Consignment Processing

Consignment Inventory

CounterPoint presents a suite of new features, enhancing the functionality of the system by creating the opportunity to process and track consignment inventory.

Pre-requisites

There are a few basic changes that must be made to the system in order for the consignment options to be activated.

General Ledger

Create a new account for the consignment inventory in **General Ledger > G/L File Maintenance > Account Maintenance à Add Accounts**. This is an asset account and would normally be numbered just after the existing Inventory account.

Add the new Consignment Inventory G/L account to the financial statements using the menu option **General Ledger > Balance Sheet Maintenance.**

Sales Desk

The new Consignment Inventory G/L account number must be added to **Sales Desk Control > File Maintenance > GL Autopost Account Maintenance**. The new field is at the bottom of the list.

Accounts Receivable

A new flag has been added to the customer record found in **Accounts Receivable > File Maintenance > Customer File Maintenance** called [acct control flag]. Enter a lower case 'c' to any one of the 8 fields available to indicate that this customer is part of the consignment programme.

Processing

Original 'transfer' of consignment goods

Using Sales Desk à Invoicing/Transfers, create a consignment invoice using a transact type of '**M**'. The paid by will automatically convert to 'on account' and can not be changed. There is no difference between entering a normal invoice and entering a consignment invoice.

Inventory will be relieved at the time of the completion of the consignment invoice and the entry will show in the cardex inquiry. The invoice total will be $0.00 since the consigned inventory is only billed to the customer when it is replaced at the consignment site.

The G/L account for consignment inventory will be increased by the cost value of the goods on consignment and is not affected again until or unless the consignment quantity changes.

Replacement of sold consignment goods

Since the quantity on hand at the customers site must equal the agreed upon quantity, periodic billing will be required to replace products sold. This is done through normal invoicing procedures.

Adjusting the consignment inventory

To increase the quantity on consignment, use another consignment invoice (type M). If the quantity is to be decreased, then the consignment invoice is still used, but the line type is 'R'. A return search is not valid for consignment goods, since they aren't actually sold yet).

If one consignment item is being switched out for another, the consignment invoice is able to process both 'sales' and 'return' types on the same document.

Reporting

A new report has been created in **Inventory Control > Inventory Reports > Additional Inventory Reports > Consignment inventory list** which will provide information on all consignment products. The report may be printed for all (or single) customer, all (or single) categories, in detail or in summary, showing costs or not. As well as information on the quantity on consignment and the date of the original consignment invoice, the last 12-month sales quantity information is provided to assist with analysis.

If a new customer record was created for the consignment programme, the 12-month sales history will be new as well.

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BCONSIGNLS                              AMS Computer Group Ltd.                                    Page    1

                                  Consignment Inventory List (Detail)                   2004/04/07 at 12:12

                                                                                           Last 12 Mths
Category          Part Number                Date Received   Qty Received      Cost   Core   Extended Cost   Sales Qty

Customer 1030    BEETLE SPA

ASB ASAP B.PARTS MD154      AUTO SENSE DISC    2004/04/01         1          9.17               9.17           0
ASB ASAP B.PARTS MD50       AUTOSENSE DISC P   2004/04/01         1         10.40              10.40           0
ASB ASAP B.PARTS MD52       AUTO SENSE DISC    2004/04/02         0         18.42                               0

Total this category                                              2         37.99              19.57           0

GOO GOODYEAR      15450      V. BELT            2004/04/02         1          9.89               9.89           0
GOO GOODYEAR      15501      V. BELT            2004/04/02         1          5.80               5.80           0
GOO GOODYEAR      15506      V. BELT            2004/04/02         1          7.33               7.33           0
GOO GOODYEAR      15515      V. BELT            2004/03/31         1          7.84               7.84           0

Total this category                                              4         30.86              30.86           0

POL POLAR BAT'Y   22NF390    40 MONTH BATTERY   2004/03/31         1         46.09              46.09           0
Press RETURN to continue or 'Q' to quit...
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