This reading introduces the Revenue Transaction Cycle and lists the documents used in the activities comprising this cycle.

**Basic Fundamentals of the Revenue Cycle**

The primary idea behind any business endeavor, by definition, is the profit motive: the organization wishes to obtain revenue from customers, and after covering all expenses, wants to have funds left over as earnings or profit, to distribute to the organization’s owner(s), or to retain and grow the business (thereby also increasing the owner’s wealth.)

Expenses are disbursed via the Purchasing Cycle, which is often called the “Expenditure Cycle”, and has already by covered in this course. This reading now introduces the many steps and activities in the *Revenue Cycle*, whereby a company obtains revenue for its goods or services.

The Revenue Transaction Cycle is often called the Sales Cycle, or the Cash Receipts Cycle, or the Receivables Cycle.

The steps below are numbered arbitrarily. Different textbook authors may categorize, separate, and/or number the steps differently. But all revenue cycles involve the same activities, no matter how they are named, titled, or numbered.

**Step One of the Revenue Cycle**

The revenue cycle starts when the company makes the decision to sell something.

Typically, the person in the company charged with authority to decide what to sell (and more importantly, at what price it should be sold) carries a job title like “Sales Manager”, “Vice-President of Sales”, “Marketing Manager”, or a similar title.

This individual is often assisted by staff who perform economic studies, marketing studies, surveys of the competition, or surveys of customers. Additionally, input is obtained from cost accountants, schedulers, production planners, inventory managers, manufacturing engineers, and other specialties to ensure that the price of the good or service is high enough to cover costs and make a profit. The CVP analysis, target profit, and break-even analyses you encountered in COB 242 come into play here.
After due diligence, careful consideration, and significant consultation, a final decision is reached about what to sell and at what price to sell. These are codified in a document called a Price List. The Price List holds the “target selling price” which the company will seek to achieve.

There is much diversity between industries and even between companies within an industry regarding how closely the actual sales price must adhere to the target selling price.

Car dealerships, for example, are notorious for rarely, if ever, selling a car at its listed sales price. Other organizations, such as telephone companies, cable companies, consumer electronics stores, groceries, etc. rarely sell at a price other than the authorized standard selling price.

The important thing is, the first step in the Revenue Cycle is the setting of the Price List, which serves as the yardstick for accepting (or rejecting) offers from potential customers.

**Step Two of the Revenue Cycle**

Some purists consider that step two of the revenue cycle is advertising or publicity. They point out that before you can sell your product, you must inform potential customers of your offering (and possibly your price). Customers must know how to contact you to place an order.

But accountants are not involved in this step. Hence, many accountants do not consider advertising/publicity to really be part of the revenue transaction cycle.

*(While the company may indeed purchase advertising, that is considered a Purchase Transaction or part of the Expenditure Cycle -- not the Revenue Cycle.)*

Hence, most accountants consider Step Two of the Revenue Cycle to begin at the time a new customer approaches your company to negotiate or place an order.

Since most business-to-business sales are made on credit terms, Step Two of the Revenue Cycle is the Credit Check on a new customer. A potential new customer is asked to fill out a Credit Application. The information on this document is used by the Credit Manager to investigate the potential customer for the purpose of determining whether the company wishes to extend credit, and if so, how much credit to extend.

The final activity of this step is to add the customer to the Customer Master File (or verify that the customer is already in the file), and set a credit limit reflecting how much the company is willing to “loan” the customer to finance his/her purchases, or, if the customer is already in the file, to compare the previously-set credit limit to the outstanding debt plus the order in hand to approve or reject the acceptance of the order.
**Step Three of the Revenue Cycle**

Once the extension of credit to a customer is approved, the negotiations with that customer can begin regarding terms of a specific sale.

Often a new customer is accepted for small trial orders, until the customer has established a good payment history.

In some cases, a new customer will be charged higher prices, or will not be offered discounts, to offset the seller’s risk in selling to an unproven customer. But sometimes, a new customer is deliberately offered a discount or lower price on their initial order to entice them to sample the seller’s product. In these cases, the quantity is usually limited—again to limit the seller’s loss in the event the customer does not pay. Once the customer has established a good payment history, the sales manager might begin offering lower prices or discounts, allow higher quantity orders, or more flexible payment terms.

