# AXIS Diplomat 2000

## Accounts Additional Modules User Guide

Software for Business ...



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## 1. Introduction

Welcome to AXIS Diplomat 2000 Accounts.

AXIS Diplomat 2000 Accounts is one of a range of products, all published under the AXIS Diplomat 2000 banner, which together offer an integrated range of "Software for Business". Other packages available in the range cover Payroll, Contact Management, Job Costing, Fixed Asset Register, Plant Hire and BACS.

This User Guide covers the major additional modules which are available for AXIS Diplomat. These modules are optional additions to the AXIS Diplomat Accounts package. Some or all of these modules may not be present on your system.

If, having read a module description in this guide, you think that a particular module would be appropriate to your business, and you do not currently have that module, please contact your supplier. Additional modules can be added to an AXIS Diplomat Accounts package at any time.

Before reading this documentation, you should be familiar with the general operation of the AXIS Diplomat Accounts system, as described in the AXIS Diplomat Accounts User Guide.

This manual is aimed both at System Administrators, responsible for setting up and/or maintaining a AXIS Diplomatsystem, and those who will operate the system on a day-to-day basis.

In addition, System Administrators should familiarise themselves with the AXIS Diplomat Kernel Users Guide.

## 1.1 Conventions Used in this User Guide

AXIS Diplomat is a powerful and comprehensive suite of software. It is inevitable with such a package that the number of options available will be extensive.

To simplify locating functions, and in relating the descriptions within this guide to the software, "Quick Function Locators" have been added to the text.

For example, if describing the Customer Enquiry function, the following would be shown in the guide:

### Function Locator

Sales Ledger/Enquiries/Customer Enquiry

This means that the function is called "Customer Enquiry" and can be found on the Enquiries menu, which in turn will be found on the Sales Ledger menu.

General descriptive text is shown in this font, whilst text representing what is shown on the screen or on a report is shown as follows:

Sample Report Layout

Page 1

## 1.2 Finding Documentation

This documentation is supplied in three forms:

- □ As a printed User Guide with new systems. Additional copies, if required, may be purchased from your supplier.
- As on-line documentation, or 'help', within the AXIS Diplomat package.
- As an Adobe Acrobat PDF file, on the AXIS Diplomat CD-ROM.

The PDF version of this documentation retains all of the formatting of the printed document and can be used to print additional copies for your own purposes. If you do not have an Adobe Acrobat reader installed on your system, one is supplied on the CD-ROM.

The PDF version of this document is also available for download from the Systems AXIS web site (see below).

## 1.3 Further Assistance

In addition to the information contained within this document, the Systems AXIS web site is regularly updated with the latest technical information and bulletins.

The Systems AXIS web site can be found at:

http://www.systemsaxis.co.uk/

To go straight to the AXIS Diplomat 2000 section, you can follow the links from the Home Page or use the following address:

http://www.systemsaxis.co.uk/diplomat2000/

## 2. FIFO Stock Control

FIFO stands for "First In, First Out" and refers to the method of stock control used by this module.

On a standard AXIS Diplomat system, stock is valued at either Current Cost (generally the price you last paid) or Standard Cost (generally the price you normally pay).

FIFO Stock Control adds a third method of costing - Actual.

The underlying assumption of FIFO Stock Control is that when issuing stock items (whether selling goods or issuing components or materials to a job), you are issuing the oldest stock that you have - hence First In, First Out.

Every time you receive goods (whether by purchasing the goods from a supplier or by manufacturing them yourself, with or without the AXIS Diplomat Manufacturing module), that transaction will have its own unit cost associated with it.

For example, the following illustration shows the receipts of a stock item, WIDGET, whose cost varies, depending on when it was purchased:

Date of Receipt	Purchased Quantity	Purchased Unit Price	Quantity Remaining	Valuation
January	100	£1.00	50	£50.00
May	500	£0.80	500	£400.00
October	100	£1.10	100	£110.00

As can be seen, the total Actual stock valuation is £560.00. Stock on hand is 650, giving an Average unit cost of £0.86.

If a Sales Invoice were raised for 100 Widgets, the Cost of Sale for that transaction would be £90.00. This is because the system is working on a FIFO basis - in other words, assuming that you are selling your oldest stock first.

Selling 100 Widgets clears out the remaining stock of Widgets bought in January (50 left at  $\pounds$ 1.00 each =  $\pounds$ 50). It also issues fifty of the Widgets bought in May (50 at  $\pounds$ 0.80 each =  $\pounds$ 40). This results in the total cost of that issue being  $\pounds$ 90.

This calculation is completely automatic.

