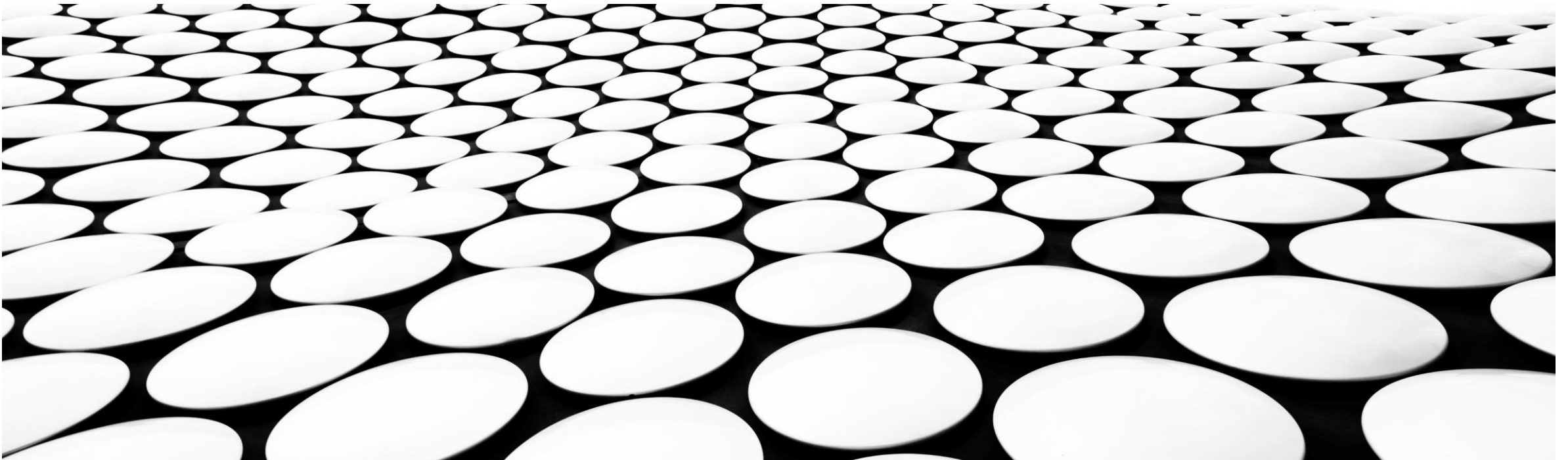# FINANCIAL REPORTING – TRANSACTION PROCESSING
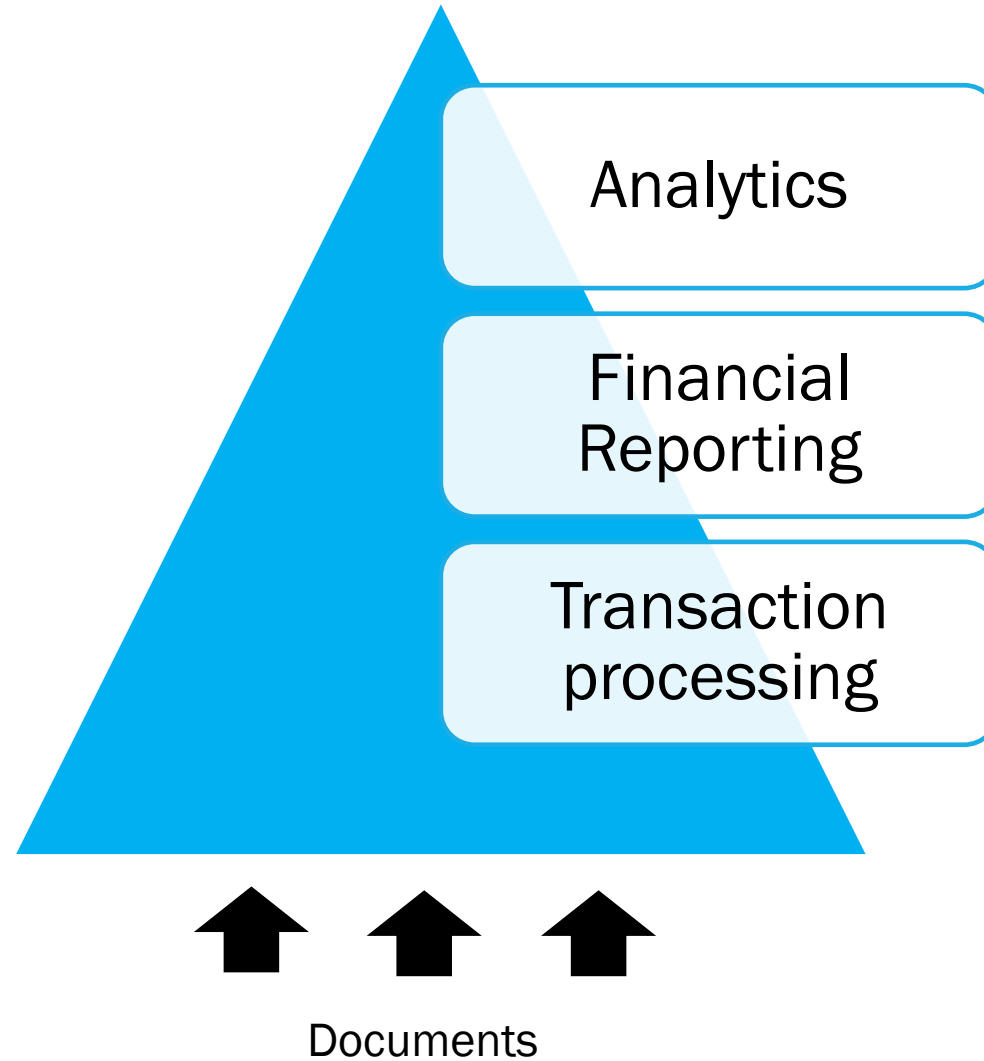
BY B D CHATTERJEE *FCA, ACMA, ACS, DIP (IFR) ACCA – UNITED KINGDOM*

TRANSACTION PROCESSING

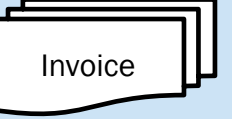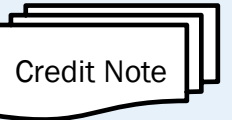# TRANSACTION PROCESSING AND BEYOND

Analytics

Financial Reporting

Transaction processing
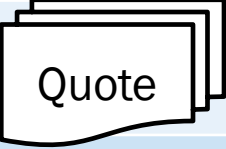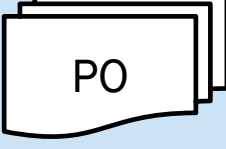
Documents

TRANSACTION PROCESSING

Revenue to cash

Purchase to Payable

Recording to Reporting

REVENUE TO CASH

Process Cycle	Document	
Create Sales inquiry and send to customer	Sales enquiry	Enquiry
Processing Sales Quotation	Sales Quotation	Quotation
Raise Sales Order	Sales Order	Sales Order
Process Delivery Advice	Delivery Advice	DA
Process Invoice to customer	Sales Invoice	Invoice
Raise Credit Note if any	Credit Note	Credit Note

PURCHASE TO PAYABLES

Process cycle	Document	
Purchase Requisition processing	Approved Purchase Requisition	**PR**
Quotation request and quotation management	Quotation	**Quote**
Purchase Order Processing	Approved Purchase Order	**PO**
Good Receipt	Goods Receipt Note	**GRN**
Invoice verification	Invoice verification	**Invoice**

Three Way match

RECORDING TO REPORTING
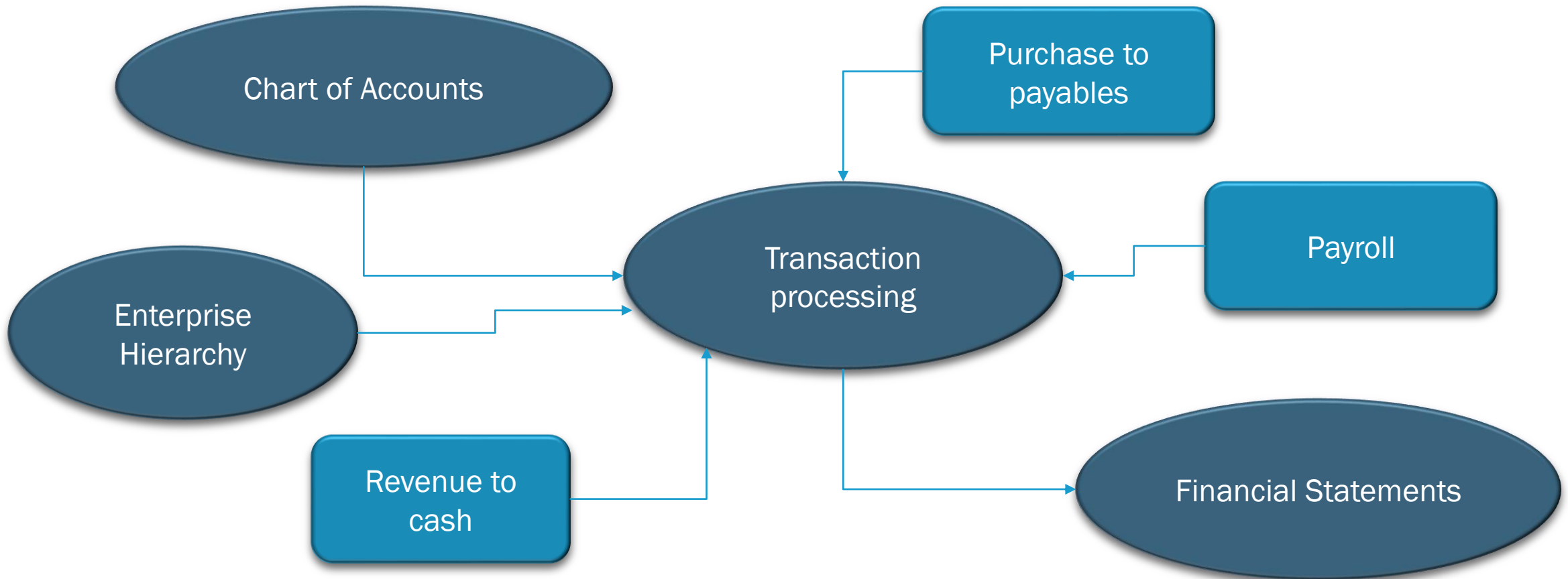
