Recognise & Understand the following 3 documents:

1) **Invoice** - When there is a credit sale, the selling party will send a document to the buyer showing full details of the goods sold. For the 'buyer' it is the 'Purchase Invoice'.

   * An invoice is sent when goods are sold.
   * Recorded in the Sales Book & the Purchase Book.
   * A sales invoice is recorded in the Sales Journal.

2) **Debit Note** - This document is prepared by the purchaser & is sent to the supplier to inform him if any faulty goods have been sent or shortages or overcharges have been made.

3) **Credit Note** - When goods are returned or there have been over-charges, a supplier may issue a credit note to the customer. This reduces the amount owed by the customer.

   * A credit note is issued when goods are returned.
   * For the seller it is recorded in "Sales Return Journal".
   * For the buyer it is recorded in "Purchases Return Journal".
4) **Statement of Account:** It is prepared by the supplier and sent to the customer. It is issued to remind the customer about his due amount. It is basically a summary of the transactions of a customer during the month, like sales made, returns, or cash received.

* It has no entry in the books of prime entry.
* They are usually sent at the end of the period, e.g., a month.

- understand the use of B documents as a source of info

- => Dr notes have no entry in books.