## 2.1 Setting Up the System

When adding FIFO Stock Control to a system that has previously been operating in a non-FIFO manner (i.e. without Actual costing), it is necessary to run a conversion function on the existing stock file.

#### Function Locator

Supervisor Functions/Stock Ledger/Stock Ledger Conversion Functions/Convert Stock Ledger to FIFO

If the ability to over-issue stock items (i.e. to allow the stock on hand figure to become negative) is required, you will need to set the appropriate stock ledger parameters using a Supervisor Function.

Function Locator

Supervisor Functions/Amend Company Parameters/Stock Ledger

Conversion of existing negative stock balances is only supported if the appropriate 'allow negative stock' parameter has been set prior to running the conversion.

## 3. Multi-Location Stock

The AXIS Diplomat Multi-Location Stock module is designed to facilitate the recording of stock levels at a number of warehouses, or similar locations.

For each location, the system holds the following information:

- Bin Location
- Stock on Hand
- Free Stock
- Re-order Level
- □ Re-order Quantity
- Maximum Stock Quantity
- Delivery Lead Time
- Date of Last Stock Check

Each stock transaction created on the system is associated with a particular location.

In order for the system to keep track of stock at each location it is necessary to identify the location relating to any transaction entered onto the system that will affect stock.

For example, when entering a sales invoice, you specify the stock location that applies to that invoice. The stock on hand at that location can then be downdated accordingly.

## 3.1 Setting Up the System

When you add the Multi-Location Stock module to an existing system, it is necessary to run a supervisor function to create the file basic Stock Location file.

## Function Locator

Supervisor Functions/Stock Ledger/Stock Ledger Creation Functions/Create Stock Location File

Next, it is necessary to define the descriptions and codes associated with each location.

## Function Locator

Supervisor Functions/Stock Ledger/Maintain Stock Location Details/Maintain Location Descriptions

It is then necessary to run a supervisor function to create the file that holds the additional stock details for each item. Having already created the list of location codes, this function can automatically copy the details (such as re-order level and re-order quantity) for each stock item to each stock location, using the default information already recorded on the stock record itself.

#### Function Locator

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Supervisor Functions/Stock Ledger/Stock Ledger Creation Functions/Create Location Details File

If you choose not to automatically copy the details for each stock item to each location at this stage, it can be done later, for a selected range of stock items, using a Stock Ledger function, Automatic Stock Detail Creation:

### Function Locator

Stock Ledger/Stock Record Maintenance/Maintain Stock Location Details/Automatic Stock Detail Creation Location Details for individual stock items can be amended using the standard 'Stock Record Maintenance' function or using a separate specific function.

## Function Locator

Stock Ledger/Stock Record Maintenance/Maintain Stock Location Details/Enter Stock Location Details; Stock Ledger/Stock Record Maintenance/Maintain Stock Location Details/Amend Stock Location Details

## 3.2 Transferring Stock Between Locations

Since transactions involving movement of goods in and out of the company will already be going through the system, complete with location information, the stock figures at each location are kept up-to-date.

Where internal stock movements between different locations take place, however, these must be recorded on the system separately since there is otherwise no stock movement (sale or purchase, for example). A specific Stock Movement Booking function is provided for this purpose.

Function Locator

Stock Ledger/Stock Movement Booking/Stock Movement Between Locations

## 4. Sales Order Processing

The Sales Order Processing module provides the ability to record details of the orders your customers place with you, at the time they place those orders, and to invoice them later, at the time they have been shipped.

Entering a Sales Order incurs no more work than entering a Sales Invoice and the generation of the invoice at a later stage is virtually automatic. This means that the Sales Order Processing module adds virtually no administrative overhead to your day-to-day operations. Recording your sales orders on the system provides a number of benefits and, generally speaking, the longer your typical lead time for orders, the greater the benefit.

The Sales Order Processing module allows you to

- Print order-related documentation Order Acknowledgements, Advice/Packing Notes, Pro Forma Invoices, and Delivery Notes
- Produce a wide range of analysis reports, including Outstanding Orders by Customer, by Product and by Due Date.
- Handle part-shipments, automatically retaining details of 'back orders'
- □ Automate the invoicing process, thereby reducing the possibility for human error.

In addition, Sales Order Processing provides a Quotations system. This allows the recording of Quotes on the system and provides the following additional benefits:

- Quotes can be automatically converted to Sales Orders at a later stage.
- Documents can be printed, including Quotations and Pro Forma Invoices

Entering stock items onto a sales order generates allocation transactions for those stock items. In addition to the Stock on Hand figure shown on stock enquiries, a Free Stock figure is also given.

Stock on Hand is the physical stock that you currently have. In other words, if you did a stock take, it should match the Stock on Hand figure.

Free Stock is the current Stock on Hand less the outstanding Allocations. In other words, Free Stock is the quantity of stock you wwill be left with when you have fulfilled all of your outstanding Sales Orders.

## 4.1 Setting Up the System

When adding Sales Order Processing to an existing AXIS Diplomat system, it is not necessary to run any special creation functions. The Sales Order Processing files are created the first time you enter a sales order.

Sales Orders are given a unique document reference, the Sales Order Number. In addition, you can record your own internal reference, referred to as "Our Reference" by the system, on the document.

Sales Order numbers can be allocated automatically by the system on a sequential basis or you can allocate them manually. In most situations, automatic numbering is the preferred method of operation.

When entering a sales order, a prompt allows you to change between automatic and manual document numbering. The default for this prompt is set by a system parameter:

**Function Locator** 

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Supervisor Functions/Amend Company Parameters/Amend Company Defaults/SOP Prompt Defaults

## 4.2 Managing Sales Orders

A single function is provided, called Sales Order Maintenance, which handles all of the day-to-day operations involved with adding, amending and deleting Sales Orders.

Sales Orders can be created in a number of ways:

- Entered from scratch using the Sales Order Maintenance function
- Copied from an existing Sales Order
- Copied from an existing Quotation (which allocates a new Sales Order number and leaves the Quotation on the system)
- Converted from an existing Quotation (which retains the same document number as the Quotation and removes the Quotation from the system)

Items on sales orders can be any of the following:

Stock and product items retrieved from the stock ledger

Unreferenced Items - here you manually enter a description, quantity, unit price, etc. These items are generally only used for special, one-off sales where you do not want to enter the item as a stock record on the stock ledger.

Additional Description - this is an area of free-typed text which has no quantity or price and is simply shown on the order in the description column. This can be used to add additional verbose narrative to the document.

Stock and product items can be retrieved in a number of ways:

- □ By entering the full reference of the item
- By a Stock Reference Search the first part of the stock reference is entered and a list of all matching items is shown, from which the required one is chosen. This option is only available if you are operating with a left justified stock index.

By Key Word Search - a word, or words, from the description of the stock item is entered and a list of all matching items is shown, from which the required one is chosen

These facilities make the Sales Order Maintenance function extremely easy to use, even in a telesales environment, where the order is entered directly onto the system whilst the customer is on the telephone.

### Function Locator

Sales Order Processing/Sales Order Maintenance/Sales Order Maintenance

#### 4.2.1 Sales Order Numbers

The Sales Order Number (or Document Reference) is the unique identifier for the order and provides the audit trail from the Sales and Stock Ledgers. The Sales Order Maintenance function does not, therefore, allow amendment of this document reference.

#### 4.2.2 Delivery Dates

Each line of a sales order can have differing due dates. A single sales order can therefore contain a complete order schedule.

When entering a new sales order, a Due Date is entered for the order as a whole. This is used as a default when entering new lines onto the Sales Order.

Amending the overall due date on an existing order will not amend the due dates on the individual lines since these may be different.

To reschedule an entire order for a new due date, including updating each of the order lines, use the Reschedule Sales Order function.

P

#### Function Locator

Sales Order Processing/Sales Order Maintenance/Sales Order Amendment Facilities/Reschedule Sales Order

## 4.3 Invoicing

Invoices can be generated from sales orders, either in their entirety or as part shipments. This process is known as "releasing" the sales order.

Releasing a sales order closes the sales allocation from any stock items that have been shipped and adds issue transactions. This effectively reduces your stock on hand figures for those stock items.

A number of different options exist for generating the invoices.

#### 4.3.1 Releasing Sales Orders Individually.

Using this function, you specify a single sales order to be invoiced. This function allows you to manually indicate which order lines have been shipped. You can do this in one of two ways:

- □ Specifying Order Lines that have been shipped
- □ Specifying Order Lines that have not been shipped

You can work in whichever way is easier for the particular sales order in question. If for example, you have an order with twenty items, of which eighteen have been shipped, you would use the second method.

If the order has been shipped in its entirety, you can skip this section and release the whole order in one operation.

### Function Locator

Sales Order Processing/Invoice Production/Release Orders Individually

#### 4.3.2 Releasing Batches of Sales Orders

A number of functions exist which allow a number of Sales Orders to be released together, automatically.

A range of sales orders can be identified by their Sales Order Numbers, by their Batch Numbers or by their Due Dates. It is, therefore, possible to automatically release, and invoice, all sales orders due on the current day.

If you do not allow your stock on hand figures to go negative, in other words, with strict stock control, only those items which can be released in their entirety will be released.

When running the release functions, you are asked two questions:

Allow part order deliveries?

If you respond no to this question, then if a sales order contains any line which cannot be invoiced because there is insufficient stock on hand, then the entire sales order will be skipped. This does not apply if your system is configured to allow negative stock.

Allow part order line deliveries?

If you respond no to this question, then if a sales order contains any line which cannot be invoiced because there is insufficient stock on hand, then that sales order line will be skipped. This does not apply if your system is configured to allow negative stock.

#### Function Locator

Sales Order Processing/Invoice Production/Release Orders by Order Number; Sales Order Processing/Invoice Production/Release Orders by Batch; Sales Order Processing/Invoice Production/Release Orders by Due Date

## 5. Purchase Order Processing

The Purchase Order Processing module provides the ability to record details of the orders you place with your suppliers, at the time you place those orders, and to receive the goods and invoices later, at the time they are received. Additionally, Purchase Order Processing contains facilities for managing goods returned to suppliers.

The Purchase Order Processing module also includes a Supplier Price List facility, which allows you to record the prices you pay for certain goods from certain suppliers.

Recording your purchase orders on the system provides a number of benefits.

The Purchase Order Processing module allows you to

- Print Purchase Orders
- Automate the pricing of purchase orders, via the Supplier Price List, thereby reducing the possibility for potentially costly human error
- Produce a wide range of analysis reports, including Outstanding Orders by Supplier and by Product, expected receipts, goods received but not invoiced and expected credits
- Handle partial receipts, automatically retaining details of 'back orders'
- Automate the invoice booking process, thereby reducing the possibility for human error

## 5.1 Setting Up the System

A single supervisor function is provided to carry out the setting up of the Purchase Order Processing module. No other operation is required.

### Function Locator

Supervisor Functions/Purchase Order Processing/Set Up Purchase Order Processing

Purchase Orders are given a unique document reference, the Purchase Order Number. In addition, you can record your own internal reference, referred to as "Our Reference" by the system, on the document.

Purchase Order numbers can be allocated automatically by the system on a sequential basis or you can allocate them manually. In most situations, automatic numbering is the preferred method of operation.

When entering a purchase order, a prompt allows you to change between automatic and manual document numbering. The default for this prompt is set by a system parameter.

## Function Locator

Supervisor Functions/Amend Company Parameters/Amend Company Defaults/POP Prompt Defaults

## 5.2 Entering Purchase Orders

Purchase Orders are entered via a function, Purchase Order Entry. This allows you to enter purchase orders for stock and product items, with details retrieved from the Supplier Price List and/or Stock Ledger, or to enter Unreferenced Items, that are not set up on your Stock Ledger. To help prevent confusion which can arise if a supplier knows a product under a different name to yourself, the Supplier Price List allows you to record the Suppliers Reference (i.e. part number) and Description, which can differ from your own.

If the item you are entering does not have a Supplier Price List entry, the Suppliers Reference and Suppliers Description are set to your own.

Both sets of Reference and Description (your own and the suppliers) are shown on the Purchase Order.

### 5.2.1 Purchase Order Numbers

The Purchase Order Number (or Document Reference) is the unique identifier for the order and provides the audit trail from the Purchase and Stock Ledgers. The Purchase Order Maintenance functions do not, therefore, allow amendment of this document reference.

### 5.2.2 Delivery Due Dates

Each line of a purchase order can have differing due dates. A single purchase order can therefore contain a complete order schedule.

When entering a new purchase order, a Due Date is entered for the order as a whole. This is used as a default when entering new lines onto the Purchase Order.

Amending the overall due date on an existing order will not amend the due dates on the individual lines since these may be different. To reschedule an entire order for a new due date, including updating each of the order lines, use the Reschedule Purchase Order function.

## Function Locator

Purchase Order Processing/Purchase Order Maintenance/Reschedule Purchase Order

## 5.3 Goods Received from your Suppliers

Using the Goods Received from Supplier function, you specify which items from a purchase order have been received. This function allows you to receive all of the outstanding items on the order or your can manually indicate which order lines have been shipped. You can do this in one of two ways:

□ Specify Order Lines that have been shipped

□ Specify Order Lines that have not been shipped

You can work in whichever way is easier for the particular purchase order in question. If for example, you have an order with twenty items, of which eighteen have been shipped, you would use the second method.

#### Function Locator

P

Purchase Order Processing/Goods Movement Booking/Goods Received from Supplier

Having received the goods onto the system, you have the option of printing a Goods Received Note for your own records. You can also record the suppliers Delivery Note Number to complete the audit trail.

Goods Received Notes can be automatically or manually numbered, as with Purchase Orders themselves.

You can amend the received unit cost(s) at this stage. Costs can be Provisional or Actual. Provisional costs can be updated at a later stage and a report of provisionally priced goods can be produced.

