purchase orders that have been created in the purchase order entry screen at Purchase → Entries → Purchase orders.

The purchase orders that are displayed in the report are based on the search criteria that you have defined for the report such as the warehouse, purchase order date, fulfillment date, supplier, unit of measure, grouping criteria, and statuses of purchase orders. It is not necessary to define all the criteria to generate the report as you have the flexibility to define the criteria relevant to your needs only.

The purchase order report functionality allows you to obtain the report by grouping the purchase orders by warehouse, supplier, or purchase order date. If you want to view all the warehouses grouped by warehouse involved in the purchases of items, select the **All** check box at **Warehouse** under the **General** section, and **Warehouse** at **Group by**. For each warehouse, the report will display the total number of purchase orders created, total quantity of items purchased, total quantity of items received, total quantity of items invoiced, total amount ordered, and total amount invoiced.

Besides grouping, you can also choose to view purchase orders with certain statuses such as authorized, not authorized, open, and completed. The **Authorized** and **Not authorized** check boxes at **Status** under the **Status** section are available only if you have selected the RTV order check box at System → General → Settings, in **Purchase settings**, under the **Authorize** section. For example, if you want to view purchase orders that are created and still open, select the **Open** check box at **Status**.

There are also advanced criteria that you can define by clicking the **Advanced** button. Advanced filtering allows you to search for purchase orders with specific criteria. For example, if you have selected a specific person at **Planner**, you will obtain an overview of purchase orders that are created by the selected person. You will then be able to track the person's action on creating purchase orders, whereby you can obtain the total quantity of purchase orders created, total quantity of purchase orders received, and total amount of purchase orders created.

To view purchase order reports:

1. Go to Purchase → Reports → Purchase order, define the search criteria, and then click **Display**. The purchase order report will then be displayed.

The example of purchase order report shown is sorted based on the purchase order number (**None** is selected at **Group by**). For each listed purchase order, information such as the total quantity of items ordered, received, and invoiced, total amount of items ordered, and invoiced, and also the creditor of each purchase order are displayed.

The **Ordered** column denotes the quantity of items ordered. The **Received** column displays the quantity of items that have been received. Similarly, the quantity of received items that have been invoiced will be displayed in the **Invoiced** column. In the **Ordered (EUR)** column, the total amount of items ordered will be displayed, and in the **Invoice created (EUR)** column, the amount for the invoice(s) created will be displayed.

Other purchase order information, such as the supplier account number, purchase order description, shipping method, overdue amount, and supplier name is also available from the report. A green check mark will be displayed in the **Authorization** column if the purchase orders are authorized. The **Attachment** and **Note** columns will also have green check marks if a purchase order has any attached document and note. You can retrieve the selected purchase order by clicking **PO**. To view the attachments and notes of the selected purchase order, click **Note** and **Attachment**, respectively.

The purchase order report also contains the purchase order process flow indicator which provides an indication of the completed process steps in the process flow for the purchase order, such as ordered, authorized, processed, received, invoiced, and paid.

Each completed process step is indicated with a green check mark, and the date when the process step was completed. For process steps that have not been completed, a red cross will be shown. If a process step is not required for the purchase order, "Skip" will be displayed.

The process flow indicator not only indicates the process step that has been completed but also allows you to follow up on any outstanding purchase orders that have to be processed by clicking on the relevant process step. For example, if you have a purchase order that is pending authorization, you can authorize the purchase order by selecting the purchase order, and then clicking the **Authorized** process step.

Processing the purchase order through the process flow indicator is similar to processing the purchase order via the respective menu path. For example, authorization of purchase orders using the **Authorized** process step is similar to authorizing purchase orders at Purchase → Entries → Authorize.

3.2 OVERVIEW OF PURCHASE ORDER HISTORY

The purchase order history report provides an overview of all the completed and incomplete purchase orders. The purchase orders that are displayed in the overview are based on the search criteria defined at Purchase → Reports → Various → Purchase history such as warehouse, purchase order date, and creditor number.

There are also advanced filter criteria that you can define by clicking **Advanced**. You can define one or more advanced filter criteria such as the creditor status, description, account classification, and completed/incomplete purchase orders to obtain the required records of the purchase order history report.

To obtain overviews of purchase order history:

1.   Go to Purchase → Reports → Various →
      Purchase history, define the search criteria, and
      click **Search**. The purchase orders that match the
      search criteria will be displayed.

In the overview of purchase order history, information
such as the purchase order numbers, supplier names,
purchase order dates, currencies used, and the net
amount of each purchase order are displayed. There
are documents and notes attached.

For every purchase order that you have selected
in the listed overview, additional information will
be displayed on the top-right corner of the screen.
The additional information such as the creditor's
account status and type are shown. A green check
mark indicates that the account is active. A red cross
indicates that the account is inactive. A green check
mark indicates that your outstanding amount with the
supplier has not exceeded the credit limit; otherwise,
a red cross will be shown.

Besides searching, you may also perform other tasks
on a selected a purchase order. You can view the
purchase order you have selected by clicking **Open**,
whereby detailed information of the order will be
displayed in the purchase order entry screen.

If you want to purchase items based on an existing
purchase order, you need not fill in the details for the
purchase order manually all over again. Exact Globe
Next allows you to generate a new purchase order by
selecting an order that you want to copy, and then
clicking **Copy**.

If you need to print copies of purchase orders that
you have completed for reference purposes, you can
print the purchase order confirmation by clicking
Print.

The **Logbook** button is used for viewing the changes
that have taken place for a selected purchase order.
This button is enabled only if the selected purchase
order has been modified.

The **Purchase order logbook** screen displays
information, such as the date a change was made, the
person who made the change, the field of information
that was changed, and the reason for the change.
This makes it easy for you to trace and identify the
changes made to the purchase order.

3.3 OVERVIEW OF RECEIPTS

The receipt report provides an overview of all the purchase orders that have been received at Purchase → Entries → Receipt. The purchase orders that are displayed in the report are based on the search criteria defined for the report at Purchase → Reports → Receipts. Among the search criteria are the warehouse, items received, receipt date, purchase order number, supplier who delivered the items, and other criteria.

The report also allows grouping of purchase orders by selecting the relevant option at **Group by**. For example, if you want to view all the purchase orders that are received at a certain warehouse, select the **Warehouse** option at **Group by**. For each warehouse, the report will display the quantity of items received, total amount of items received, and the receipt date.

If you have selected **None** at **Group by**, the received purchase orders will not be grouped. Instead, a detailed overview will be displayed showing information for each purchase order, such as the received amount, received date, and other details.

To view receipt reports:

1. Go to Purchase → Reports → Receipts, define the search criteria, and click **Display**. The purchase orders that match the specified criteria will be displayed.

Depending on your selection at **Group by**, the report shows information such as the supplier's account number and name, entry number, our reference number, description of receipt, your reference

number, quantity of items received, amount of items received, date of receipt, the item code, the serial batch number of items received, the person who received the items, and the project code for each purchase order. The indication of whether the purchase order has an attachment and note will also be displayed.

The receipt report also contains the purchase order process flow indicator which displays the steps in the purchase process such as ordered, authorized, processed, received, invoiced, and paid. Each process step in the process flow indicates whether the purchase order has completed the respective process step, and the date when the step was completed. If the purchase order has completed a process step, a green check mark and the completion date will be displayed. Otherwise, a red cross will be displayed. If the process is not required for the purchase order, "Skip" will be displayed.

You can also follow up on any outstanding purchase orders that have to be processed by clicking on the relevant purchase order process steps. For example, to authorize a purchase order, click the **Authorized** process step.

Processing purchase orders through the process flow indicator is similar to processing purchase orders at the respective menu path. For example, authorization of purchase orders is similar to authorizing purchase orders at Purchase → Entries → Authorize.

You can retrieve any of the purchase order listed in the report by selecting the purchase order and clicking **PO**. You can obtain a quick reference to the supplier address information of the selected purchase order by clicking **Address**. If you want to view the financial transactions of the item in the selected purchase order, click **Card**. Clicking **Our ref.** after selecting a purchase order will display the specific transaction entries for the item in the purchase order.

You can retrieve or insert notes and attachments to the purchase order by clicking the **Note** and **Attachment** buttons. With the **Export** button, you can easily export the displayed report to a Microsoft Excel spreadsheet for further data analysis and processing, for example, generating statistics and graphs.