ENTERPRISE HIERARCHY
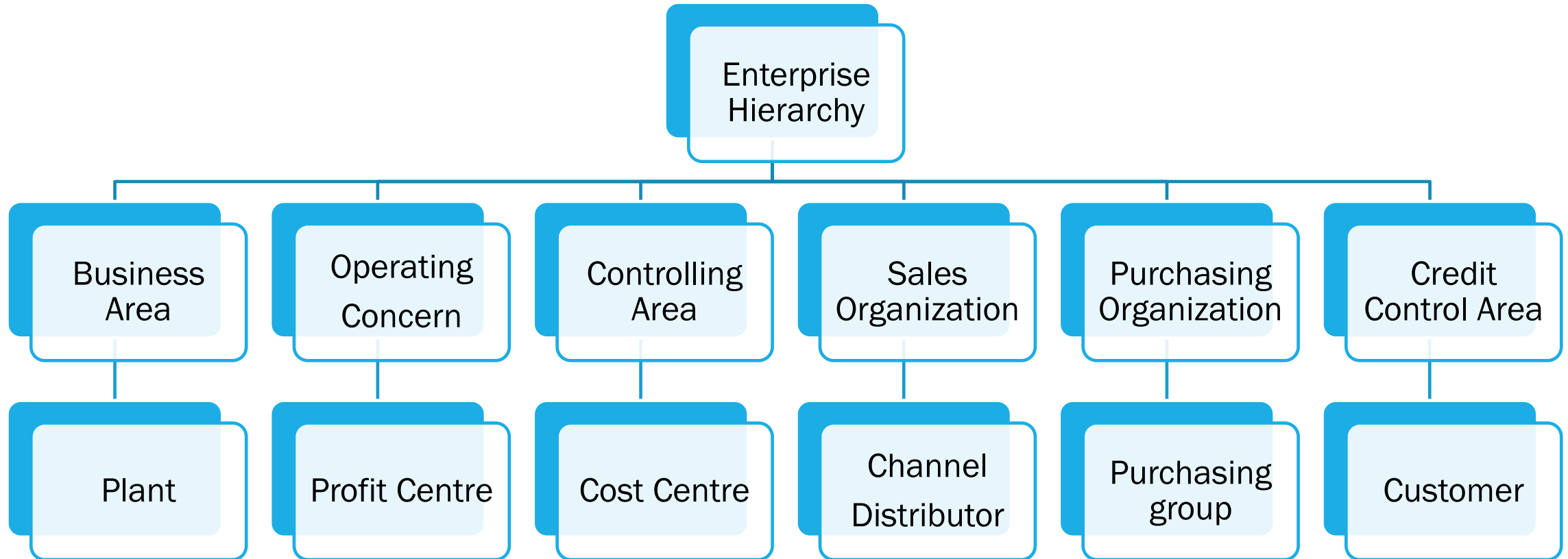
CHART OF ACCOUNTS
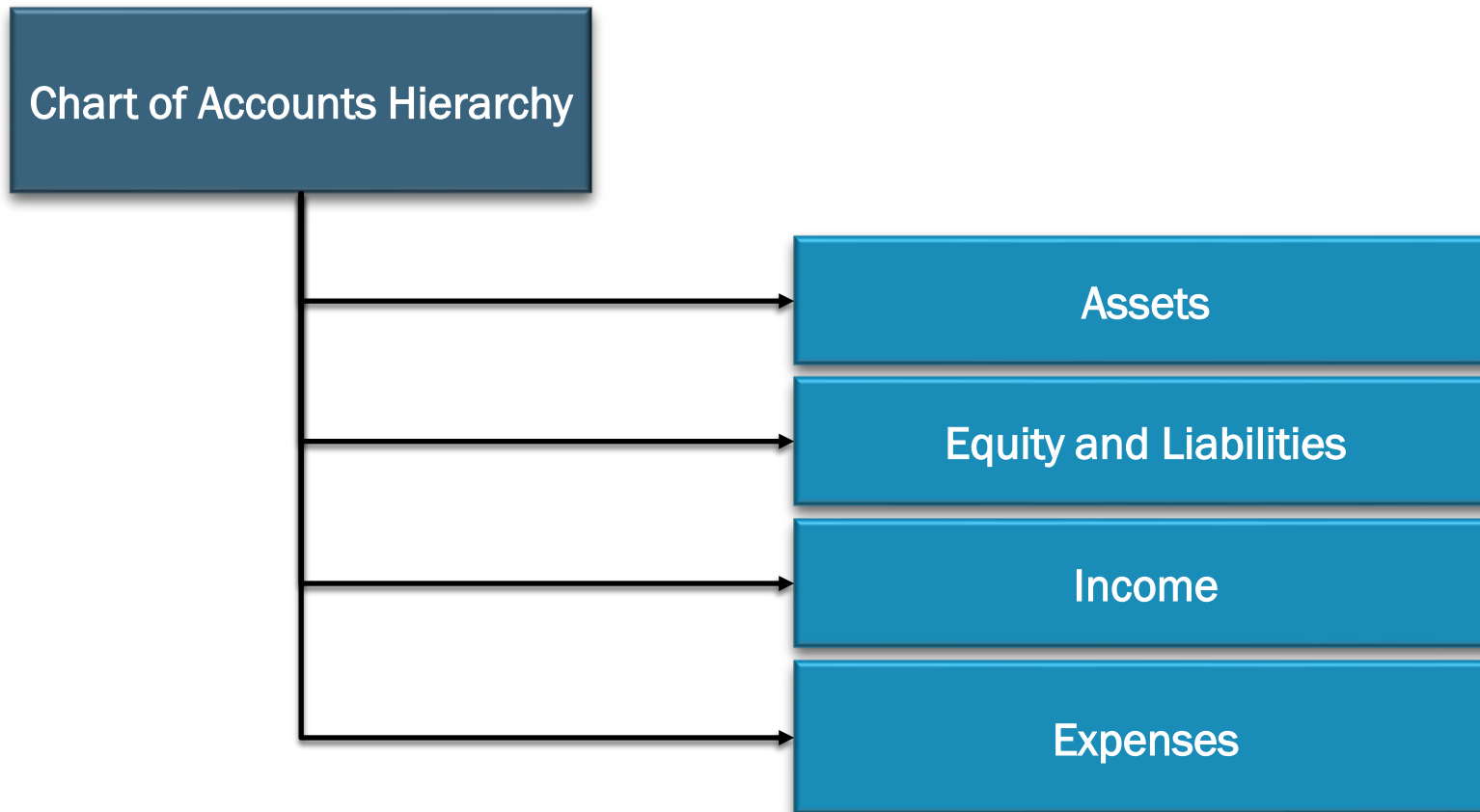
ASSETS
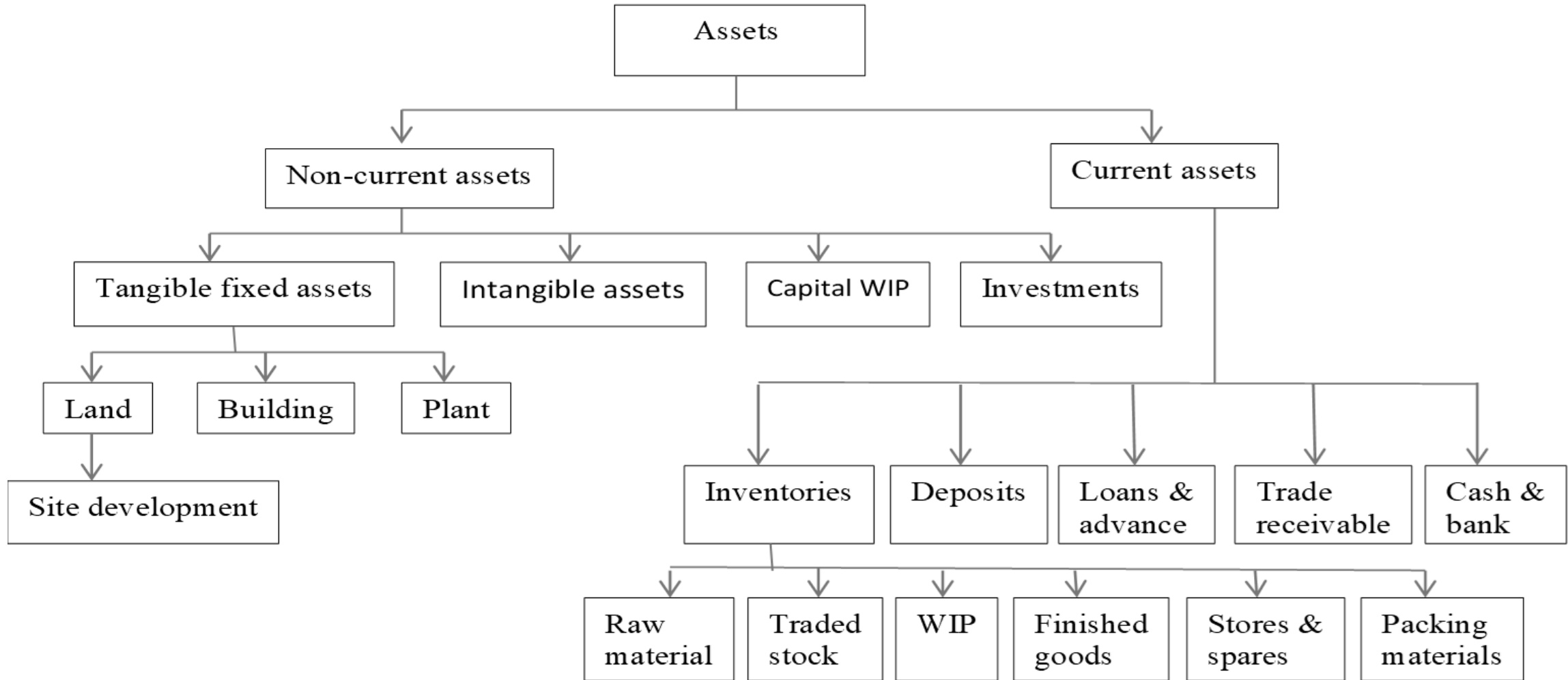
EQUITY AND LIABILITIES

INCOME

```
                                    ┌──────────┐
                                    │  Income  │
                                    └────┬─────┘
            ┌────────────────────────────┼────────────────────────────┐
            ▼                            ▼                            ▼
   ┌─────────────────┐          ┌─────────────────┐          ┌─────────────────┐
   │  Sale of goods  │          │ Sale of service │          │  Other income   │
   └───────┬─────────┘          └─────────────────┘          └─────────────────┘
   ┌───────┼───────────┐
   ▼       ▼           ▼
┌────────┐ ┌────────┐ ┌────────┐
│Sale of │ │Sale of │ │Sale of │
│goods   │ │Goods   │ │scrap   │
│domestic│ │export  │ │        │
└───┬────┘ └────────┘ └────────┘
┌───┼────────┐
▼            ▼
┌──────────┐ ┌──────────┐
│Sale of   │ │Sale of   │
│Goods     │ │Goods     │
│Domestic  │ │Domestic  │
│Manufac-  │ │Trading   │
│turing    │ │          │
└──────────┘ └──────────┘
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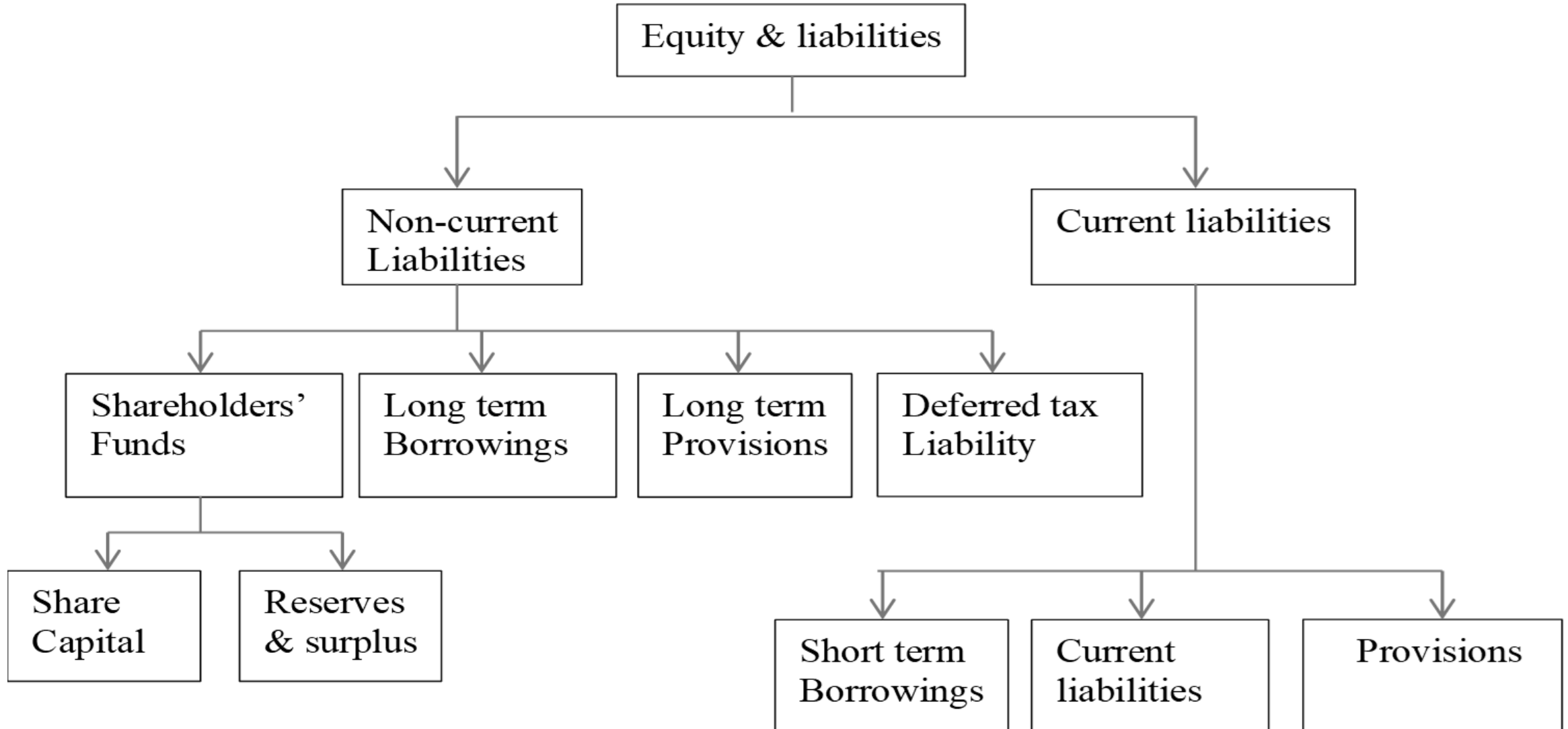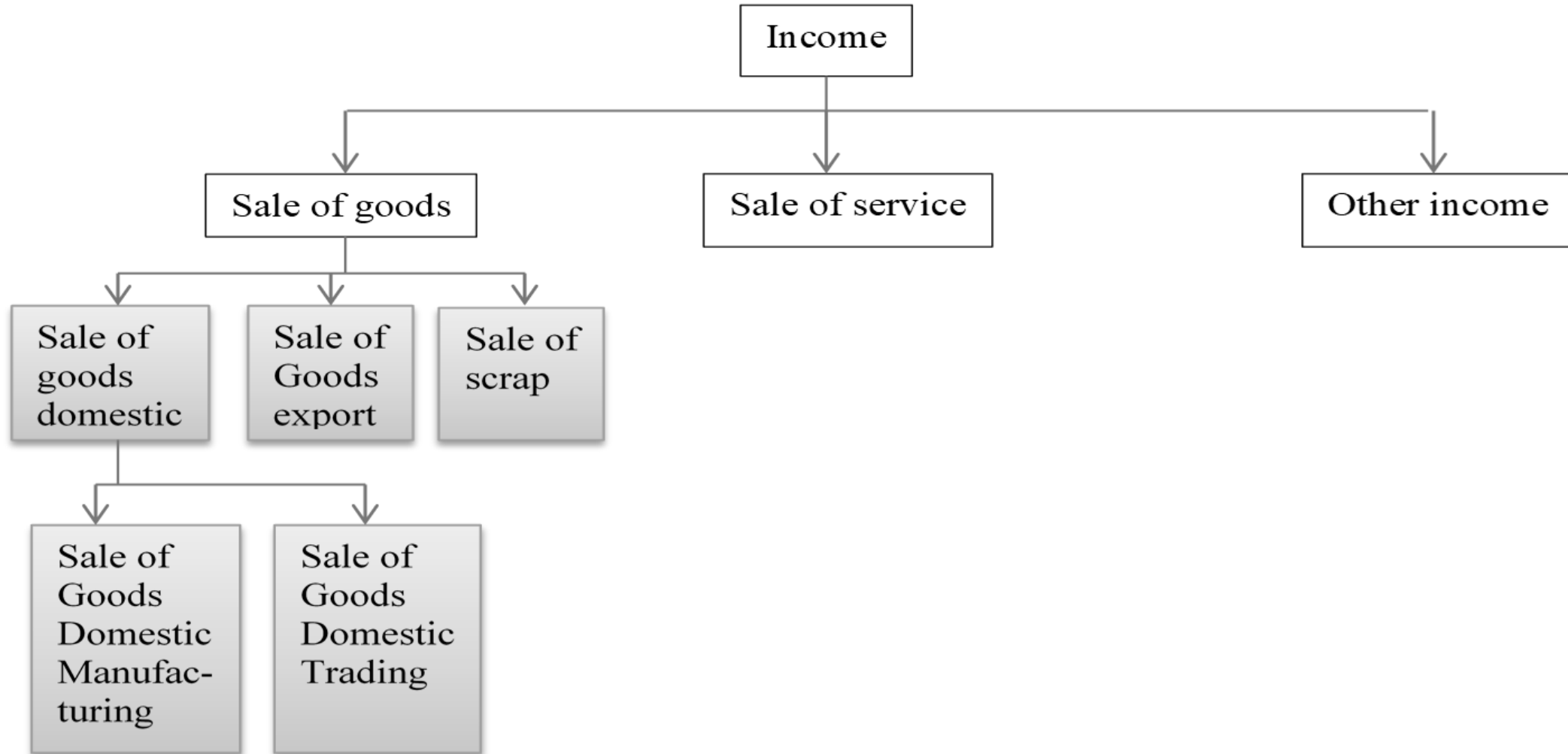
EXPENSES
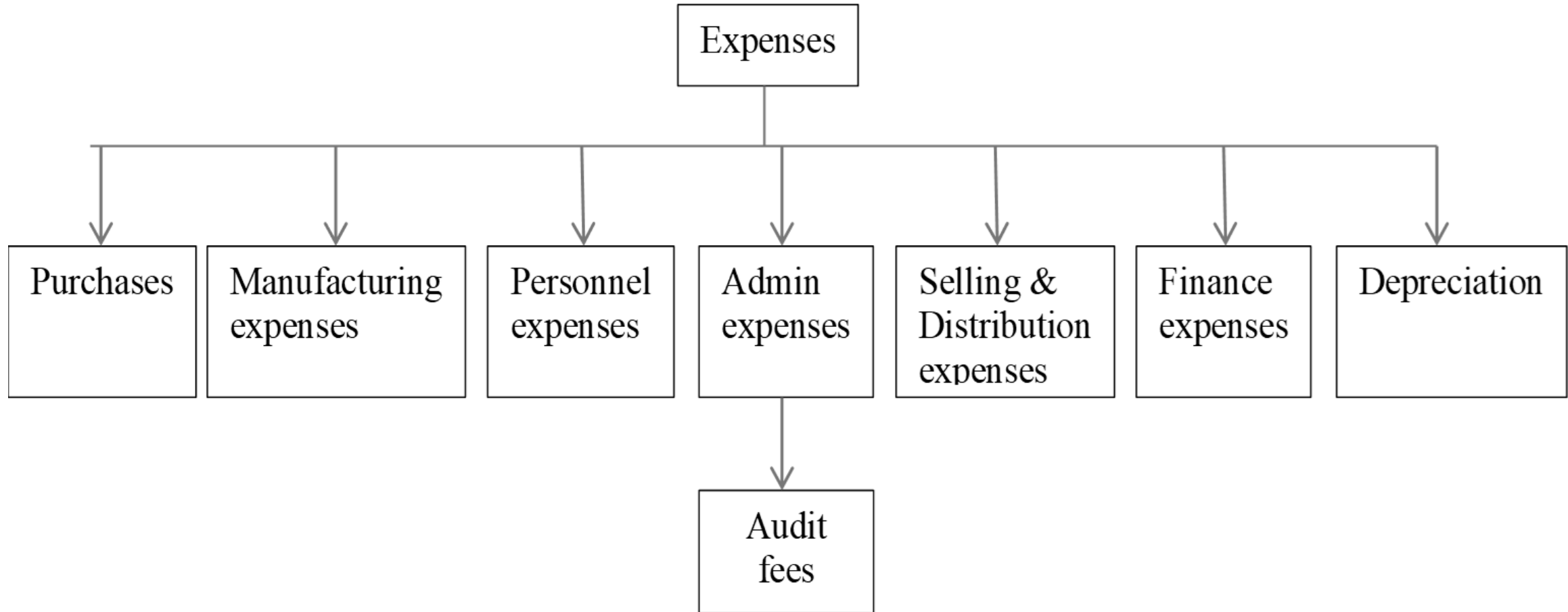
FINANCIAL CLOSURE

Process	-2	-1	0	1	2	3
Post all invoices, receipts and vouchers in the books of account	x					
Complete bank reconciliation			x			
Complete reconciliation of customer account with receipts		x				
Complete reconciliation of all vendor account with payments		x				
Complete reconciliation of all stock and consumption account			x			
Post all adjustment entries/rectification entries			x			
Complete updation of all provision related to statutory liabilities			x			
Generate General Ledger				x		
Finalize Financial Statements					x	
Finalize Financial Dash Board						x

THANK YOU!