Sometimes an established customer may make special pricing requests. It is typical to offer volume discounts for loyal customers who make large purchases. It is also typical to offer discounts to established customers who pay earlier than the required credit terms. (The standard 1%-10-Net-30 Terms you encountered in COB 241 and 242 are examples of these so-called “trade discounts”.)

Depending on the complexity of the product or service being sold, the customer may submit a “Request for Quote”, “Request for Proposal”, or “Request for Bid”. These documents are considered part of the negotiation activity, and thus are part of the third step of the revenue cycle when they are received from a customer’s purchasing agent.

Sales Representatives (sometimes called Salesmen or Customer Service Reps) represent the company in all of these negotiations. Many sales reps are paid on commission (the more they sell, the higher their compensation). Thus, there is an incentive to sell as much as possible, even if it requires a lower price. For this reason, most organizations do not authorize their sales reps to sell below a certain point – usually a percentage – below the published Price List. Any sale made at a price below the authorized reduction must be approved by the Sales Manager or other designated official of the company.

Step Three of the Revenue Cycle concludes with the agreement between the buyer’s purchasing agent and the seller’s sales rep on the terms of the sale.

**Step Four of the Revenue Cycle**

The fourth step in the revenue cycle is the receipt of the customer’s purchase order. From the seller’s perspective, this document is considered a Sales Order. As you learned with the purchasing cycle, this order is a legal contract. It will legally obligate the buyer to pay a specified price, as long as the seller delivers the specified good or service.
It is the legal contractual nature of this Sales Order which necessitates the limitation on what products and prices can be offered in the sales negotiation.

The Sales Order must specify exactly what the seller is to deliver, the quantity, price, and just as important: the terms of the sale, including delivery arrangements, payment arrangements, recourse if any, and all other aspects of the contractual agreement.

Remember, the Sales Order is called a “purchase order” by the customer. As you remember from the purchase transaction cycle, a PO should also specify such terms as FOB point, freight terms, due dates, and all other terms of the agreement. As you learned earlier, some of this data can be pre-printed on the back of the form as “boilerplate language”. Data entered on the front of the document, of course, will supersede any boilerplate language pre-printed on the back of the document.

In business-to-business transactions, the customer generally initiates the sale by issuing a purchase order. Individuals (consumers) however, generally do not use purchase orders. So to put the agreement in writing (not legally required but always a good practice), companies dealing with individuals will typically have their sales reps create a “Sales Order” for each sale. This serves as documentation for the terms of the agreement, effectively putting the “contract” in writing.

As a legal contract, a PO must be signed by an authorized employee (the purchasing agent) of the buyer. It must also be formally accepted by an authorized employee of the seller. Most organizations authorize their sales reps to formally accept such contracts when the products, quantities, prices, and terms are in line with the Price List, or within authorized limits. Contractual agreements outside of the limits, however, must be approved by an authorized member of management. Most often, this authority is limited to the Sales Manager.

One of the most important functions of the sales rep before accepting the order is to carefully consider the “fine print” or the “boilerplate” language which is usually pre-printed on the back of the customer’s purchase order. Most of these terms are standard within an industry. However, it is the sales rep’s job to ensure that the terms printed in the boilerplate are congruent with the seller’s policies and authorized practices, before accepting the order.

**Step Five of the Revenue Cycle**

If the terms of the customer’s purchase order are acceptable to the seller, the sales rep or the sales rep’s support staff (typically called “Sales Service”, “Customer Service”, or similar titles) sends an Order Acknowledgement to the customer’s purchasing department, confirming acceptance of the order.
It is customary for the Order Acknowledgement to also contain “boilerplate” language preprinted on the back of the form. Since most of the customary sales terms are standardized within an industry, often the boilerplate on the back of the Order Acknowledgement is nearly identical to the boilerplate on the customer’s purchase order.

Occasionally, however, there are differences. In these cases, the Order Acknowledgement must call attention to the differences, and specify which of the two versions of terms will prevail. It must be pointed out that terms printed on the front of the customer’s PO and on the front of the Order Acknowledgement trump and supersede any pre-printed terms on the back of the forms. Likewise, differences between the order acknowledgement and the original customer’s purchase order should always be specified on the front of the order acknowledgement.

It is the sales reps’ responsibility (or the responsibility of whomever is accepting the sale on behalf of the seller) to iron out any differences between the Sales Order and the seller’s policies and practices before accepting the sale and sending out the order acknowledgement.

Once an order is accepted, the order-filling activity begins. Also, a copy of the sales order contract is provided to the Billing Department for later use, since this information will be needed to bill the customer once the order has been processed.