3.4 OVERVIEW OF RETURN TO VENDOR (RTV) ORDERS

Return to Vendor (RTV) orders are orders that are created to return the purchased items to the suppliers due to reasons, such as faulty items, receipt of wrong items, and replacement items. The RTV order is a planned return of items that works in a similar manner as the Return to Merchandiser Authorization (RMA) order, whereby it covers the handling of return of items from customers to the return of items to the suppliers. For information on RTV orders, see *2.2 Purchase Order Returns*. The RTV order report provides an overview of all the RTV orders that have been created at Purchase → Entries → RTV orders.

The RTV orders that are displayed in the report are based on the search criteria that you have defined such as the warehouse, RTV order date, fulfillment date, supplier to whom you returned the items, and other search criteria. It is not necessary to define all the criteria to generate the overview as you have the flexibility to define the criteria relevant to your needs only.

The RTV order report functionality allows you to obtain the overview by grouping the RTV orders by RTV order, warehouse, supplier, item, RTV order date, and reason codes. For example, if you want to view the number of RTV orders created for each supplier, select **Supplier** at **Group by**. For each supplier, the report will display the total quantity of RTV orders, total quantity of items returned, total quantity of items invoiced, total amount ordered, and total amount invoiced.

You can also choose to view RTV orders with certain statuses such as authorized, not authorized, open, and completed. For example, if you want to view the RTV orders that are not authorized for the next follow-up actions, select the **Not authorized** check box at **Status**. The **Authorized** and **Not authorized** check boxes are available only if you have selected the **RTV order** check box, at System → General → Settings, in **Purchase settings**, under the **Authorize** section.

Clicking **Advanced** will provide you with advanced filter options. You can use these filters to obtain the required records of the RTV orders. These filters enable you to search for the RTV orders with specific criteria. For example, if you want to obtain RTV orders with a specific item, select the specific item at **Item**. Thus, you can trace the purchase returns activities for the required item.

To view Return to Vendor (RTV) order reports:

1. Go to Purchase → Reports → RTV orders, define the search criteria, and then click **Display**. The Return to Vendor (RTV) orders that match the specified criteria will be displayed.

The Return to Vendor (RTV) order report shown is sorted based on the RTV order numbers. For each listed RTV order, information such as the RTV order date, quantity of items ordered, quantity of items returned, amount of items ordered, amount of items invoiced, shipping method, number of days overview, creditor name and account number, and other details are displayed. If you choose to group by **Reason code**, the quantity of items invoiced, and amount of items invoiced will not be shown.

For example, refer to RTV order 273 in the example shown. In the **Ordered** column, "1" is displayed. This means the quantity of one was ordered. The **Returned** column shows "0", which means none has been returned. The **Ordered** (EUR) column shows the amount of item ordered, which is "EUR 10". Since none has been returned, the credit note amount for the RTV order in the **Invoiced** (EUR) column is blank.

Other information such as the RTV order number, whether the RTV order has attachments and notes, and the authorization status of the RTV order is also available. A green check mark will be displayed in the **Attachment** and **Note** columns if the RTV order has a document and a note. In the **Authorization** column, a green check mark will be displayed if the RTV order has been authorized. The RTV order overview also contains the RTV order process flow indicator which

provides an indication of the completed process steps in the process flow for the RTV order, such as RTV entry, authorized, processed, returned, invoiced, paid and ordered. Each completed process step is indicated with a green check mark and a date as of when the process step was completed. For a process step that has not been completed, a red cross will be displayed. If a process step is not required, then "Skip" will be displayed.

You can also follow up on any outstanding RTV orders that have to be processed by clicking on the relevant process step. For example, if you want to create returns for an RTV order, select the RTV order, and click the **Returned** process step.

A summary of all the RTV orders is also displayed at the bottom-right corner of the screen. The total ordered amount, returned amount, and invoiced amount for all the RTV orders are displayed.

You can view an RTV order entry by selecting the RTV order, and clicking Zoom. If you have grouped the overview of the RTV orders by a criterion other than RTV order, for example by supplier, the overview will be displayed based on the suppliers. To view the individual records of the RTV orders, select the supplier, and click **Zoom** to view the RTV orders.

For further analysis and reference, you can export the displayed overview to a Microsoft Excel spreadsheet by clicking **Export**.

3.5 GENERATING BLANKET PURCHASE ORDER REPORT

Blanket purchase orders are orders that are created for a set quantity of items at regular intervals for a set period of time from the supplier. The blanket purchase order is a planning created for a periodical release of the actual purchase order. Only upon the release of the blanket purchase order will the actual purchase order be generated, processed, and fulfilled. This ensures a steady receipt of items for the expected time with the required quantity. For information on blanket purchase orders, *see 4.1 Blanket Purchase Order Processes*.

The blanket purchase order report provides a report of all the blanket purchase orders that you have created at Purchase → Entries → Blanket purchase orders → Enter. You can obtain the report at Purchase → Entries → Blanket purchase orders → Overview.

The blanket purchase orders that are displayed in the report are based on the search criteria that you have specified for the report, such as the warehouse, blanket purchase order date, release date, supplier for whom you created the blanket purchase order, and other criteria. It is not necessary to define all the criteria to generate the report as you have the flexibility to define the criteria relevant to your needs.

This report allows you to obtain the blanket purchase orders of certain statuses such as authorized, not authorized, open, and completed. For example, if you want to view blanket purchase orders that have been authorized, select the **Authorized** check box at **Status**. The **Authorized** and **Not authorized** check boxes are available only if you have selected the **RTV order** check box at System → General → Settings, in **Purchase settings**, under the **Authorize** section. It is possible that you can select more than one status or all statuses to obtain the intended blanket purchase orders.

Click **Advanced** to display the advanced filter options. Defining the advanced options allow you to further filter the blanket purchase orders. For example, if the blanket purchase order number is known, select the number at **Blanket PO** to obtain the report of the selected blanket purchase order. In another example, if you want to obtain all blanket purchase orders that are created by a specific person who is the planner, select the person at **Planner**.

To view blanket purchase order reports:

1. Go to Purchase → Entries → Blanket purchase orders → Overview, define the search criteria, and click **Display**. The blanket purchase order report will be displayed based on the criteria you have specified.

The example of blanket purchase order report shown above is sorted based on the blanket purchase order numbers. For each listed blanket purchase order, information such as the blanket purchase order date, quantity of items to be released, quantity of items already released, and other details are displayed.

Other blanket purchase order information such as the supplier's name and account number, and total amount ordered for all blanket purchase orders that are displayed in the overview are shown.

This report also contains the blanket purchase order process flow indicator which provides an indication of the completed process steps for the purchase order, such as ordered, authorized, processed, released, and completed. Each completed step is indicated with a green check mark and the date when the process step was completed will be shown for the authorized, processed and completed process steps. For a process step that has not been completed, a red cross will be shown. If a process step is not required for the blanket purchase order, then "Skip" will be displayed.

You can also follow up on any outstanding blanket purchase order by clicking the relevant process step. For example, if you want to release items from a selected blanket purchase order, click the **Released** process step.

Processing blanket purchase orders through the process steps is similar to processing blanket purchase orders via the respective menu path. For example, releasing the items in blanket purchase orders using the **Released** process step is similar to releasing the items at Purchase → Entries → Blanket purchase orders → Release.

You can acquire more information about the blanket purchase order by clicking the relevant buttons on the overview. For example, to obtain detailed information of a blanket purchase order, select the blanket purchase order, and click **Zoom**.

You an also retrieve the notes and documents attached to the blanket purchase order by clicking **Note** or **Attachment**, respectively.

To view the blanket purchase order, click **Blanket PO**. If you want to save the displayed overview in a Microsoft Excel spreadsheet for further analysis and reference, click **Export**.

3.6 OVERVIEW OF BACK-TO-BACK ORDERS

The back-to-back order report provides an overview of all the purchase orders that are created with back-to-back orders. This means the purchase orders are generated based on demands and requirements, such as sales orders, production orders, and internal use requests. You can obtain an overview of back-to-back orders at Purchase → Reports → Back to back order.

The back-to-back orders displayed in the report are based on the search criteria that you have defined such as the purchase order number, purchase order date, fulfillment date, supplier, sales order, and other criteria. It is not necessary to define all the criteria to generate the overview as you have the flexibility to define the criteria relevant to your needs only. For example, if you want to view the back-to-back order report using the sales order number as a point of reference, select **Sales order** at **Sort by**.

