

- x. Preforma invoice
- xi. Credit note
- xii. Debit note
- xiii. Statement of accounts
- xiv. Receipt

LETTER OF ENQUIRY

This is the first stage in any transaction where prospective buyers send a letter or standard form indicating what they are interested in buying, and requesting for information about such product/service. They may send it to a single seller (supplier) or to many of them requesting a quotation.

The letter of enquiry must explain clearly what range and type of good you are enquiring about and what information you are requesting from the supplier. This may include: price, discounts, delivery date, delivery charges and terms of payment. E.g:

Dear Sir,

We need 200 reams of good quality white poster paper suitable for auction bills and poster work generally. We require paper which will retain its white appearance after pasting on walls.

Please let us have some samples and a quotation, including delivery at our workshop within 4 weeks of our order.

Yours faithfully,

KAY-CEE ENTERPRISES
ABUJA, F.C.T.

26th March, 2011.

EVANGEL Electronics Ltd
Wuse - Abuja

Dear Sir,

LETTER OF ENQUIRY

Please quote your latest terms for the supply of the following:

- a. Air Conditioner, LG and Samsung, 2 inches
- b. Deep Freezer 320 Ltd, 219lts

Please supply details of your price including VAT, discount, delivery charges, delivery date and terms of payment.

Yours faithfully,

Kay-Cee Enterprises. CATALOGUE

This consists of a printed description of goods offered for sale. They are normally illustrated with photographs or drawings of the available products.

PRICE LIST

This contains a short description of goods and their current prices of goods offered for sale. The price of each item of stock means the price of each item. The price list gives the basic price of each item plus tax to be paid by the customer. The price list is updated regularly.

QUOTATION

This is a statement or document issued by the seller for a particular order. It shows the current prices and terms of trade. It is not possible to quote a precise price. The seller may quote an estimated or expected cost. The prospective buyer is under no obligation to buy the goods for which a quotation is given. Suppliers will not normally damage their reputations by quoting for goods they do not intend to supply. A satisfactory quotation will include the following:

- a. An expression of thanks for the enquiry
- b. Details of prices, discounts and terms of payment
- c. A clear indication of what the price includes, such as packing, carriage, insurance
- d. The period of which the quotation is valid
- e. An expression of hope that the quotation will be accepted.

When requesting a quotation the buyer should be careful to establish clearly whether the quotation should include such additional charges as carriage and insurances. Failure to do this may lead to disagreements, especially where such charges are heavy.

Some terminologies associated with quotations are shown here:

- a. Carriage paid: The quoted price includes the cost of delivery to the buyer's premises.

- b. Carriage forward: The buyer pays the delivery charges
- c. Loco, ex-works, ex-factory, ex-warehouse: The buyer pays all expenses of handling from the time the goods leave the factory or warehouse of seller
- d. For (free on rail): The quotation covers the cost of transport to the nearest railway station and loading on the truck
- e. Fas (free alongside ship): The quotations covers the cost of using lighters or barges or bring the goods to the ship, but not the expense of lifting the goods on board.
- f. Fob (Free on Board): The quotation covers the cost of loading the goods on to the ship, after which the buyer becomes responsible for all charges
- g. Ex ship: The quoted prices includes delivery over the side of the ship, either into lighters or barges or, if the ship is near enough,, on to the quay.

The supplier's reply should be sent promptly and it should be equally business like, ensuring that all the points from the enquiry are answered.

A QUOTATION

Dear Mr. Joshua,

Thank you for your enquiry dated 21 June

As requested We are pleased to quote as follows:

A1 quality Printing paper white N2, 000per pack

A2 quality Printing Paper white N2, 150 per pack

A3 quality Printing Paper white N2, 100 per pack

These prices include delivery at your works.

All these papers are of good quality and quite suitable for poster work. We guarantee that they will not discolor when pasted.

We enclose samples of different qualities of paper suitable for poster work.

We can promise delivery within one week from receiving your order, and hope you will find both samples and prices satisfactory.

Please give me a call on 09066699448 if you have any question.

Yours sincerely,

David Ugo.

AN ORDER

This is a statement sent by the buyer to the seller stating the full description and quantity of goods required. It shows the acceptance of the price and terms of trade quoted by the supplier.

