

Consignment and Memo Items

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Introduction

Consignment and memo items are identified in The Edge as such via the **Stock Type** field in the item record. By properly selecting memo type or consignment type, The Edge can greatly improve the management of payables and accounting. Once the items are properly identified as consignment or memo, they will continue to be treated as such for the remainder of the accounting cycle. For example, if you're integrated with QuickBooks, consignment and memo items can be mapped to special income and cost-of-good-sold accounts so that you may manage them differently from regular stock items.

Consignment items and memo items are similar to each other in that both are liabilities while in your possession. Also, they will both generate a payment due after being sold, which is expressed by setting a payable date on the item record.

They differ in that memo items are owned by a vendor and consignment items are owned by a customer. Therefore, how you pay for these items will have a different process. For consignment items, there is a system option to automatically generate a credit memo to the owner when the item is sold. Memo items are paid for, albeit after the sale, like any other inventory bill when they become payable and is handled outside The Edge.

Consignment and memo sales follow this general process:

- 1. Item intake, where you indicate the type of item you have
- 2. Sell the item to a customer
- 3. Pay the owner or vendor.

Adding Consignment or Memo Items

When you receive a consignment or memo item, use the same process as described in the section in the User Guide entitled Adding an Item (Standard), except from the **General** tab, select Consignment or Memo from the **Stock Type** drop-down list.

Consignment



For a consignment item, you will be asked to identify the owner using the Customer Find filter. When you complete the Cost field, that will be what you pay to the consigning customer when the item sells. When the item sells, among other things, this indicates who should be paid. Without that information, The Edge will not allow you to save the record. Like any other item, for the integrity of management reporting, consignment items require a vendor entry. We recommend that you create a single vendor called Consignment.

Memo

Stock Type	Memo	~
Memo Expires		•

A memo item has an option to indicate an expiration date, which is the date it is due back to the vendor if unsold. The item's Vendor Return Memo feature allows you to send all memo items based on the **Memo Expires** value.

Finding and Reporting on Consignment and Memo Items

To work with consignment and memo items, for example, to determine what payments are due, use the **Item Find** feature.

General	Type & Status	Item Details Stones O	ptions	
Pricing V Item V UPC V Item V UOI V Pre-	Methods n Pricing C/SKU n by UOM M Only -Marked	Inventory Type Inventory Consignment Memo Trade Special Order Assembled Take-Off Built Template Catalog Entry Faux Model	Item Status In Stock On Layaway Sold Memo Out RTVendor Missing Disassembled Consumed Here Consumed Gone Scrapped Giveaway	Check All None PO Status Queued Entered On Order Cancelled
Sho Invo	w Each bice e Out Of ck Bulk	 Live Model Online (Approved) Online (Not Appr) 	Donation Work In Progress	
I P	Date Entered 30 Status Date 30 Payable Date 30 In Stock On 8/	Days (7/15/2014 to 8/13) Days (7/15/2014 to 8/13) Days (7/15/2014 to 8/13) 13/2014 Spe	(2014) (2014) (2014) cial Instructions	
	Owner			
Preset	ts		ОК	Cancel

In the **Type & Status** tab, specify the dates for which you want to search and, if desired, a specific owner or vendor.

Working with QuickBooks and Consignment and Memo Items

To ensure the proper mapping of consignment and memo inventory as liabilities and to facilitate payments, be sure to map The Edge consignment and memo items to the proper QuickBooks accounts. By selecting the appropriate stock type, your item will adhere to the appropriate accounting activities as set up in your accounting system.

lemo Goods	Consignment	Consignment Goods	
Asset	•	-	
Liability		-	
Cogs		-	
Income		-	
Payable		-	

See the section in the User Guide entitled Mapping The Edge with QuickBooks Accounts for more information.

Consignment and Memo Items Returned to Stock

If the item is returned, the user must determine whether the item has been paid for and is now owned merchandize or whether is still under memo or consignment liability. The Edge treats a returned consignment or memo item as owned merchandise because a payable date was set and is accounted for as owned merchandise. To remove a payable date, go to the item record **Supervisor** menu and select **Remove Payable**.

Consignment and Memo Items Returned to Vendor

To return a memo item to the vendor, use the process described in the section in the User Guide entitled Return to Vendor.