The back-to-back order report functionality allows you to obtain the overview by sorting the purchase orders by purchase order number, fulfillment date of the purchase order, sales order number, or fulfillment date of the sales order. The back-to-back order report can be printed for reference purposes.

To generate back-to-back order reports:

1. Go to Purchase → Reports → Back to back order, define the search criteria, and then click **Start**. The back-to-back order report that matches the search criteria will be displayed.

The example of the back-to-back order report shown is sorted based on the fulfillment dates of the sales orders in an ascending manner. For each listed purchase order, the corresponding sales order is also displayed immediately below the purchase order information. Information such as the purchase order number, purchase order date, purchase order description, supplier account number and name, item quoted in the purchase order, quantity of items ordered, fulfillment date of the purchase order, the receiving warehouse, and the ID, and name of the person in charge are displayed.

For example, refer to purchase order 50000154 shown. The purchase order was created for item Alpine with a quantity of 2. The fulfillment date of this purchase order is January 25, 2005. Immediately below this line, the source of the purchase order, which is the sales order demand, is displayed. This corresponding sales order 122 is also created on January 25, 2005 with two order lines for item Alpine with a quantity of 1 for each order line. Thus, this information confirms that the sales order demand has been completely fulfilled with the purchase order. This report can be printed for reference, and to help in the decision-making process.

3.7 AUDIT TRAIL REPORT

The audit trail report provides an overview of all the purchase orders that have been created, and the transactions of the purchase orders. For each created purchase order, transactions for the purchase order can be checked to ensure the correctness of the transaction, and tracked. For example, has the purchase order been received, how much has been invoiced and paid, and other details.

The purchase orders that are displayed in the report are based on the criteria specified whereby purchase orders can be displayed in two different modes, such as the normal audit trail, or reversed audit trail by selecting **Normal** or **Reversed** under the **Type** section. The order of the columns displayed in the normal audit trail report, and reversed audit trail report will differ.

To view audit trail reports:

1. Go to Purchase → Statistics → Audit trail, define the search criteria, and then click **Display**. The purchase order audit trail will then be displayed based on the criteria you have defined.

If the **Normal** option has been selected, the audit trail will display the purchase order processes from the time the purchase orders were created until the payment has been made for the purchase orders.

There are also indications whether the purchase order has been received and completed. A green check mark will be displayed in the **Received** column if the purchase order has been received, and **Completed** column if the purchase order has been completed.

With the normal option, you can choose to display purchase orders based on the fulfillment date of the purchase orders. You can also view purchase orders that are incomplete, which means the purchase orders have not been fully received or invoiced, and not paid.

With the reverse option, you can choose to display purchase orders based on the payment date of the purchase orders. You can also view purchase orders that are incomplete.

In the audit trail report, the transaction information such as the purchased amount, invoiced amount, transaction amount, paid amount, and the amount posted to the balance sheet, and profit & loss accounts are displayed.

The amount in the balance sheet, and profit & loss statement is based on the general ledger accounts for stock, and cost of goods sold defined under the **Financial** tab of the corresponding item maintenance card. This amount is registered upon receipt of items for the purchase order.

The system will also take into account the returns of items, and whether the item is to be received, or replaced upon the return. Usually, the type of general ledger account which is linked to the stock account is the balance sheet, and the general ledger linked to the cost of goods sold account is the profit & loss.

The audit trail report also allows you to further process a purchase order, such as completing the order. You can also export the displayed overview to a Microsoft Excel spreadsheet whereby you can generate statistics, and graphs for further analysis.

You can also quickly retrieve relevant information about the purchase order, such as the purchase order entry by clicking **PO**, receipts information by clicking **Receipts**, supplier's information by clicking **Creditor**, and others.

3.8 OVERVIEW OF PURCHASES LEAD TIME

The purchases lead time report provides an overview of the lead time for all the purchase orders in Microsoft Excel. This report, generated at Purchase → Statistics → Lead time, shows the time taken for purchase orders to complete a certain process step. This information is important as it gives you the estimates on the expected delivery time of your purchasing activities, and thus, can be used for future planning and decision-making.

The purchase lead time that is displayed in the report is based on the search criteria that you have defined such as the warehouse, purchase order date, project, selection code, cost center, person, and lead time. If you want to further filter the lead time report, click **Advanced** to display more search criteria. It is not necessary to define all the criteria to generate the overview you want as you have the flexibility to define the criteria that are relevant to your needs only.

With the lead time report, you can obtain the exact lead time taken for the purchase orders to complete the two selected process steps. Process steps that are available are from order, delivery, receipt, invoicing, and payment.

For example, if you want to obtain the lead time of the purchase orders of a specific warehouse, and supplier from the order process step to the delivery process step, you can select the specific warehouse at **Warehouse** under the **General** section, supplier at **Ordered** at under the **Range** section (in the **Advanced** mode), and then select **Order** at **Start**, and

Delivery at End under the Lead time section. Based on what you have defined, the relevant purchase orders are filtered, and displayed in a Microsoft Excel spreadsheet.

902 Compshop			
Lead time: Purchase orders			
Week	(All) ▾		
Month	(All) ▾		
Fulfillment date	(All) ▾		
Purchase order date	(All) ▾		
Person (Full name)	(All) ▾		
Person (ID)	(All) ▾		
Cost center	(All) ▾		
Project (Description)	(All) ▾		
Project number	(All) ▾		
Average of Lead time	Selection code ▾		
Warehouse ▾		00	Grand Total
MAIN		206 584	269
Grand Total		206 584	269

To view purchases lead time reports:

1.   Go to Purchase → Statistics → Lead time, define the search criteria, and then click **Display**. Based on the defined search criteria, the purchase lead time report will be displayed.

In the example, the lead time of the purchase orders is shown for each warehouse. To obtain different information, you can define the criteria in Microsoft Excel report by clicking the relevant criteria.

3.9 OVERVIEW OF ABC ANALYSIS

Exact Globe Next provides the ABC analysis at Purchase → Statistics → Statistics → ABC analysis, which classifies items and suppliers according to their importance. The importance of items or suppliers can be measured from the quantity, for example, items with the highest purchase quantity would require attention.

Classifying items or suppliers based on their importance enables you to obtain a better insight of your purchasing needs for items and suppliers. This provides a means for better management and control of your purchasing activities.

The ABC analysis is based on the Pareto principle whereby 20% of the invested input is responsible for 80% of the results. In Exact Globe Next, the ABC analysis allows you to view the 20% of items or suppliers that are generating the 80% of the costs or quantities. The percentage is not a fixed value whereby you can define any number of percentages for the A, B, and C categories to obtain the desired results.

Thus, it is possible to obtain 10% of items or suppliers that are generating 80% of the costs or quantities which is under category A and 20% of items or suppliers for category B and 70% of items or suppliers for category C. This report will show items that generated the highest costs and the highest quantities, or creditors who have the highest costs.

The information displayed in the report is based on the search criteria you have defined such as the date of purchases, items that were purchased, item groups of the items purchased, supplier, and warehouse where the purchased items were received. There are also options to sort the items by purchase costs or quantity, and whether to display the items showing either purchase units or sales units.

Prior to generating the ABC analysis report, it is important that you define the percentage in the three A, B, and C boxes. The total percentage of the three boxes must equal to 100%. The A box refers to the group of items that have the highest costs or highest quantities, or the suppliers with the highest costs. The B and C boxes are suppliers or items that make up the rest of the total costs or quantities purchased.