When sending an order by letter, always ensure accuracy and clarity by including:

- (a) An accurate and full description of goods required
- (b) Catalogue numbers
- (c) Quantities
- (d) Prices
- (e) Delivery requirements (place, dates, mode of transport, whether the order will be carriage paid or carriage forward, etc) and
- (f) Terms of payments agreed in preliminary negotiations i.e. cashier discussion regarding terms.

AN ORDER		AKACHUKWU & CO LTD.	
Order no 237		Date 7 July 2000	
Emetie Enterprise Abuja.			
Please supply:			
Quantity	Item(s)	Catalogue Number	Price
25	Bed sheets (106cm) blue	75	N11050 each
25	Bed sheets (120cm) peach	80	N1000 each
50	Pillow cases blue	117	N650 each
50	Pillow cases peach	121	N650 each
Signed			
For J& Co Ltd.			

ADVICE NOTE

This is a document sent by the seller to the buyer to inform the buyer to expect the arrival of the goods he ordered. Once the goods are dispatched, advice note is sent to the buyer to expect the arrival within a reasonable period of time, which depends on the distance. An advice note may show prices as well as details of goods. It is often a part copy of the invoice.

CREDIT NOTE: A credit note is sent by the supplier to a buyer who has been overcharged in the original invoice, or to acknowledge and allow credit for goods returned by the buyer, it is usually printed in red.

Credit note

Prince KayCee Enterprise Ltd.
Thomas Street, FCT Abuja.
Tel: 08182296202

CREDIT NOTE

Date: 25th Aug. 2013

Evangel Electronics
Co Ltd
118 Kingsway Rd., Abuja.

Credit note No. C.75

Date	Details	Prices
18.8	21 Polyester Shirts, medium size on invoice numbers B 832 @ charged at N2760 each (21x2760)	= 57960
	Actual Price N2670each (21x2670)	= 56070
	Difference (Overcharge)	= 1890

STATEMENT OF ACCOUNT

This is a copy of the customer's account in the sales ledger containing a record of all transactions for a given period, usually a month. It is used to inform the customer of the total amount he/she owes and to request for payment.

It is the document issued by the seller to the buyer, which summarizes the financial business transactions between the seller and the buyer. Statement is used to check the accuracy of the entries and shows the balance due for payment. It also draws attention to accounts which are overdue.

The statement may begin with a balance brought forward from the previous period and followed by the net amount of each transaction carried out in the current period.

These transactions are entered as follows:

1. Invoices for sales are entered in the Dr Column and added to the balance.
2. Credit notes for sales returns and cheques received are entered in the Cr column and deducted from the balance.
3. The balance column is updated after every entry, the balance is the amount owing at the end of the period covered by the statement.

A statement (see fig. below) is a demand for payment. It is the summary of the transaction

between buyer and supplier during the period it covers, usually one month. It starts with the balance owing at the beginning of the period, if any. Thereafter amounts of invoices and debit notes issued are listed, and amounts of any credit notes issued and payments made by the buyer and deducted. The closing balance shows the amount owing at the date of the statement.

Prince Kay Cee Enterprise Ltd.
Thomas Street, FCT Abuja.
Tel: 08182296202

STATEMENT

Date: 31st Aug. 2013

Evangel Electronics
Co Ltd
118 Kingsway Rd., Abuja.

Date	Details	Debit	Credit	Balance
		N	N	N
1.8	Account rendered			115.53
18.8	Invoice B 823	1342.78		1458.31
20.8	Cheque received		500.00	958.31
22.8	Debit Note D 75	35.70		994.01
25.8	Credit note C52		23.25	970.76
E&OE				

RECEIPT

This is a written acknowledgment of money received which is duly signed by the person writing it. It serves as evidence of payment and used for auditing purposes; it states the actual amount received and the date of payment.

This is a document which acknowledges that payment has been received from the buyer. When the customer receives goods from the seller, he pays money for the goods to the seller who in turn issues the receipt as evidence of payment. Receipts are issued in duplicates or triplicates. The original of the receipt is given to the individual that made the payment while the carbon copy is retained by the company. The consumer must be given a receipt or some other proof of payment. The receipt must include sufficient information about the payment made by the consumer to enable the consumer to check the validity of the payment.