**Step Six of the Revenue Cycle**

Once the company has accepted the order, the next step is for the seller to fulfill their part of the agreement. The seller must provide the goods or service to the buyer.

In this write-up we will concentrate on the provider of goods, and for the time being will ignore the provider of services. We will also ignore complex manufacturing operations for the time being, and concentrate solely on retail and distribution businesses.

In retail and distribution businesses, the goods being sold are stored in the seller’s warehouse. Information must be communicated from the sales department (who accepted the contract), to the warehouse. This information must specify what should be pulled from inventory and how much should be pulled, and to which customer it must be sent.

The document used to communicate with the warehouse is called the **Picking Ticket**. Sometimes this document is called a Filling Ticket, an Order Ticket, an Order Fulfillment Form, or any of a host of similar names. The primary concept is that this document tells the warehouse what to pick, and how much to pick, for a given customer’s order.

In the case of low-value merchandise, merchandise which is shipped in its original packaging, or in simple warehouse operations, the picking ticket is a two-part document – one part is the picking ticket itself, and the second part is a shipping label to apply to the box. The warehouseman uses the picking ticket to pull the merchandise from stock, and
applies the label to the box. The warehouseman sends the labeled merchandise to the shipping department with the remaining part of the picking ticket.

In the case of high-value merchandise, merchandise which must be repackaged before sales, or in complex warehouse environments, the picking ticket is a one-part document used only for pulling merchandise from stock. In these cases, the shipping label will be applied in the Shipping Department, or perhaps a specialty department known as the Packing Department. The picking ticket is again sent with the merchandise.

(If the merchandise must be packaged or repackaged for shipment, sometimes the warehouse department itself will pack the merchandise so that it can be transported safely. Sometimes a separate department (called the Packing Department) performs the packing activity. In a few cases, the Shipping Department itself will pack the merchandise so that it may be safely transported via truck or carrier.)

If the warehouse does not have sufficient stock on-hand to fill the order, the warehouseman must follow procedures for handling the out-of-stock situation. That situation is beyond the scope of this write-up and will not be considered in this reading.

Side Note: In the case of very-high-value merchandise, or in very large warehouses where goods can get lost, waylaid, misplaced, or otherwise sidetracked between the warehouse and the shipping department, the company may implement inventory tracking within the warehouse building. In these cases, the warehouseman pulling the inventory from stock will make a memorandum entry to an information system, recording the fact that the merchandise has been pulled from stock. This activity does not result in an accounting entry, and nothing is debited or credited. But the quantity may be deducted from inventory-on-hand to show that the merchandise is no longer in the storage bin, but on its way to the shipping department, and thus added to an “in-transit within the building” record for informational purposes. Once the inventory arrives in shipping and is processed for shipment to the customer, the “inventory in-transit within the building” is cleared to show that the order has been shipped on its way to the customer. This arrangement is becoming more common with the implementation of RFID chips embedded in merchandise and packaging, and with automated materials-handling equipment such as conveyor belts, with automatic readers and tracking equipment.

**Step Seven of the Revenue Cycle**

The shipping department is responsible for making sure the merchandise is packed sufficiently for safe transport from the seller to the FOB point, and even beyond, all the way to the buyer. The shipping department often inspects the packing (or in some cases, actually packs the merchandise, as already described) to ensure that the padding, packaging, and filling is sufficient to protect the goods during transit.

The shipping department is also responsible for making sure the merchandise has a
proper and sufficient **Shipping Label** for transport. As described above, sometimes the shipping label is applied at the time the goods are pulled from stock. In other cases, the shipping department (or packing department, even) applies the shipping labels.

The shipping department also is normally responsible for ensuring that the merchandise is accompanied by a **Packing Slip**, sometimes called a **Packing List**.

In most cases, the picking ticket itself is used as the Packing Slip.

Side Note: Once the merchandise has been pulled from stock, the picking ticket actually serves no further purpose from the seller’s perspective, and it thus is dispensable. It is typically provided to the customer as the Packing Slip. Some companies allow the warehouseman to seal the picking ticket (as a packing slip) inside the box with the merchandise. But many companies require the warehouseman to send the box unsealed to the shipping department, so that the shipping department can check behind the warehouseman by comparing the picking ticket to the goods in the box -- as a second-check on quality. Once the shipping department has confirmed that the goods match the picking ticket, the picking ticket can be sealed inside the box or attached to the outside of the box, thus becoming a Packing Slip.

The shipping department makes arrangement for the carriage of the merchandise from the shipping dock to the customer’s deliver-to address. Sometimes, this is a simple telephone call to a trucking company. Other times, a formal document, called a Shipping Order, is completed by the Shipping Department and sent to the transportation company, or internal transportation division. The Shipping Order gives the specifications of the shipment (number of boxes, destination address, priority or urgency, hazardous materials specifications, dimensions, and any other special requirements, such as wide-load, overweight characteristics, etc.) which the transportation company will need to arrange for carriage.

The shipping department is responsible for creating the bailment which gives the carrier permission to be in possession of the goods for transport.

If an independent common carrier will be used for transport, the bailment document is known as a **Bill of Lading**.

If the buyer or seller’s own truck will transport the goods, the document is typically called a **Shipping Manifest**. If a paper Shipping Order was sent to an internal transportation division (such as the truck fleet for WalMart), the shipping order document is sometimes used as the Shipping Manifest, since it already has most of the data on it.

In both cases, this document (Bill of Lading or Shipping Manifest) lists the number of boxes or packages, their weight, and other outside identifying characteristics describing the material being placed on the truck, train, or ship.

Side Note: The Bill of Lading and/or Shipping Manifest do not have individual prices of the goods being shipped (although these documents often may have a total value of the shipment). Additionally, the Bill of Lading and/or Shipping
Manifest do not typically list the actual products in the boxes (unless they are hazardous materials), but rather give vague descriptions, such as “electronic parts”, “foodstuffs”, “hardware”, “electrical supplies”, “pipe”, “small appliances”, and the like. This is done for security purposes during the transit, to discourage theft.

The shipping department physically gives possession of the merchandise to the transportation carrier, and the truck driver signs the Bill of Lading or Shipping Manifest to accept responsibility for the safety and protection of the goods. A copy of this signed document is retained by the shipping department as proof that the goods were turned over to the carrier.

It is becoming more and more common for sellers to also notify the buyer (electronically in most cases) that the goods have been shipped. This is called a Shipping Advice. By sending a Shipping Advice, sellers are providing the buyer with information so that the buyer can track the shipment while it is in transit. Many carriers (including UPS, Roadway, FedEx, DHL, and more and more truck carriers, and even the U.S. Postal Service) are allowing on-line tracking of goods in transit through their transportation systems. This allows both buyer and seller to learn exactly when the goods pass the FOB or FAS point, when to expect receipt, measure transit times and performance, etc.

The Shipping Advice is normally provided to the purchasing department of the customer, to advise them that the order is on its way. (Often, the customer’s purchasing department will send a copy of the document to the customer’s receiving dock to inform the receiving dock of the imminent arrival of the goods.) If the purchase was made on terms of FOB Shipping Point, a copy of the shipping advice is often provided to the buyer’s Accounts Payable Department also, so that an accounting entry can be made recording the addition of Inventory-In-Transit: Inbound.

Remember: If the FOB Point was “Destination”, the goods remain the property of the seller until the merchandise is delivered. But since the goods are no longer on the seller’s property, they cannot appear as “Inventory”. They are considered “Inventory-In-Transit: Outbound”. This account holds the value of merchandise in transit to customers under FOB Destination contracts. On the balance sheet, this account balance is typically combined with all other Inventory accounts under the “Inventory” label.

**Step Eight of the Revenue Cycle**

After turning the goods over to the carrier, the seller’s Shipping Department somehow communicates to the seller’s Billing Department the fact that the goods have been shipped and are on their way to the buyer.

Sometimes this communication is done by sending a copy of the picking ticket (or packing slip), along with a copy of the Bill of Lading/Shipping Manifest from the Shipping Department to the Billing Department.
In other cases, the shipping department enters the sales order number (found on the picking ticket, label, or packing slip) to a computer, and updates the computer file to show that the goods have been shipped.

The billing department, of course, has a copy of the sales order, showing the ordered goods, quantity, and prices agreed upon between the sales rep and the customer. Upon notification of shipment, the Billing Department uses this combination of information to create a **Billing Invoice** to bill the customer for the goods.

Side Note: Remember that the legal obligation of the seller has been fulfilled once the goods pass the FOB point. When goods take more than a few days to arrive (such as goods transported by rail, by ship, by barge, and other slow means) the billing department will often delay creation of the invoice until the goods have passed the FOB point. In these cases, the Billing Department makes the accounting entry to show that the goods are considered “Inventory in Transit” as described earlier. The Billing Department makes use of the carrier’s tracking services to tell when the goods pass the FOB point, to remove the value from Inventory-in-Transit: Outbound, and add it to Cost of Goods Sold Expense.

Once the goods have passed the FOB point, the Billing Department creates the Billing Invoice to send to the buyer.

(Again, it must be emphasized that the buyer’s obligation to pay for the goods is not created by the invoice, but by the seller’s fulfillment of the order by delivering the goods to the FOB point. The invoice is a required, but courtesy, document which does not itself create a legal obligation to pay. Nor does lack of an invoice relieve the buyer of responsibility to pay for the order.)

In addition mailing the billing invoice to the buyer, the Billing Department creates a document called the **Daily Sales Journal** listing the invoices created. One copy of the Daily Sales Journal (and sometimes accompanied by a copy of the invoices themselves) is sent to the sales department to notify them that the seller has fulfilled its obligation and order can be considered closed. Another copy of the Daily Sales Journal is sent to the seller’s Controller’s office to make the accounting entries: Crediting revenue, debiting the appropriate customer’s **Accounts Receivable Subledger** and the A/R control account; debiting cost of goods sold, and crediting inventory (or inventory in transit, as the case may be).

Today, almost all invoicing is done by computer, using computerized order records. In most cases, the activity of creating the invoice often automatically makes the journal entries.

The paperwork is then filed or sent to the Controller’s office. The controller’s office makes sure that the entries are correct by auditing the billing activity and making sure the entries balance with the paperwork.
Step Nine of the Revenue Cycle

Once the Accounts Receivable subledger has been updated to show the invoice, the seller awaits payment by the customer.

The customers send their checks, accompanied by a Remittance Advice, so the seller can identify from whom and for what the check is for. The Remittance Advice is often simply a portion of the original Billing Invoice.

There are two common ways of receiving payment from the customer: Lockbox, and Company Cashier. (A third way, electronic payment, is catching on fast, and will be covered in a later reading.)

Of the first two methods, the safer of the two is the Lockbox method.

LOCKBOX ARRANGEMENT

Lockbox arrangements are offered by major banks to commercial customers.

In a lockbox arrangement, customers are directed to mail their payments to a post office box, which is the bank’s post office box. The seller never actually sees the customer’s checks. The bank opens the post office box each morning, takes the customer payments via secure transportation to the bank, and deposits them to the seller’s bank account.

The lockbox operator (the bank) makes an adding machine tape (called a Transmittal Tape) of the check amounts. The lockbox operator sends the Remittance Advices (sent by the customers with the checks) along with the Transmittal Tape to the seller’s A/R department. The lockbox operator also sends a Deposit Receipt (and often a Daily Cash Receipts Report) to the seller’s Controller.

The checks are deposited directly to the seller’s bank account. In a few rare instances, the lockbox operator makes copies of all the checks and sends these copies with the remittance advices to the seller’s A/R Department, but this is becoming more rare.

COMPANY CASHIER ARRANGEMENT

If the seller does not utilize a lockbox arrangement (lockbox arrangements are expensive), customers are directed to send their checks to the seller’s Accounts Receivable Department. For security purposes, the A/R department almost always maintains a separate post office box from the normal address used by the company for other company correspondence.

Someone from the Treasurer’s office retrieves the checks from the post office box (usually accompanied by a security officer or a second employee often from the
Controller’s office). These individuals bring the checks to the A/R Department where the envelopes are opened by two individuals working together. One of the individuals typically works in the Accounts Receivable department and reports to the Controller, the other works in the Treasurer’s office.

As the envelopes are opened, the two employees ensure that every check is accompanied by a matching remittance advice. The amount written on the check must be the same as recorded on the remittance advice. The checks are placed in one stack, and the remittance advices are placed in another stack. One individual uses a printing calculator to make a Transmittal Tape (adding machine tape listing) of the checks; the other makes a Transmittal Tape of the remittance advices.

If the two transmittal tapes agree, the Treasury employee completes a Deposit Slip in duplicate, and takes the checks with the deposit slip to the bank. The copy of the deposit slip is sent to the Controller’s office.

The other employee takes the remittance advices along with the transmittal tapes to the A/R department.