ABC analysis

Show	Items
Date	All
Item	All
Item group	All
Sort by	Purchase cost
Currency	EUR

A	20%
B	80%
C	0%

Item	Description	ABC	Purchase cost	%	Cumulative	Quantity	%	Cumulative
BAT310	Batch item 310	A	47,000.000	42.412	42.412	200.000	8.428	8.428
SER210	Serial item 210	A	38,388.000	34.640	77.052	210.000	8.850	17.278
CAR	car	A	28,000.000	28.048	95.100	1.000	0.042	17.320
PS1	PS1	A	15,000.000	13.536	108.635	100.000	4.214	21.534
=SODIUM CHLORIDE + TEA-DODECYL	EN	A	2,652.790	2.394	111.029	492.000	20.733	42.267
ITEM - A(1)	Item - A	A	1,253.500	1.131	112.160	923.000	38.890	81.163
ALPINE	alpine	A	946.000	0.854	113.014	45.000	1.896	83.059
COSTA	CostA	A	750.000	0.677	113.691	15.000	0.632	83.692
IBTWITHLOCATIONS	IBT with locations	A	750.000	0.677	114.367	100.000	4.214	87.906
IBTWITHOUTLOCATIONS	IBT without locations	A	750.000	0.677	115.044	100.000	4.214	92.120
3001	office bag	A	684.000	0.617	115.661	133.000	5.605	97.724
RECONCILECLASSICSCP	Reconcile with Classic SCP	A	480.000	0.433	116.094	60.000	2.528	100.253
ITEM K	item k	A	355.000	0.320	116.415	15.000	0.632	100.885
SALPURUNIT	Sales purchase factor	A	330.000	0.298	116.713	40.000	1.686	102.571
ITEM - A	FR	A	315.000	0.284	116.997	37.000	1.559	104.130
DB500	Deltabike Touring	A	275.000	0.248	117.245	1.000	0.042	104.172
STOCKVALUATIONAPPSTANDARD	Stock valuation APP Standard	A	170.000	0.153	117.398	10.000	0.421	104.593
PIZZA	PIZZA	A	100.000	0.090	117.489	10.000	0.421	105.015
VICO	vico	A	100.000	0.090	117.579	10.000	0.421	105.436
ITEM X	ITEM X	A	100.000	0.090	117.669	10.000	0.421	105.858
NOAVAILSTOCK	Available stock < 0	A	70.000	0.063	117.732	10.000	0.421	106.279
PEPSI	PEPSI	A	60.000	0.054	117.786	12.000	0.506	106.785
AVAILSTOCK	Available stock > 0	A	60.000	0.054	117.841	10.000	0.421	107.206
1C	1C	B	58.000	0.052	117.893	-10.000	-0.421	106.785
1E	1E - RS3003	B	55.000	0.050	117.943	11.000	0.464	107.248
NIKE - ARSENAL	NIKE - ARSENAL	B	50.000	0.045	117.988	1.000	0.042	107.290
SERIAL - CANON PS1	SERIAL - CANON PS1	B	50.000	0.045	118.033	1.000	0.042	107.332
UNIT1	UNIT1	B	50.000	0.045	118.078	10.000	0.421	107.754
RECONCILEAPP	Reconcile with APP	B	46.000	0.042	118.119	6.000	0.253	108.007

To view the ABC analysis reports:

1. Go to Purchase → Statistics → Statistics → ABC analysis, define the search criteria, and click **Start**. The ABC analysis report will be displayed based on the criteria you have defined.

The ABC analysis report is displayed in a table and a graph. You can view the graph and table by clicking the **Graph** and **Data** tab at the bottom of the Microsoft Excel spreadsheet, respectively. The table displays information such as the purchase cost, purchase cost percentage, cumulative purchase cost, purchase quantity, purchase quantity percentage, and cumulative purchase quantity for each item or supplier by classifying them into the A, B, and C categories.

For example, refer to item EXM:V200 in the example shown. This is the item with the highest purchase cost and is under the A classification. The purchase cost of this item amounted to EUR 29,550.00 with a quantity of 10. Its percentage of purchase costs is 30.205% percent, which is calculated by dividing the purchase cost of EXM:V200 by the total purchase costs of EUR 97,831.00. The cumulative purchase costs remains 30.205% as this is the first record of item with the highest purchase cost.

The percentage of purchased quantity is 2.66%, which is calculated by dividing the quantity of item EXM:V200 of 10 with the total purchase quantity of 376. The cumulative purchase quantity remains 2.66% as this is the first record with highest purchase cost.

The information displayed in the ABC analysis report is generated based on the actual purchase receipts of items.

3.10 POWER VIEW REPORT

The power view report provides an overview of an item purchased from a specific supplier showing the aging analysis for the specific supplier, and the daily, weekly, or monthly overview of the quantity of the item ordered, received, returned, total amount ordered, total net amount, amount invoiced, total discount, and discount percentage. You can view the overview at Purchase → Reports → Power view.

Aging analysis is a method used to evaluate suppliers whereby information about the outstanding amount that you still owe the specific supplier for the item is shown under the range of number of days, such as less than or equal to 30 days, more than 30 days and less than or equal to 60 days, and other ranges.

The information displayed in the report is based on the criteria you have defined for the report. You can choose to display the power view by item or supplier based on the purchase orders of certain statuses such as authorized, not authorized, open, and completed.

If you choose to display the power view by item, you must define the Supplier under the General section and, Item under the Item section. The Show: Last option is available if By item is selected at Show. You will then be able to define the number of months, weeks or days that you want to view the statistics and aging analysis of the item.

If you choose to display the power view by supplier, you must define the Supplier under the General section. If you choose to view by supplier, then it is possible to display the power view for more than one item, which means you can obtain the statistics and aging analysis for all the items that are supplied by the specific supplier.

The power view is usually generated for a specific year. Thus, it is important that you define the year that you want to view the aging analysis. For example, if you want to view the aging analysis for the item or supplier for the year of 2011, select 2011 at Year under the General section. The aging analysis and statistics will be displayed based on the purchase orders transactions that have been only created within the year 2011.

You can also choose to display the aging analysis based on purchase orders that are for specific warehouse, specific item assortments to further filter the statistics, and aging analysis of the item that you intend to obtain.
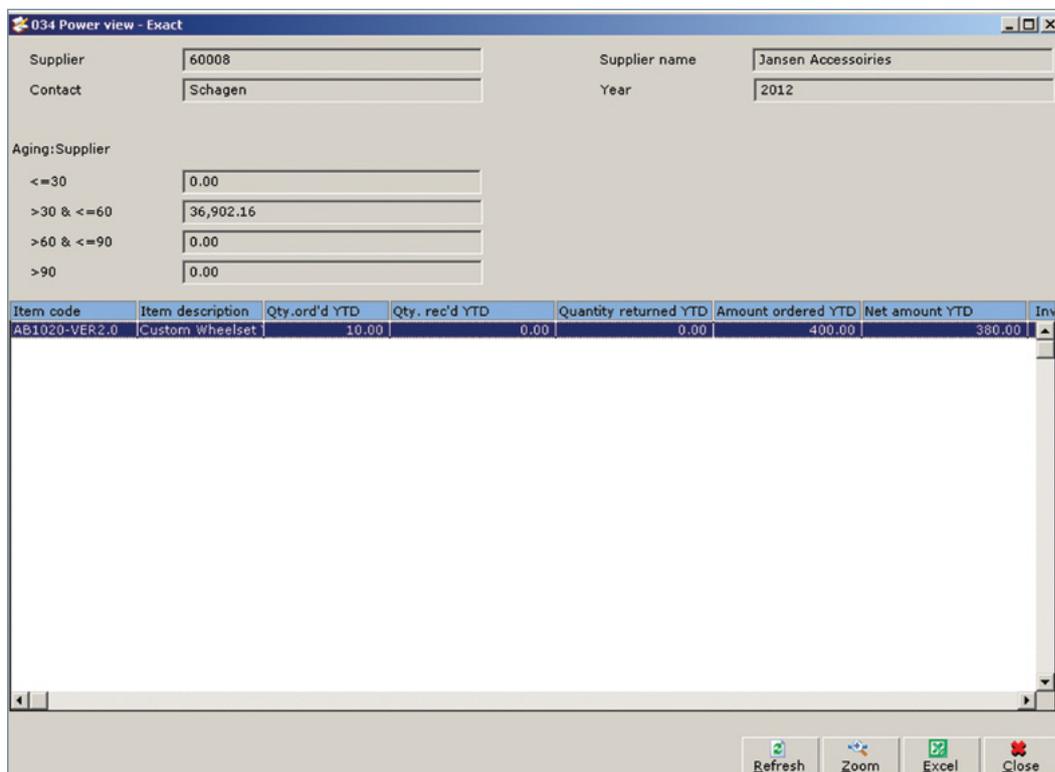
To view the power view reports:

1. Go to Purchase → Reports → Power view, define the search criteria, and then click **Display**. The power view will be displayed based on the defined criteria.

You can also obtain the power view report at Purchase → Entries → Purchase order by retrieving a selected purchase order by clicking **Open**, and then clicking **Power view**.

If you view the power view by item, some information such as the availability of stock, free stock quantity, and the purchase price of the item are displayed. You can also further define the number of months, weeks, or days you want to view in the power view report by clicking **Refresh** after defining the relevant criteria.

If you view the power view by supplier, information such as item code, item description, quantity ordered for the year to date, quantity received for the year to date, quantity returned for the year to date, amount ordered for the year to date, net amount for the year to date, invoice amount for the year to date, total discount for the year to date, and discount percentage for each item are displayed. You can obtain detailed information of an item by clicking **Zoom** after selecting the item.

Basic information about a supplier, such as the supplier account number, contact name, supplier account name, and the year of the aging analysis are shown. You can export the displayed information on power view to Microsoft Excel by clicking **Excel**.

3.11 GENERATING SUPPLIER PERFORMANCE REPORT

Measuring, analyzing, and managing supplier performance can improve the quality of products, reduce costs, lessen supply risks, and push for continuous improvement in companies supplying goods and services. A Supplier Performance Report enables you to keep score of suppliers' prices, delivery, cost, quality, and services, and thus, provide you with the right tools for selecting suppliers and negotiating prices.

You can generate reports based on the supplier's performance for purchase orders at Purchase $\rightarrow$

Reports $\rightarrow$ Supplier performance. You have the option to display the report either in the **Summary** or **Detail** view. You can view the report in detail by clicking the **Details** button. The **Details** button is enabled only if you have selected a supplier from the overview screen.

Additional search criteria are available when you click the **Advanced** button. Defining the advanced options allows you to further filter the supplier performance reports. For example, if the shipping method is known, select **Ship via** to obtain the report, or if you want to obtain the person with the purchase agent role, select **Buyers**.

To view supplier performance reports:

1.   Go to Purchase $\rightarrow$ Reports $\rightarrow$ Supplier performance, define the search criteria, and click **Display**. The supplier performance reports that match the defined criteria will be displayed.

You can select the **Detail deviation** check box to display the supplier performance information in detail, such as orders that were not received on time. If the **Detail deviation** check box is cleared, the **Deviation** column under the **Summary** section will not be displayed.

You can also click the **Export** button to export the raw data to a Microsoft Excel spreadsheet, or the **Graph** button to export the data to generate the graph in Microsoft Excel. A pivot table can also be generated based on the defined criteria.

Chapter 4

Advanced Features

4. ADVANCED FEATURES

Depending on an organization's needs and internal procedures, there can be special cases that differ from the basic processes in purchase management. Exact Globe Next provides advanced functionalities for cases such as handling blanket purchase orders, back-to-back orders, prepayment for purchase orders, and deferring purchase cost.

4.1 BLANKET PURCHASE ORDER PROCESSES

A blanket purchase order is created when you need to purchase a set quantity of items at regular intervals for a set period from the supplier. This ensures a steady receipt of items for that duration of time. Blanket purchase orders are considered planning for periodical releases of actual purchase orders.

Thus, only upon the release of the items in the blanket purchase order will the actual purchase order be generated for the next step of processing and fulfillment of the purchase order.

The following topics are relevant to this section:

- Creating, editing, and deleting blanket purchase orders
- Authorizing blanket purchase orders
- Printing and processing blanket purchase orders
- Releasing blanket purchase orders

4.1.1 Creating blanket purchase orders

The **Blanket PO** screen consists of three sections:
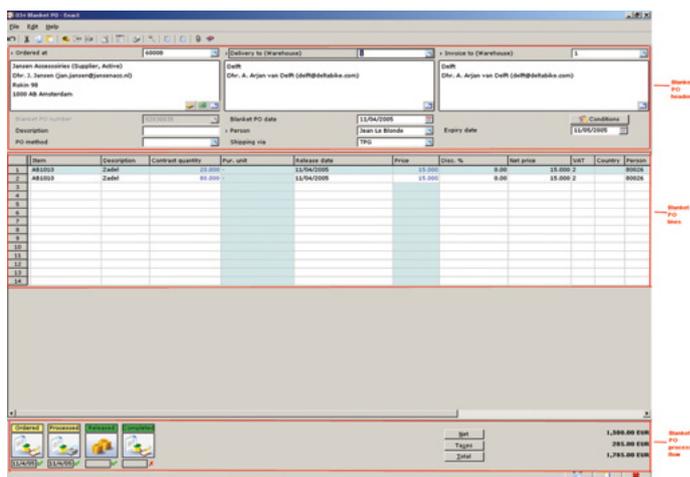
- **Blanket PO header** — Displays the supplier, blanket purchase order information, such as supplier's name and address, purchase order date, and other details.
- **Blanket PO lines** — Displays the information of the items ordered, such as the item code, contract quality, release date, price, and other information.
- **Blanket PO process flow** — Displays the process flow of the blanket purchase order, and the process step(s) that has been completed for the purchase order, such as authorized, processed, released, and completed. Once a process step has been completed, a green check mark and the completion date will be displayed on the authorized, processes, and completed process steps. Otherwise, a red cross will be displayed. If the process step is not required, "Skip" will be displayed.

To create blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Enter.
2. Click **New**. The **Blanket PO** screen will be displayed.
3. At **Ordered at**, type or select the supplier to whom you want to place the blanket purchase order.
4. Press the TAB key, and the **Delivery to (Warehouse)** and **Invoice to (Warehouse)** boxes will be filled automatically based on the information defined in the creditor maintenance. It is mandatory to fill in all three boxes. If you would like the items to be delivered directly to the debtor, then select the debtor account at **Delivery to**. Both the **Delivery to** and **Invoice to** debtors cannot be at the debtor. Either one of it must be at the warehouse.
5. Type the blanket purchase order number or press TAB to fill in the number automatically based on the **Blanket purchase order number** defined at System → General → Settings, under **Numbers settings**.
6. By default, the **Blanket PO date** is defined with the current date. However, you can type or select a different date.
7. At **Description**, type a description for the blanket purchase order.
8. At **Person**, type or select the person who created the purchase order.
9. At **Expiry date**, select the end date of the blanket purchase order. The expiry date is an indicator of when the blanket purchase order is expiring.
10. At **PO method**, type or select the blanket purchase order method.
11. At **Shipping via**, type or select the shipping method.
12. Under the purchase order lines, type or select the item(s) (by pressing F2) to be purchased in the **Item** column.
13. Type the number of items to be released for the blanket purchase order in the **Contract quantity** column. By default, the quantity will be displayed based on the PO size of the item defined at the item maintenance (go to Purchase → Items → Maintain, select the relevant item, and then click **Open**), under the **Purchase/Sales** tab. Select the main supplier, and click 📝 **Edit**.
14. Type the release date in the **Release date**

column. The release date defined in this column will be used as the default date when releasing the purchase order. This column cannot be edited once the purchase order has been released.

15. In the **Price** column, the default purchase price is pre-filled based on the defined purchase price in the **Items by supplier** screen under the **Purchase/Sales** tab of the item maintenance. Type a new price if required.
16. In the **Disc. %** column, type the discount percentage for the item purchased. The **Net price** is then automatically calculated based on the price and discount percentage.
17. The **VAT** column is pre-filled as defined in the item maintenance. The total amount is then automatically calculated based on the net price and quantity.
18. In the **Person** column, type or select the person who will be receiving the items.
19. Click **Close** to save the blanket purchase order, and exit.

> **Note :**
> You may not see all the columns mentioned here. To add or remove the columns in the blanket purchase order lines, click 📋 **Columns** at the toolbar.

4.1.2 Editing blanket purchase orders

You may want to edit the blanket purchase orders, such as adding or deleting items, changing the quantity, or even changing the release date(s).

 To edit blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Enter.
2. Select the blanket purchase order that you want to edit.
3. Click Open.
4. Make the required changes to the details of the blanket purchase order.
5. Click Close to save the changes, and exit.

4.1.3 Deleting blanket purchase orders

Obsolete or rejected blanket purchase orders can be deleted from the system to ensure better management and efficiency.

To delete blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Enter.
2. Select the blanket purchase order that you want to delete.
3. Click Delete. A message "Delete the data selected?" will be displayed.
4. Click Yes to delete.

4.1.4 Authorizing blanket purchase orders

Authorization can be done to ensure the validity of the blanket purchase orders. Usually, the authorization of blanket purchase orders is done by the person who has the authorization roles and rights.

The authorization step is optional but you can set the authorization of blanket purchase orders as a mandatory step at System → General → Settings, in Purchase settings, by selecting the Blanket purchase order check box under the Authorize section.

Apart from authorization, this function also allows you to remove the authorization of blanket purchase

orders that have been authorized. You may need to remove authorization when the blanket purchase order does not meet the requirements, and when you require more time to decide whether or not to authorize the blanket purchase order.

Authorization can also be done in the blanket purchase order entry screen by clicking Authorize at the process flow.

You also have the option to reject the blanket purchase orders, for example, if the created blanket purchase orders are beyond your organization's budget. You may have specific reasons to reject a blanket purchase order, and this will vary from one organization to another.

You can also reject an already authorized blanket purchase order and vice versa. A rejected blanket purchase order cannot be processed further. You may decide to delete the blanket purchase order if it is no longer required.

To authorize blanket purchase orders or to remove authorization for blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Authorize.
2. Define the search criteria.
3. Click Search. Blanket purchase orders that match the defined criteria will be displayed.
4. Select a blanket purchase order that you want to authorize, or for which to remove authorization.
5. Click Authorize. A message "Change authorization status?" will be displayed.
6. Click Yes to authorize, or remove authorization of the blanket purchase order. A green check mark will be displayed in the Auth. column to indicate that the blanket purchase order has been authorized.

To reject blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Authorize.
2. Define the search criteria.
   Click Search. Blanket purchase orders that match the defined criteria will be displayed.
3. Select the blanket purchase order that you want to reject.

4. Click **Reject**. In the **Reject** screen, type the recipient's e-mail address and/or a message, and then click **Send** to notify the planner who entered the blanket purchase order of the rejection, or click **Skip** to reject the blanket purchase order without an e-mail notification.

4.1.5 Printing and processing blanket purchase orders

Upon verifying and authorizing the blanket purchase orders, you can then print and process the blanket purchase orders whereby the blanket purchase order confirmation can be printed out to be sent to the relevant suppliers. This step is important because it confirms the purchase planning, and ensures placement of the orders to suppliers by printed copy or e-mail.

To print and process blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Print / Process.
2. Define the search criteria.
    Click **Search**. Blanket purchase orders that match the defined criteria will be displayed.
3. Select the blanket purchase order to be printed and processed.
4. Click **Print**. The **Print: Blanket PO** screen will be displayed.
5. Under the **Print** section, select **Final** to print a final copy of the blanket purchase order. Printing a final copy of the order indicates that the blanket purchase order has been processed.
6. Under the **Output** section, select **Printer**, or **E-mail** to print a copy of the blanket purchase order that will be posted or faxed to the supplier, or to e-mail the order to the supplier.
7. Under the **Options** section, type or select the document layout to be used in printing the blanket purchase order.
8. Select the **Free text lines** check box to enable the **Text block 1** and **Text block 2** sections. These free text lines are used for entering additional description to the blanket purchase order confirmation.
9. Select the **Compress** check box to compress the blanket purchase order lines. By compressing the order lines, items with the same code are compressed into one order line.

10. Under the **Text block 1** and **Text block 2** sections, type the additional description for the blanket purchase order in the boxes.
11. Click **Print** to print a final copy of the blanket purchase order. If you have selected **E-mail**, the blanket purchase order will be e-mailed to the recipient.

4.1.6 Releasing blanket purchase orders

Upon printing and processing, you can now release the blanket purchase orders on the expected or planned release date with the release quantity. Releasing the blanket purchase orders generates the actual purchase orders, and these orders can be viewed at Purchase → Entries → Purchase orders.

Upon releasing the blanket purchase orders, you can then proceed to the basic purchase order steps of authorizing, printing and processing, and receiving the planned quantity of items.

To release blanket purchase orders:

1. Go to Purchase → Entries → Blanket purchase orders → Release.
2. Define the search criteria.
    Click **Search**. The blanket purchase orders that match the defined criteria will be displayed.
3. Select the blanket purchase order to be released.
4. Click **Release**.
5. In the **Release blanket purchase order lines** screen, type the quantity that you want to release, and the date of release, and then click **Purchase**. By default, the quantity and date defined in the blanket purchase order are displayed. If you type a quantity that is less than the quantity ordered, the balance quantity to be released will be displayed in the next blanket purchase order lines. Upon clicking **Purchase**, the quantity is released and a normal purchase order is generated at Purchase → Entries → Purchase orders.
6. Click **Close** to exit.

4.2 HANDLING BACK-TO-BACK ORDERS

Back-to-back order is a functionality in Exact Globe Next where you can generate purchase orders based on the requirements deriving from sales orders (customer demand), production orders (manufacturing demand), and internal use (employee demand).

The back-to-back order is basically a **Material Requirements Planning (MRP)** screen showing requirements that match the defined criteria in the initial screen. Based on the obtained requirements in the MRP screen, you can then choose to generate a purchase order that will fulfill the requirement. You can create back-to-back orders at Purchase → To be processed → Back to back order.

To generate back-to-back purchase orders:

1. Go to Purchase → To be processed → Back to back order.
2. Under the **Selection** section, click **Warehouses** to select one or more warehouses to display the requirements deriving from the selected warehouse(s).
3. Click **Assortments** to select one or more assortments to display the requirements of item(s) linked to the selected assortments.
4. At **Item**, type or select an item or a range of items to display the requirements for the selected item(s). Select the **All** check box to display the requirements for all items.
5. At **Stock**, select **Order controlled** or **Stock controlled** to display requirements for the respective items. Order controlled items are items based on orders while stock controlled items are based on stock. Select **All** to display the requirements for both order controlled, and stock controlled items.
6. Click **Display**. Stock controlled items can be defined at the item maintenance (go to Purchase → Items → Maintain, select the relevant item, and then click **Open**), under the **Inventory** tab, by selecting the **Stock controlled** check box. If the **Stock controlled** check box is not selected, the item will be an order controlled item.
7. In the **Item management: Planning** screen, select the requirement cell with the quantity.
8. Click **PO**.
9. In the **Generate purchase orders** screen which displays a list of suppliers that you can purchase

from, select the supplier that you want to purchase from by double-clicking the supplier's **Selected** column. There are the **Main supplier** and **Selected** columns with green check marks. The green check marks indicate that the supplier has been selected.
10. In the **Advice** column for the suppliers that you have selected, type the quantity of item that you want to purchase.
11. Click **Purchase**. The purchase order for the quantity selected is then generated. Two screens will be displayed.
     The **Created: Order** screen shows the record of the generated order while the purchase order entry shows the order.
12. Click **Close** to save the generated purchase order, and exit.

The generated purchase order can be accessed at Purchase → Entries → Purchase orders. You can then receive the items, and fulfill the requirements that you have selected.

4.3 HANDLING OF PREPAYMENTS IN PURCHASE ORDERS

There may be occasions when you make prepayments for your purchase orders. A prepayment involves making payment in advance before the receipt of items upon confirming the purchase order by printing and processing the purchase order.

If you have decided to make an advance payment, you can do so by first authorizing, and printing/processing the purchase order. Then, you can define the prepayment terms by clicking **Conditions** in the purchase order entry screen, and then making the payment at Cash flow → Entries → Cash flow. After making the payment, you should then match the payment to the prepayment term. The process of prepayment for the purchase order is then complete.

To create prepayment terms:

1. Go to Purchase → Entries → Purchase orders.
2. Select the purchase order for which you want to create prepayment term.
3. Click **Open**.
4. The purchase order must be confirmed first before creating the prepayment term as you only want to make payment for confirmed

purchase orders. To do this, authorize, and then print/process the purchase order by clicking the **Authorized**, and **Processed** steps respectively. For information on authorizing and processing purchase orders, see *2.1 Purchase Order Process*.

5. Click **Conditions**, and a second **Purchase order** screen will be displayed.
6. Click **Prepayment**.
7. In the **Linking: Prepayment** screen, click **New**.
8. In the **Prepayment** screen, at **From – Cash instrument**, type or select the cash or bank account from which you want to make payment from.
9. At **Amount/Due date**, type the payment amount, and type or select the currency in which payment is being made, and then type or select the due date of the payment.
10. At **Method**, select the payment type corresponding to the cash instrument you have selected, and then type or select the payment date.
11. Type the supplier's reference number at **Your ref**. The values at **PO no.** (purchase order number), **Creditor**, **Address**, and **Creditor bank** are filled in automatically based on the creditor information in the selected purchase order.
12. Click **Save** to save the prepayment term.
13. Click **Close** to exit.

To make payments to the suppliers:

1. Go to Cash flow → Entries → Cash flow.
2. Click **New** to make the payment entries.
3. In the **Entry** screen, at **To Cash instrument**, select the cash or bank account from which you want to make payment.
4. At **Amount**, type the payment amount in negative value. The payment amount must be negative because you are making a payment to the supplier. Type or select the currency at **Currency**, and then type or select the date you are making the payment at **Date / Reporting date**.
5. At **Bank reference**, type your bank reference details.
6. Under the **Allocation** section, type or select the creditor account which you are making payment to. Upon selecting the creditor account, the payment transaction entries are created.
7. Click **Save** to save the payment.
8. Click **Close** to exit.

To match payments to the prepayment terms:

1. Go to Purchase → Entries → Purchase orders.
2. Select the required purchase order.
3. Click **Open**.
4. In the **Purchase order** screen, click **Conditions**.
5. Click **Prepayment**.
6. In the **Linking: Prepayment** screen, click **Refresh** to display the created prepayment term and payment.
7. Under the **Bank/Cash** and **Prepayment terms** sections, select the correct payment, and the prepayment term respectively.
8. Click **Link** to match the payment to the prepayment term. Now the prepayment for the purchase order is complete.
9. Click **Close** to exit.

4.4 DEFERRING PURCHASE COST

You can defer purchase cost to apportion large purchase expenses over several months within a financial year to provide a true and fair view of the business performance on a monthly basis. Purchase costs are costs that occur when items are purchased; these are costs of goods purchased. You can defer the purchase costs over a number of periods at Purchase → To be processed → Process deferred cost.

To defer costs of purchases:

1. Go to Purchase → To be processed → Process deferred cost.
2. At **Group by**, select **None** if you do not want to group the purchase orders. The costs will be displayed by date. Select **Our ref.**, or **Order** to group the purchase costs according to the respective options.
3. At **General ledger accounts**, type or select a general ledger account, or a range of accounts. Select the **All** check box to display the purchase costs from all general ledger accounts.
4. At **Purchase order**, type or select a purchase order, or a range of purchase orders. Select the **All** check box to display the purchase costs for all purchase orders.
5. At **Date**, type or select a date, or a range of dates. Select the **All** check box to display the purchase costs that occurred for all dates or periods.

6. At **Our ref.**, type your reference number to display the purchase costs with the selected our reference number.
7. Select the **Show: Deferred cost** check box to also obtain purchase costs that have been deferred.
8. Under the **Type** section, select the **Receipt**, **Return**, and/or **Fulfillment** check boxes to display the purchase costs that occurred in the respective transactions.
9. Click **Refresh** to display the purchase costs that match the defined criteria.
10. Select a specific purchase cost that you want to defer.
11. Click **Process**.
12. In the **Deferred cost** screen, at **Deferred cost account**, select the general ledger account that you want to defer the cost to.
13. At **Number of periods**, type the number of periods you want to defer the cost to. For example, if you type "2", the purchase cost will be deferred to two periods.
14. At **% Costs**, type the percentage of cost that you want to defer. If you type "100", 100% of the purchase cost will be deferred.
15. At **Date from**, type or select the date from which you want to defer the cost.
16. Click **Start** to defer the cost.
17. In the **Deferred cost: Preview** screen, click **Continue**, and the cost is deferred.

4.5 USING EXTERNAL NUMBERING

External numbering is a functionality offered by Exact Globe Next to provide the flexibility to use the external numbers in your business documents apart from the standard numbering system based on the **Entry**, **Our reference**, and **Your reference** numbers. In addition, the external numbering functionality caters to users in some countries where the legislations require businesses to use a numbering system, in which documents generated from different business transaction types are to use different sets of numbers. In certain countries, these numbers must meet specific format requirements, such as to include prefixes and masks. For these reasons, you can now choose to enable the external numbering functionality in your system to cater to the additional needs of your business. In line with the external numbering functionality, you can define the numbering rules and the number ranges for the external numbers. The system will then assign external numbers for the specific business transactions based on the defined numbering rules and number ranges. Meanwhile, the external number will be printed on the final printed documents if you have added the external number field in the document layout.

4.5.1 Setting up external numbering functionality

Before you can use the external numbering functionality, you need to enable this functionality in Exact Globe Next. After you have enabled the functionality, you will then be able to see two new menu paths, System → Logistics → External numbering → Numbering rules, and System → Logistics → External numbering → External numbers.

To set up the external number functionality:

1. Go to System → General → Settings.
2. Click **Numbers settings** under **Settings** in the left menu.
3. Under the **General** section, select the **Use external numbering** check box.
4. Click **Save**, and the message "Changes will only take effect after restarting the software" will be displayed.
5. Click **OK**.
6. Click **Close** on the main menu to exit the software, and then restart the software. You will see two new menu paths, System → Logistics → External numbering → Numbering rules, and System → Logistics → External numbering → External numbers.
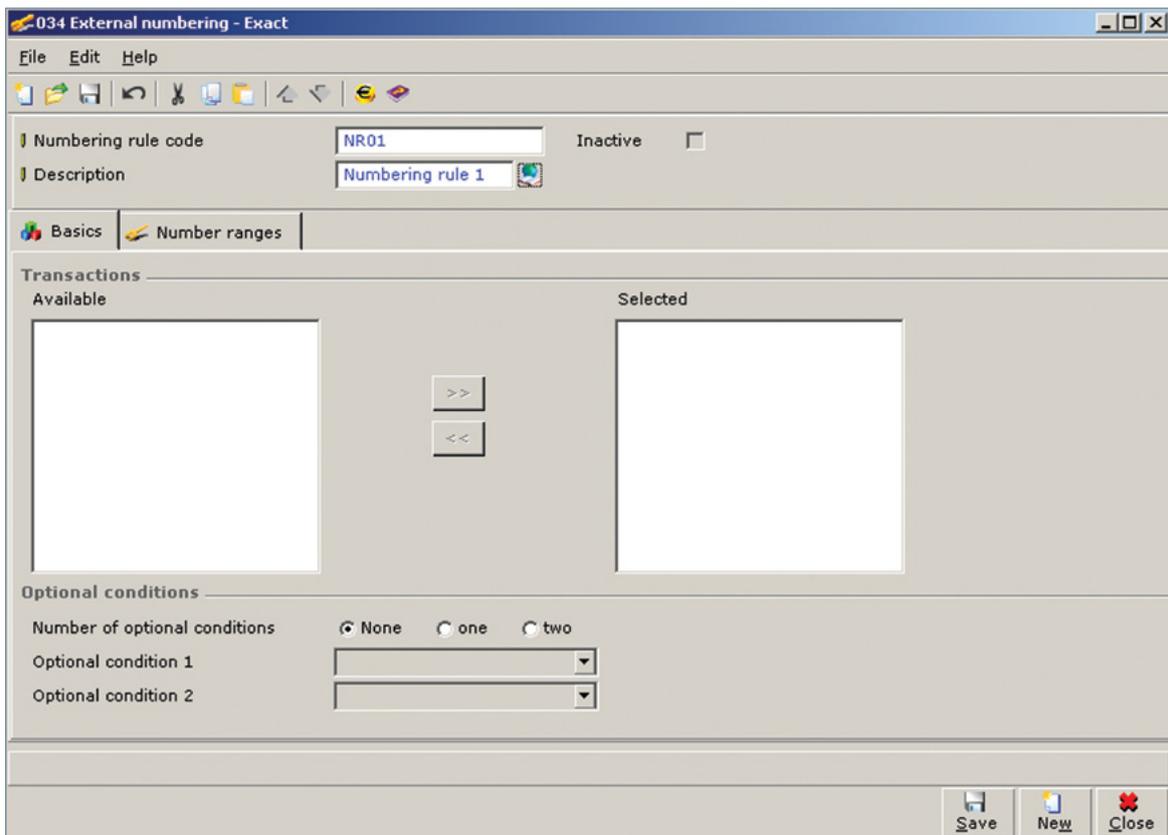
To create numbering rules:

1. Go to System → Logistics → External numbering → Numbering rules.
2. Click **New**. The **External numbering** screen will be displayed.
3. At **Numbering rule code**, type a code for the new numbering rule. This is mandatory.
    At **Description**, type a description for the new numbering rule. This is mandatory. Click 🌐 if you want to type the description in a foreign language, which has been defined under the **Descriptions in list boxes** section in **General settings** at System → General → Settings.
    In the **Basics** tab under the **Transactions** section, the **Available** box lists all the available transaction types which you can select for use in the numbering rule. Select the transaction type(s), and then click >> to move the selected transaction type(s) to the **Selected** box. By doing this, you are selecting the transaction type(s) to be used in the numbering rule. If you want to move any of the transaction types from the **Selected** box to the **Available** box, select the transaction type(s) in the **Selected** box ,and then click <<. By doing this, you can delete the transaction type(s) selected earlier to be used in the numbering rule.
4. Under the **Optional conditions** section, you can select **None**, **one**, or **two** at **Number of optional conditions** to define the number of optional conditions you want to use in the numbering rule. Optional conditions are used if you want to further define the conditions of every numbering rule. These optional conditions are important while generating the external numbers within a number range and at the same time, helping to speed up data retrieval in reports.
5. Based on the **Number of optional conditions** you have defined, you can select the optional conditions to be used at **Optional condition 1** and **Optional condition 2**. If you have selected **None** at **Number of optional conditions**, the **Optional condition 1** and **Optional condition 2** fields will be disabled. If you have selected one, you can select **Cost center**, **Person**, or **Warehouse** at **Optional condition 1** while the **Optional condition 2** field will be disabled. If you have selected **two** at **Number of optional conditions**, you can select two optional conditions to be used with the available options of **Cost center**, **Person**, and

Warehouse. However, the optional conditions selected at **Optional condition 1** and **Optional condition 2** must be different. For an existing numbering rule which is linked to number ranges, the **Optional conditions** section will be disabled for editing.