**EVANGEL ELECTRONICS LTD WUSE
ABUJA
ADVICE NOTE**

We have sent to you by our office Van the following goods:

- a.
- b.
- c.

**PURCHASING / STORES
DOCUMENTS**

Requisition form
Stock records

REQUISITION FORM

This is an internal document issued to the purchasing officer by a department or unit in the organization requiring new supplies of materials or equipment. It is an internal written request to the purchasing department from other units in the organization giving details of items they require. A requisition could be purchase requisition or stock requisition.

Stock requisitions are request for supplies from stock held for current use. They are request for items that have already been purchased and are being held until required. These requests for supplies are part of the 'day-to-day' expenses of running the organization.

Purchase requisitions are requests for capital items needed for internal use that must be specially bought, e.g. a new computer. It is usually signed by the head of the department requesting the purchase.

A requisition form must contain the make & type of material, quantity and size required and must be signed by the head of department.

EMMA-EMEZIE ENTERPRISES LTD

REQUISITION FORM

Dept/Section.....

.....
.....
.....
.....

No.....

Supplier.....

Date.....

ITEM	QUANTITY	DESCRIPTION	PRICE	AMOUNT
------	----------	-------------	-------	--------

Remark:.....

Recorded by:.....

Authorized by:.....

Designation:.....

Designation:.....

STOCK RECORDS

These are documents used for the recording of new materials and finished goods that are kept in the store. It shows the quantity, unit cost, value, receipt, issues and the balance of each item of stock.

IMPORTANCE OF STOCK RECORDS

1. They assist in preventing pilfering of goods from the store
2. It prevents under-stocking or over-stocking of goods by showing the movement and position of stock at any time.
3. It also reveals the existence of obsolete stock.
4. It prevents out-of-stock syndrome.

Stock records should clearly show the following:

- a. Name of the article
- b. Deliveries of new stock with unit cost
- c. Withdrawals from stock
- d. Balance and value of stock at hand
- e. Minimum stock level for re-ordering

- f. Maximum stock level
- g. Location of the stock

TYPES OF STORE RECORDS

The following are the commonly used types of records

1. Bin cards
2. Store ledger card
3. Stores requisition
4. Goods received note

Bin Card:

This shows the detail information about goods that are kept in the store. Goods received are entered in the card from the suppliers invoice, delivery note or goods received note, while goods issued are entered from stores requisition and the balance is calculated and entered.

DIVINE FAVOUR NIGERIA LIMITED ABUJA								
BIN CARD								
Item Name				Item No.				
Unit of issue				Maximum stock level				
				Minimum stock level				
				Re-order level				
Date	RECEIPTS			ISSUES				SIGN
	Qty. Recd.	Inv. No. / GRN No.	Supplier	Dept.	S.R. No.	Qty. Issued	Bal.	

STOCK LEDGER CARD

This is a document which records the receipts and issues of every stock item with dates and values. It shows the unit price and the total amount of issues made in respect of each item of stock.

KAY-CEE NIGERIA LIMITED ABUJA					
STOCK LEDGER CARD					
Item Name.....				Item No.	
Unit of issue.....				Max stock	
				Min stock	
				Re-order	
Date	Quantity Received	Quantity Issued	GRN No. / S.R. No.	Bal.	Unit Price

STORES REQUISITION

This is the document and the issues of goods from store section or department in an organization shows the quantity and description of goods to be issued.

KAY-CEE NIGERIA LIMITED ABUJA					
STORE REQUISITION					
Store Manager, Please Supply the following Items to					No. Date
Item No.	Quantity	Description of Goods	Unit Price	Value	Stock Balance
Reason Requisitioner Authorised by Received by			Issued by Date Stock card entry Date		

KAY-CEE NIGERIA LIMITED ABUJA			
GOODS RECEIVED NOTE			
From:			
QTY	PART NO.	DESCRIPTION OF GOODS	UNIT PRICE
Purchase order No.....		Cashier.....	
Invoice No.....		Goods Inward	
Bin Card No.....		Goods received	
Stock ledger No.....		Head of Dept.	

Fig Good Received Note:

