Raising an Invoice to another Department

When the SUPPLYING department receives the Purchase Order

When you have received an approved Purchase Order from another department, you should deliver the goods or services requested, together with a printed copy of your corresponding sales invoice.

As the supplying department, if you are selling goods from Inventory (Stock), then please make sure that Inventory adjusts their records accordingly. You could do this by sending a copy of the Purchase Order to the person in your department who deals with inventory.

NB. An Internal Trading invoice should NOT be raised if the Purchasing department is an Associated Body. Any invoice raised to an Associated Body should be treated in the same way as an external customer’s invoice, as they are separate entities to the University. For lists of Associated Bodies please see the department code section at the following link

(Associated bodies will have a number in the external trading customer number column and NOT in the internal trading customer number):

http://ufs.admin.cam.ac.uk/atoz.html#d

The Internal Sales Invoice

Raising a sales invoice to another department is carried out the same way as raising a sales invoice to one of your external customers, but with the following differences:

- Invoice will always be in GBP
- The type will be **XX Internal Trading**
-Terms will always be Internal
- Tax code will always be Internal
- Source of Funds will be GAAB
Step 1: Header details

Once you have navigated to the transaction screen complete the fields listed below (remember all yellow fields are mandatory and must be completed)

- **Source** Manual Invoice, this should never be changed
- **Class** Type of transaction you are creating (invoice, credit memo or debit memo)
- **Type** XX Internal Invoice
- **Date** This is the transaction date (no impact on due date as internal trading invoices are due immediately with terms of **Internal**)
- **GL Date** The date the transaction will reflect in your departmental accounts
- **Currency** Always use **GBP**
- **Reference** This is an optional field and a free text field. Enter information you feel may be helpful to you/department
- **Legal Entity** Will always be Cambridge University
### Detailed Procedure

#### Internal Trading Invoices

**Step 2: Main Tab**

The information you need to complete here is the following:

<table>
<thead>
<tr>
<th>Main</th>
<th>More</th>
<th>Notes</th>
<th>Commitment</th>
<th>Reference Information</th>
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<tbody>
<tr>
<td>Ship To</td>
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<td>Contact</td>
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<tr>
<td>Payment Term</td>
<td>Internal</td>
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<tr>
<td>Invoicing Rule</td>
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<tr>
<td>Due Date</td>
<td>08-MAY-2014</td>
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</tr>
</tbody>
</table>

- **Bill To**
  
  Enter the customer details by placing the cursor into the first line of the bill to section. Click on the list of values and enter the department name you are searching for and then click find.

- **Payment Term**
  
  All internal transactions will default in with **Internal** as the terms.

**Step 3: More Tab**

This tab has additional fields you must populate:

- **Salesperson**
  
  Using the list of values, search and enter the Salesperson details (pre requisite – salesperson must be created)

- **Purchase Order Number**
  
  Enter here as it is a free text field
Step 4: Line Items

This is where you enter the details of the products or services you are providing. The following fields are to be populated:

- **Description**: This is a free text where you enter details of the product or service. Alternatively you can use the list of values to search for a memo line (see memo lines guide).

- **UOM**: Unit of Measure – An optional field, choose as appropriate.

- **Quantity**: Number of products or services being provided.

- **Unit Price**: Value of product or service you are providing, net of any VAT.

- **Amount**: Automatically populates after quantity and unit price has been entered.
**Tax Classification**

This defaults in as Internal

Click on **Distributions** button once your lines are completed to update the accounting information.

### Step 5: Entering Distributions Code

Once you have clicked on the distributions, the following screen displays. This is where you enter the codes as to where the income is to go to. **You must only change the revenue line.** To view all lines as seen below, click on the drop down arrow and select **Account For All Lines**.

- **The revenue GL account will automatically populate. The code must be changed using the list of values to choose:**

  a) The correct cost centre segment (area of activity) e.g. XXBA

  b) The correct source of funds will be GAAB
c) The transaction segment (income code: L___ or K__). However if a memo line was used, the transaction code will default in automatically, but you will still need to amend the cost centre segment

Repeat steps a) and b) for each line of the invoice and Save.

A transaction number is generated, which you should make a note of. The next step is for the invoice to be checked and completed before printing (refer to guidance Completing a Transaction on this process)

If you want to allocate the generated income to more than one account, reduce either the value or the % in the first revenue account and then click in the next row down. Enter the other GL account code for the remaining value.