6. Click **Save** to save the numbering rule. By default, a newly created numbering rule will be activated. As such, when you are creating a numbering rule, the **Inactive** check box will be disabled. The check box will only be enabled after you have clicked **Save** to save the new numbering rule.
7. Under the **Number ranges** tab, click ⬚ **New** to create number ranges for the numbering rule.
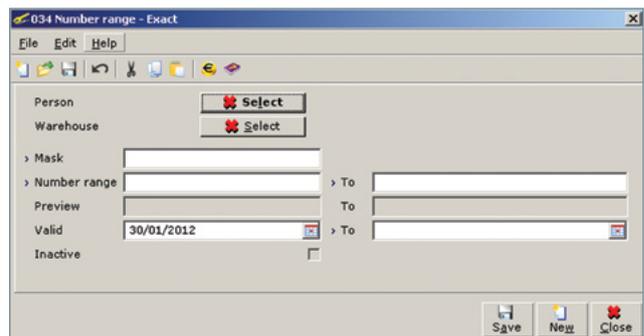
8. You will see the **Number range** screen. The fields displayed in this screen will depend on the selections that you have made under the **Optional conditions** section in the **External numbering** screen. For example, if you have selected a **Person** at **Optional condition 1** and **Warehouse** at **Optional condition 2** under the **Optional conditions** section, the **Optional condition 1** field will be shown as **Person**, while the **Optional condition 2** field will be shown as **Warehouse** in the **Number range** screen.
9. Next, click ❌ **Select** to select the optional condition values to be used to generate the external numbers if you are using the optional conditions. For example, if you have selected to use **Cost center** as the **Optional condition 1**, click **Select** to select the cost center(s) to use the number ranges for transactions involving the selected cost center(s). In this example, you will see the **Optional condition** box displaying all the active cost centers in the system. Select the cost center(s), and click **Select** to select the cost center(s) that the number ranges will be created for. Alternatively, double-click a cost center to

select the cost center. A green check mark will be displayed in the **Select** column to indicate that the cost center(s) has been selected. Click **Deselect all** to clear the selection of all the selected cost centers. To clear the selection of a specific selected cost center, double-click the selected cost center or click **Select** again. Click **Close** to exit. By doing this, you can create different number ranges for transactions involving different cost centers or one number range for use by multiple cost centers.

10. At **Mask**, type the mask for the number range. This information is mandatory. You can type up to 30 characters in this field. The mask is case-sensitive, and it can contain a separator as well as any symbol, except "**#**" and " " (ENTER key on the keyboard) when you define a prefix for the mask. A <space> is allowed in between the mask. However, it cannot be placed before or after the mask as all spaces will be trimmed by the system during the numbers generation. In addition, the mask must represent the running number format which is indicated by the "**#**" symbol. For example, if you want to create a mask with prefix "ABC", and the running number to contain three digits, you can type "SALEINVOICE-###" at **Mask**. You should type at least one "**#**" at **Mask** to represent the running number format in the number range.

11. At **Number range > To**, type the start and end numbers for the number range. This information is mandatory. The maximum number of digits allowed will depend on the mask you have defined. For example, if you have typed "SALEINVOICE-###" at **Mask**, the maximum number of digits that you can type as the start and end numbers in the number range will be three as indicated by the three "**#**" symbols in the mask. The start and end numbers must not be equal to "0", and the start number must be a smaller number than the end number in the number range. For example, you type "1" in **Number range**, and "999" in **To**. The resulting number range will start from SALEINVOICE-001 to SALEINVOICE-999 as shown at **Preview**.

12. At **Valid > To**, type or select the validity date range for the number range. This determines the life cycle of the number range. By default, the start date of the validity period will show the current date when you create a number range. The start date information is mandatory. However, you can leave the **To** field blank. You

may want to do this if you want to use the number range for as long as you want, and you can define the end date when your business requires it. Once an external number from the number range has been used, you cannot change the start date of the number range. In addition, the validity period of the number range cannot overlap with the validity period of other existing number ranges in the numbering rule. For example, you have an existing number range with the validity period from 01-01-2007 to 31-12-2007. If you create a number range now with a validity period from 01-06-2007 to an undefined end date, you will see this message "This range is overlapping with one of the existing number range's criteria: Life cycle" once you click **Save** to save the new number range. Click **OK** to close the message, and then change the start date so that it will not overlap with the existing number range.

13. Click **Save** to save the number range.

> **Note :**
> When you create a number range, by default, the **Inactive** check box is disabled. This means the status of a new number range is automatically set to **Active**. The check box will be enabled only when you edit an existing active number range. Select the check box to deactivate the number range. Once you have selected the check box, the message "Set to inactive?" will be displayed. Click **Yes** to deactivate the number range, and then type the reason for deactivating the number range in the **Note** box. Click **Save** to save the note. Once you have deactivated a number range, you are not allowed to activate the number range. The system will delete all the unused external numbers in the number range, and update the end number of the number range to equal to the last assigned number. If the number range has not been used, the deactivation process will reset the start, and end numbers of the number range to "0".

4.5.2 External numbering in purchase order receipts

External numbering in purchase order receipts is applied at Purchase → Entries → Receipts.

> **Note :**
> The Receiving slips check box under the Receipt section of Purchase settings at System → General → Settings must be selected for the external number to be assigned to the receiving slip.

4.5.3 External numbering in purchase order returns

External numbering in purchase order returns is applied for both planned and unplanned returns at Purchase → Entries → Return.

> **Note :**
> If the Use external numbering check box in Number settings at System → General → Settings is selected, and the purchase return is linked to an active numbering rule with the optional condition value that matches, the external number will be assigned to the Return to Supplier slip.

4.5.4 External numbering in Return to Vendor (RTV) orders

External numbering in Return to Vendor (RTV) orders is applied at Order → Entries → Fulfillment, and then selecting RTV order under the Selection section.

> **Note :**
> If the Use external numbering check box in Number settings at System → General → Settings is selected, and the RTV order is linked to an active numbering rule with the optional condition values that matches, the external number will be assigned to the Return to Supplier slip.
>
> The following applies to external numbering used in purchase order receipts, purchase order returns, and RTV orders. If the external numbering involves multiple optional condition values, then the two methods are used during the batch process:
>
> - If all the optional condition values are the same, the values are passed to the external number center process.
> - If the optional condition values are different, and there is more than one value, no value is required, and an empty value is passed to the external number center process.

4.5.5 External numbering in browsers and overviews

When you are using the external numbering function in your purchase applications, the external number column will be added in the following browser and overview screens:

- Go to Purchase → Entries → Purchase orders, define the search criteria, and then click **Search**. Next, select the required purchase order, click **Open**, and then click **Receipt**.
- Go to Purchase → Entries → Receipts, define the search criteria, and then click **Refresh**. Next, select the required receipt, and click **Corrections**.
- Go to Purchase → Reports → Receipts, define the search criteria, and then click **Display**.

Appendix 1

Product Update Changes

APPENDIX 1: PRODUCT UPDATE CHANGES

Product Update	Chapter
402	All chapters
405	2.2.6
407	1.3
410	4.4

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Exact

PO Box 5066
2600 Delft
The Netherlands

Tel: +31 15 711 50 00
E-mail: info@exact.com
Website: www.exact.com