```
┌─────────────┐                ┌─────────────────────┐        ┌──────────────────────────────────────────────┐
│ Order placed│                │ Sales Order         │        │ All sales orders documented on sequentially    │
│ (over       │──────────▶     │ Formemplyee names,  │        │ numbered multi-part sales order form.          │
│ telephone,  │                │ addresses, annual   │────┐   │ One copy stays in the sales department, one    │
│ internet, or│                │ salaries or hourly  │    │   │ goes to the warehouse and one goes to the      │
│ in writing) │                │ rates, tax nad      │    │   │ invoicing department.                          │
└─────────────┘                └─────────────────────┘    │   └──────────────────────────────────────────────┘
                                          │
                                          ▼
                               ┌─────────────────────┐        ┌──────────────────────────────────────────────┐
                               │                     │        │ The goods are chosen using details on the      │
                               │                     │        │ customer's sales order form.                   │
                               │ Goods Dispatched    │────┐   │ The goods are packaged up for dispatch and a   │
                               │ Note (GDN)          │    │   │ sequentially numbered multi-part goods         │
                               │                     │    │   │ dispatch note (GDN) is raised.                 │
                               │                     │    │   │ One copy of the GDN is sent with the goods,    │
                               └─────────────────────┘    │   │ one copy stays in the warehouse, stapled to    │
                                          │                    │ the relevant sales order, and one copy is sent │
                                          ▼                    │ to the invoicing department.                   │
                               ┌─────────────────────┐        └──────────────────────────────────────────────┘
                               │                     │        ┌──────────────────────────────────────────────┐
                               │                     │        │ A sequentially numbered multi-part invoice is  │
                               │                     │        │ raised based upon the details on the goods     │
                               │ Sales Invoice       │────┐   │ dispatch note.                                 │
                               │                     │    │   │ One copy stays in invoicing, stapled to the    │
                               │                     │    │   │ relevant GDN and sales order form, one copy    │
                               │                     │    │   │ goes to the customer and one copy is sent to   │
                               └─────────────────────┘    │   │ the sales daybook clerk.                       │
                                          │                    └──────────────────────────────────────────────┘
                                          ▼
                               ┌─────────────────────┐        ┌──────────────────────────────────────────────┐
                               │ Update Sales Daybook│────┐   │ The sales daybook clerk updates the sales      │
                               └─────────────────────┘    │   │ daybook using the details on the sales invoice.│
                                          │                    │ The copy of the invoice is filled numerically. │
                                          ▼                    │ At the end of the day the total of the sales   │
┌─────────────┐                ┌─────────────────────┐        │ day book is transferred to the general ledger  │
│ Customer    │──────────▶     │ Update General      │        │ by the general ledger accountant.              │
│ pays        │                │ Ledger              │        │ When the customer pays this is recorded in the │
└─────────────┘                └─────────────────────┘        │ general ledger.                                │
                                                               │ The invoice is stamped as paid.                │
                                                               └──────────────────────────────────────────────┘
```
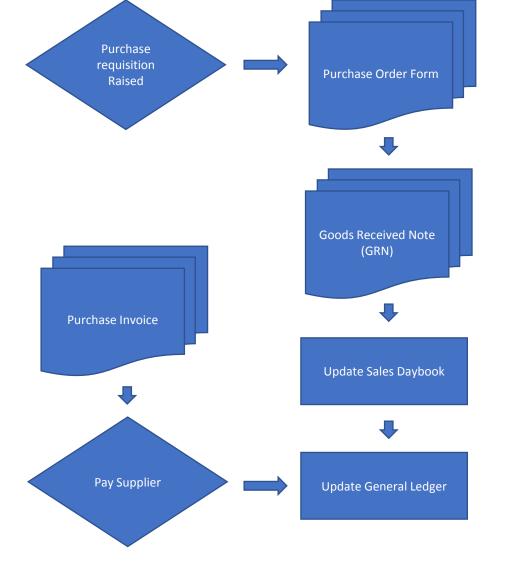
```
Purchase requisition Raised  →  Purchase Order Form
```

Purchase requisitions are raised by the individual departments and a written copy sent to the ordering department.
The ordering department places and order with the relevant supplier and records the details of the order on a sequentially numbered, multi-part order form.
One copy stays in ordering department, one goes to the supplier and one to the warehouse.

```
Purchase Order Form  ↓  Goods Received Note (GRN)
```

When the goods arrive from the supplier a sequentially numbered, multi-part goods received note (GRN) is raised.
One copy stays in the warehouse and is matched and stapled to the purchase order, one returns to the ordering department to match to the copy of purchase order and one goes to the purchase daybook clerk to update the records.

```
Purchase Invoice

Goods Received Note (GRN)  ↓  Update Sales Daybook  ↓  Update General Ledger

Pay Supplier  →  Update General Ledger
```

The details of the goods received note are entered into the purchase daybook and the GRNs are filed in numerical order.
At the end of the day the total of purchase daybook is transferred to the general ledger.
Once the invoice is received it is matched to the details on the ledger and stapled to the GRN copy.
The supplier is paid and the ledger is updated to reflect this.
The invoice is then stamped as paid.

```
┌─────────────────────────┐        ┌──────────────────────────────────────────────┐
│                         │        │ Employee names, addresses, annual salaries or  │
│                         │        │ hourly rates, tax and banking details will be  │
│ Employee details entered│────────│ needed every payroll run. These details are    │
│ into system             │        │ kept permanently on the system. This is known  │
│                         │        │ as sanding data.                               │
│                         │        │ Details of new employee are added and details  │
│                         │        │ of leavers are removed.                        │
└─────────────────────────┘        └──────────────────────────────────────────────┘
            │
            ▼
┌─────────────────────────┐        ┌──────────────────────────────────────────────┐
│                         │        │ For hourly employees, the details of the hours│
│ Hours worked by each    │        │ worked are recorded on clock cards or time     │
│ employee entered into   │────────│ sheets and these details are input into the    │
│ system                  │        │ system.                                        │
│                         │        │ The pay rate for salaried employees is worked  │
│                         │        │ out by reference                               │
│                         │        │ to their contract.                             │
└─────────────────────────┘        └──────────────────────────────────────────────┘
            │
            ▼
┌─────────────────────────┐        ┌──────────────────────────────────────────────┐
│                         │        │ The wage of each employee along with relevant  │
│ Payroll calculated by   │        │ PAYE and national insurance contributions are  │
│ computer                │────────│ calculated by the system.                      │
│                         │        │ The PAYE and national insurance liabilities    │
│                         │        │ are automatically recorded in the ledgers.     │
└─────────────────────────┘        └──────────────────────────────────────────────┘
            │
            ▼
┌─────────────────────────┐        ┌──────────────────────────────────────────────┐
│                         │        │                                                │
│ Employee paid           │────────│ Using the figures calculated by the system the │
│                         │        │ employees are paid by bank transfer            │
│                         │        │ (preferable), cheque or cash.                  │
└─────────────────────────┘        └──────────────────────────────────────────────┘
```