Open Systems

Purchase Order

Accruals

Once accruals are turned on, you need to set up several GL accounts. These accounts will be a “temporary” inventory account in your asset section, a “temporary” job account (if using Job Cost), a “temporary” expense account (for those items that are not affected by inventory of jobs), and a “temporary” AP account. –PO/File Maintenance/Tables/Table ID: APGLx.

As you receive goods within PO and you post your Purchase Journal, all inventory items, jobs, and expenses are posted as debits to these “temporary” accounts and the total amount of the goods received is posted as a credit to the “temporary” AP account.

As these received goods are invoiced and the Purchase Journal is posted, the “temporary” inventory, jobs, and expense accounts are credited, the “temporary” AP account is debited and the proper accounts as indicated within the PO are then debited with the credit being the actual AP account.