Under both the Lockbox arrangement and the Company Cashier arrangement, the checks are deposited to the bank. The bank provides a Deposit Receipt, which is sent to the seller’s Controller’s office.

Step Ten of the Revenue Cycle

Regardless of whether a lockbox or company cashier is used, the remittance advices are sent to the Accounts Receivable department, where they are used to clear the Accounts Receivable sub-ledger. Most often this is done by computer entry. The computer entry activity generates a Daily Cash Receipts Journal, whose total is compared to the Transmittal Tapes to ensure accuracy of data entry. The Daily Cash Receipts Journal is then forwarded to the Controller’s office. The remittance advices are usually filed in the A/R department files, often with a copy of the Daily Cash Receipts Journal showing the total of the batch.

Step Eleven of the Revenue Cycle

What if a customer does not pay on time?

Most Business-to-Business transactions are processed on what is called the “Pay by Invoice” billing arrangement. This means that every invoice should be paid as it is received. Contrast this “pay by invoice” arrangement with the “Pay by Statement”
arrangement common in some consumer sales environments, and in Blanket Purchase Order situations.

In the B2B environment, buyers are expected to treat each invoice as a separate demand for payment. The seller’s Accounts Receivable Department creates a listing (called an Aged Accounts Receivable Report) showing the overdue customer invoices. This Aged A/R report is provided to the Collections Department.

The Collections Department is responsible for attempting to contact the customer and obtain payment. The most common way that a collections department performs this function is by sending a friendly reminder to the buyer, calling attention to the overdue invoice(s). This gentle reminder is called a Statement of Account.

If the customer pays, payment must be made through the established channels described above, and must never be made directly to the Collections Department.

The reason why the Collections Department must never accept customer payments is that the Collections Department is usually the one given authority to ‘write-off’ a customer’s bad debt. Once the collections department has ascertained that the customer is bankrupt, has skipped down, disappeared, gone out of business, or for any other reason won’t be paying, the Collections Department documents the facts and sends the documentation to the Controller’s office so that the Account Receivable can be written off to Bad Debt Expense.

It is a violation of internal control principles to allow the collections department to possess the customer’s payment. Why? The collections employee could abscond with the payment and then direct the Controller to write off the company’s receivable.

Hence, the collections department must always direct the customer to make payment through the normal payment channels.

The collections department, specifically the bad-debt write-off activity, is one of the primary areas needing close attention by auditors for potential fraud.

If a customer fails to make payment even after a friendly reminder, additional notices are typically sent. These are called Dunning Notices and usually are more insistent that the customer pay immediately for face additional collection action.

### Step Twelve of the Revenue Cycle

Good segregation of duties separates custody of assets from accounting recordkeeping. The Treasurer’s office has custody of the cash. Hence it falls to the Controller’s office to actually make journal entries recording the receipt of the cash from the customers. Thus the A/R department reports to the Controller. Additionally, the controller’s office
supervises the posting of the credits to the accounts receivable control account and customer sub-ledgers.

The Controller’s office also performs the final step of the Revenue Cycle: the Bank Reconciliation. The controllers office uses the monthly Bank Statement, comparing it to the cash receipts provided by the bank (at the time of deposit), along with the Daily Cash Receipts Journal, to ensure that all customer payments have been properly deposited by the bank and credited to the seller’s bank account.

Many companies overlook the bank reconciliation as part of the revenue cycle. But since it is an essential check and balance on the accuracy of the payments received by customers, we will include it as an essential step in the Revenue Transaction Cycle. Most companies use a Reconciliation Report to document the reconciliation process.
LIST OF DOCUMENTS USED IN THE REVENUE CYCLE

Price List

Request of Quote  |  (all received from potential customers)
Request for Bid    |
Request for Proposal |

Customer Credit Application  |  (received from potential customers)
Sales Order  |  (received from a regular or potential customer)
Order Acknowledgement  |  (sent to an approved customer if the order is accepted)

Picking Ticket (also called a filling ticket, order ticket, etc.)
Packing Slip (or packing list)

Shipping Order
Shipping Manifest
Bill of Lading

Shipping Advice

Billing Invoice
Billing Statement

Customer Check
Remittance Advice
Transmittal Tapes (totals)

Daily Cash Receipts Report (also called a Cash Receipts Journal)

Statement of Account
Dunning Notice

Deposit Slip
Deposit Receipt

Bank Statement
Bank Reconciliation Report