

## **Explanation of PROMPT Business, Accounts Receivable Sales Totals**

We have been asked about reconciliation of the OP Sales Tax Report printed from OP, end of day menu (OP, 2, 8) and the AR Customer Sales Analysis Report printed from the end of month A/R menu (AR 2, 1).

The question you ask is "Why are the sales totals different?"

Both sales values come from the same source, which is the Order Entry Header Sales File.

### **The sales tax report:**

When you request the sales tax report you provide the begin and end date for the report. You are getting a list from the Order Entry Header Sales File based on the dates requested. The column called "Total Gross Sales" means the amount of the sale to the customer, excluding tax, or adds on charges such as freight.

### **The sales analysis report.**

This report is automatically run at the end of each month when option 1 is executed for the A/R end of month processing. The column Sales M-T-D by customer represents the exact same definition of sales as explained above, and it is posted from the exact same field of the Order Entry Header Sales File reported in the sales tax report. This information is posted to the A/R file each time end of day is run.

How then could the reports be different?

Timing of processing the end of month.

When you finish a month and run the last end of day for the month, this is the final update of the A/R customer file with "sales" posted to that file through the end of day you are running.

Some users have elected to have invoices retain their "entry" date when they are closed.

Therefore when this user runs the last end of day for a month, there might be invoices that have been entered for the month being finalized, that have not been closed and processed through order processing end of day.

Later these invoices get closed and are posted to the A/R customer file when end of day is run BUT THEY WILL APPEAR IN THE NEXT MONTH A.R SALES REPORT. However, when this user prints the sales tax report, they would probably print from the first to the last day of the month. Therefore the information they might be comparing does not represent the same time window.

Which is correct? Both. The only important issue is that to use the information consistently from these reports. For example when reporting to the state, on an accrual basis, always report from the sales tax report, and always run the sales tax report from the first to the last day of the month. It is important to run the sales tax report a few days after the close of a month to be sure all invoices for that month have been closed. This would be the normal case anyway because the sales tax report is not due for several days after the close of the month.