## Function Locator

Stock Ledger/Stock Movement Booking/Amend Cost of Goods Received; Stock Ledger/Stock Reporting/Pricing and Valuation Reports/Provisionally Priced Goods Inwards

If you do not wish the operator to be able to view or amend the costs at this stage, an alternative function is provided; Warehouse Goods Received. In this case, the standard function can be suppressed using the Privacy functions.

### Function Locator

Purchase Order Processing/Goods Movement Booking/Warehouse Goods Received

## 5.4 Invoices Received from your Suppliers

Invoices from your supplier which relate to Purchase Orders should be entered using the Purchase Invoice Booking function within Purchase Order Processing and not using the Purchase Ledger function.

#### P

#### **Function Locator**

Purchase Order Processing/Purchase Order Invoice Booking

This function operates in a similar manner to the Purchase Ledger function, except that it takes you through each line of the purchase order to confirm the quantities and prices.

If the invoice prices are higher than those specified on the purchase order, you have the option of recording an expected credit figure.

A report is available, showing the value of your expected credits from suppliers.

## Function Locator

Purchase Order Processing/Purchase Order Reporting/Expected Credits Report

## 5.5 Goods Returned

In the event that some or all of the goods that you have purchased need to be returned to your supplier, you can record this process using the Goods Returned to Supplier function.

Returns can be for replacement (in which case outstanding Purchase Order lines are re-opened) or for credit, in which case an expected credit is recorded. The function allows you to record the suppliers Return Authorisation code, if you have one.

Having entered the details of the goods being returned, you have the option of printing a Goods Returned Note to accompany the shipment and/or for your own records.

Goods Returned Notes can be automatically or manually numbered, as with Purchase Orders themselves.

## Function Locator

Purchase Order Processing/Goods Movement Booking/Goods Returned to Supplier

## 5.6 Supplier Price List

Creating Supplier Price Lists is purely optional but can significantly improve efficiency within a busy purchasing department.

When entering a Purchase Order for a stock item, the function will indicate whether the default price retrieved has come from the Supplier Price List or from the Stock Ledger.

If a default price is retrieved from the Supplier Price List and then amended on that Purchase Order, the system can ask whether the operator wishes to update the Supplier Price List entry with the new price. Whether the system offers this option or not depends on the setting of a system parameter.

P

#### **Function Locator**

Supervisor Functions/Amend Company Parameters/Amend Company Defaults/POP Prompt Defaults

If you allow the updating of the price list from within the Purchase Order Entry function then, once set up, maintenance of the Supplier Price List can be almost completely automatic.

If the operators who enter the purchase orders are not those responsible for determining pricing, then you should disable this option.

Purchase Orders for any goods can be placed with any supplier. A Supplier Price List, however, allows you to see, at a glance goods that you regularly purchase, from whom and at what price.

Creating a Supplier Price List entry allows you to record not only the price you pay for a particular stock item from a particular supplier, it also allows you to record additional information:

- □ The Suppliers Reference if the supplier uses a different part number to the one you use, this can help avoid confusion when placing purchase orders.
- The Suppliers Description if the supplier uses a different description to the one you use, this again can help avoid confusion.
- Lead Time being able to see, at a glance, the estimated lead time from various suppliers for a given part can help in the decision making process
- Supplier Category a simple, one character indicator of the suppliers rating for the supply of this particular part. This allows you to rate suppliers as Grade A, Grade B, etc. for the supply of a given part. Again, this is intended as a decision-making aid.

Function Locator

Purchase Order Processing/Supplier Price List Maintenance/Supplier Price List Maintenance The system allows you to produce price lists for given suppliers and to produce lists of suppliers who supply given parts.

## Function Locator

Purchase Order Processing/Supplier Price List Maintenance/Print Supplier Price List(s); Purchase Order Processing/Supplier Price List Maintenance/Product/Supplier Price Report

## 6. Bill of Materials

The Bill of Materials module allows you to define the relationships between the materials and components you use, and the finished goods you produce. It is, in other words, a mechanism for defining the "recipes" used to make your products.

Bill of Materials is the first tier in the AXIS Diplomat manufacturer-orientated modules.

The components, materials and finished goods are all assumed to be set up on the Stock Ledger.

## 6.1 Terminology

Throughout the Bill of Materials module, the following terminology is used:

- □ Assembly an item on the stock ledger which has been defined as being made up of one or more components
- Component an item on the stock ledger which is used to manufacture one or more assemblies
- □ Subassembly a component which is itself an assembly.

Up to 50,000 different components can be defined for a single assembly and up to 99 levels of subassembly are allowed. This means that an assembly can have a component which is an assembly in its own right, which can have a component which is an assembly in its own right, and so on 99 times!

If the structure of a subassembly is changed, the structure of all assemblies that use that subassembly automatically reflect that change.

## 6.2 Setting Up the System

When adding Bill of Materials to an existing AXIS Diplomat system, it is not necessary to run any special creation functions. The Bill of Materials files are created the first time you enter an assembly.

There are no system parameters that need to be set in order to use the Bill of Materials module.

## 6.3 Implications on the Stock Ledger

The addition of the Bill of Materials module allows additional information to be recorded against stock items.

These are a cost indicator, overhead rate and a bulk issue item indicator.

### 6.3.1 Cost Indicator

Stock items can be set as either Material, Labour or Sub-contract.

A rolled-up cost report (see below) will separate costs into these three sections.

Thus, in addition to recording the components used in manufacture, it is also possible to define items (generally, product items) on the stock ledger to hold standard costs for different labour and sub-contract rates.

This allows you to easily update, for example, your standard hourly rate for a particular type of operation (or a generic labour rate) and immediately see the effects on all of the assemblies that use that rate.

### 6.3.2 Overhead Rate

In addition to the costs for using a particular item, you can also define an overhead percentage which is also added on whenever that item is used.

Overheads are shown separately for each Cost Type in the rolled-up cost reports (see below).

#### 6.3.3 Bulk Issue Item

Bulk Issue items are those for which unit-by-unit stock control is not practical but are to be included in assemblies for costing or other purposes.

An example of a bulk issue item might be sand. Stock control of the sand would almost certainly be carried out outside of a computerised stock control system (probably via a "visual" stock check - i.e. look at the pile of sand from time to time and see how big it is!). The cost of the sand might, however, contribute a significant proportion of the cost of the assemblies it is used in.

Bulk issue items can be optionally ignored in any requirements calculations.

## 6.4 Costing

The Bill of Materials module is capable of calculating a "rolled-up cost" for an assembly, or a range of assemblies.

This operation involves calculating the cost of all of the components (whether material, labour or sub-contract), adding the relevant overhead percentages, multiplying by the quantities involved and arriving at a total cost for the assembly.

This calculation can be based on either the current or the standard costs.

Two operations are available involving rolled-up costs.

Rolled Up Cost Summary - this function calculates the rolled up cost and produces an analysis report, showing that cost broken down into the various cost types (material, labour and sub-contract), each with an overhead calculated

Calculate New Rolled Up Cost - in addition to the reporting aspect of the Rolled Up Cost Summary, this function will actually update the standard or current cost field on the stock record for the assembly. This can be done for an individual assembly, a range of assemblies or all assemblies.

## Function Locator

Bill of Materials/Bill of Materials Reports/Rolled Up Cost Summary; Bill of Materials/Calculate New Rolled Up Cost

## 6.5 Analysis Reports

In addition to the Rolled Up Cost reports, a number of other analysis reports are available, using information from the Bill of Materials assemblies.

These include:

- Where Used Report this identifies all of the assemblies that use a given component. This can be useful when the specification or availability of a particular part changes
- Parts Explosion this effectively prints the recipe for making given assemblies.
- Component Stock List this reports items from the stock ledger which are used as components.

#### **Function Locator**

P

Bill of Materials/Bill of Materials Reporting/Where Used List; Bill of Materials/Bill of Materials Reporting/Parts Explosion; Bill of Materials/Bill of Materials Reporting/Component Stock List

## 7. Material Requirements Planning

For those who require full Material Requirements Planning, to calculate the requirements and shortages of components used in the manufacturing process, the AXIS MRP module is available.

MRP operates on requirements generated by Works Orders. Works Orders are entered manually or generated automatically by sales orders and/or stock shortages.

The key to the MRP system is the 'Schedule Planned Orders' function. This processes Sales Orders and Works Orders to identify, using Bill of Materials, components required to manufacture the ordered goods. If those components are themselves subassemblies, and there is insufficient stock to cove r the requirements, additional Works Orders are generated to cover the shortage.

Shortages in components which are not subassemblies (and are therefore bought-in materials) are identified in a shortages report. Two levels of shortage are identified - where stock falls below the minimum stock level on the stock record and where stock actually goes negative (in other words, where there is insufficient stock for the works orders). The scheduling function takes into account outstanding purchase orders in this calculation. Due dates on works orders, sales orders and purchase orders are fully taken into account when calculating requirements and shortages.

## 7.1 Setting Up the System

No creation function needs to be run in order to set up the system for operation with Material Requirements Planning. Some system parameters do, however, need to be set.

Firstly, the stock ledger needs to be configured to allow negative stock figures. This is because the basic function of the MRP module is to detect shortages, and a shortage occurs when the available stock falls below zero.

It is necessary to amend the Stock Ledger parameters in order to set this parameter. Running through the function, to the end, will automatically set this parameter because it is mandatory on systems with the MRP module.

## Function Locator

Supervisor Functions/Amend Company Parameters/Stock Ledger

On systems which had an active Bill of Materials module in use prior to the MRP module being installed, the setting of the "Sub-Assembly Explosion" flag (see below) will not be set. A supervisor function is provided to process your assembly records (or a batch of them) and set this flag. This will generally be easier than manually amending each assembly.

## Function Locator

Supervisor Functions/Stock Ledger/MRP Utility Functions/Set Sub-assembly Explosion Flag

On systems which had an active Purchase Order Processing module in use prior to the MRP module being installed, the Purchase Order transactions on the Stock Ledger will not have the appropriate MRP information on them. A supervisor function is provided to automatically set this information.

### Function Locator

P

Supervisor Functions/Stock Ledger/MRP Utility Functions/Convert Purchase Orders for MRP
The MRP module is now set up. Before starting to use the system, however, you should consider the following areas of the system:

- Do your stock records for components and sub-assemblies have sensible figures set for Re-order Level, Re-order Quantity and Maximum Stock Quantity? These figures are used by the MRP scheduler to determine when stock falls below minimum and to choose sensible make for stock figures.
- Do your purchase orders have realistic due dates on them? If all orders are placed with a due date of, for example, tomorrow, even when lead times are much longer, the MRP scheduler will be unable to determine when ordered components are likely to be available.

# 7.2 Implications for Sales Order Processing

When a sales order is created, it will automatically have one of three status codes set on it:

- Unplanned this is an order which is not to be included in the MRP scheduling calculations yet.
- Planned this is an order which is to be included in the MRP scheduling calculations.
- Covered this is an order which will never be included in the MRP scheduling calculations (for unspecified reasons).

Since manuafcturing-related decisions are not normally the responsibility of sales administration staff, the operator is not allowed to set this status when entering an order.

A system parameter should be set to indicate the initial status that all sales orders are given when first entered.

# Function Locator

Supervisor Functions/Amend Company Parameters/Material Requirements Planning

This status can then be amended within the MRP module. This provides the system with its "what - if" modelling. By changing the status of various orders on the system, before running the trial scheduling routine, the correct mix of orders for manufacturing can be determined.

# 7.3 Implications for the Stock Ledger

The only requirement on the Stock Ledger is that sensible Re-order Level, Re-order Quantity and Maximum Stock Quantity figures are recorded on your assemblies, sub-assemblies and components.

In particular, the Re-Order Level on components and sub-assemblies will be used by the scheduler and the trial scheduler to determine components which fall below minimum as a result of the manufacturing requirements.

If you use the 'Create Works Orders for Stock' function (see below), because you build for stock, then this can use the Re-Order Level on assemblies to determine items that need to be replenished.

# 7.4 Implications for Bill of Materials

Bill of Material assemblies can be set up to indicate the parts used in a sub-assembly, even when that sub-assembly is bought in. This might be done because of the benefits of having the parts list defined on the system.

The MRP module needs to be aware of which sub-assemblies are manufacturered and which are bought in so that it does not try to find a stock of the parts needed to make a sub-assembly that you do not make.

An indicator is held on each sub-assembly, refered to as the 'Source of Item', to show whether the item is bought in or manufactured.

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It is therefore necessary to indicate the source of the item on each sub-assembly and can be done individually using the standard stock maintenance function. Alternatively, a supervisor function is provided to automatically update an entire group of sub-assemblies at once.

#### Function Locator

Stock Ledger/Stock Record Maintenance/Stock Record Maintenance; Supervisor Functions/Stock Ledger/MRP Utility Functions/Set Sub-assembly Explosion Flag

# 7.5 Creating Works Orders

In addition to to Sales Orders, Works Orders are also taken into account by the MRP Scheduler. Works Orders can originate from one of the following sources:

- □ Manually Entered Works Orders.
- Works Orders for Stock
- Works Orders created to satisfy Manufacturing Shortages

#### 7.5.1 Manually Entered Works Orders

If you decide (using external means) to manufacture a certain quantity of an item, you can enter a Works Order directly onto the system. Works Orders can be either Planned or Unplanned. As with Sales Orders, Planned Orders are included in the MRP Scheduling calculations, Unplanned Orders are not.

Works Orders cannot be Covered becuase they are, by definition, going through the manufacturing process (sooner or later).

## Function Locator

Bill of Materials/Material Requirements Planning/Maintain Works Orders/Enter Works Order for Stock

#### 7.5.2 Works Orders for Stock

A function is provided that will process a range of assemblies (and sub-assemblies) and generate Works Orders to manufacture items which satisfy one of the following criteria:

- Stock on Hand is below the Re-Order Level
- □ Stock on Hand is below Zero
- □ Free Stock is below the Re-Order Level
- □ Free Stock is below Zero
- Free Stock+Stock on Order from Suppliers is below the Re-Order Level
- □ Free Stock+Stock on Order from Suppliers is below Zero

For items that need replenishment, the works order generated can have one of four quantities set on it:

- □ The actual shortfall quantity
- The next multiple of the Re-Order quantity above the actual shortfall
- The quantity required to replenish to the Maximum Stock Level
- 'Recommended Batches'. This will result in the generation of multiple works orders, each for the quantity specified on the stock record as the Re-Order Quantity.

## Function Locator

P

Bill of Materials/Material Requirements Planning/Maintain Works Orders/Create Works Orders for Stock

## 7.5.3 Works Orders created by MRP

The MRP Scheduling routine will automatically create subsidiary works orders where it is necessary to manufacture sub-assemblies to fulfill shortages in the manufacturing required to fulfil planned works orders and sales orders.

# 7.6 Scheduling Orders

The key to the MRP module is the Scheduling routines. Three functions are provided - 'Trial Planned Order Explosion', 'Schedule Planned Orders' and 'Schedule Planned Sales Order'.

# User Guide

P

The 'Trial Planned Order Explosion' performs the same calculations as the 'Schedule Planned Orders' function but it does not create works orders or stock allocations. It is designed purely as a reporting tool to aid the decision making processes in production scheduling.

By adjusting the status of sales orders and works orders between planned and unplanned, and re-running the 'Trial Planned Order Explosion' function, it is possible to determine the correct mix of orders which can be manufactured without incurring untenable material shortages.

#### Function Locator

Bill of Materials/Material Requirements Planning/'Trial Planned Order Explosion'

When an acceptable set of planned orders has been determined using the 'Trial Planned Order Explosion' function, the 'Schedule Planned Orders' function should be run. This carries out the following operations:

- It generates Works Allocation transactions for all of the components and sub-assemblies required to manufacture the ordered items.
- It generates subsidiary Works Orders to manufacture sub-assemblies for which there is insufficient free stock already available.
- It repeats the process for subsidiary Works Orders that it has generated.
- It generates a report indicating component shortages. Two levels of shortage are identified - those items that fall below their minimum stocking level and those items for which there is actually insufficient stock available to fulfill the requirements.

#### P

#### Function Locator

Bill of Materials/Material Requirements Planning/'Schedule Planned Orders'

If you are also using the Purchase Requirements module, the 'Schedule Planned Orders' can also generate Purchase Requirements for component shortages, automatically. For further details, please refer to the section of this User Guide on Purchase Requirements.

The 'Schedule Planned Sales Order' function operates in a similar manner to 'Schedule Planned Orders' except that it only processes planned sales orders and does not take into account works orders.

Once the Schedule function has been run, the normal procedure is to print out the Works Dockets for the Works Orders that have been automatically created by the Schedule function.

# Function Locator

Bill of Materials/Material Requirements Planning/Reports and Documents/Works Order Dockets

# 7.7 Master Production Schedule

The Master Production Schedule is the key report produced by the MRP module. It reports details of planned and scheduled works orders on your system along with any unplanned sales orders.

For each assembly for which curent jobs, the schedule reports, for each of those jobs, their job number, the parent order number and the overall order number.

The Parent Order Number refers to the Works Order or Sales Order which directly spawned that job.

The Overall Order Number refers to the Works Order or Sales order which originated the subsidiary jobs. This would be a Sales Order created through 'Sales Order Maintenance' or a Works Order created manually using 'Enter Works Order' or a Works Order created automatically using 'Create Works Orders for Stock'. For example, consider a bicycle manufacturer who as well as assembling bicycles also assembles the brake assemblies. The brake assemblies in turn are made from a front brake assembly and a rear brake assembly. The front and rear brake assemblies are made from levers, cables and pads. Also assume that he keeps no stock of pre-assembled bicycles or brake kits.

A sales order, number 100191, is entered via the normal Sales Order Processing routines, for a bicycle.

The 'Schedule Planned Orders' function would generate a Works Order, number 200231, for the manufacture of a bicycle.

At the same time, a subsidiary works order would be created for the manufacture of a brake assembly (200232), which would require one front brake kit and one rear brake kit. This would cause further subsidiary works orders to be created for the manufacture of a front brake kit (200233) and a rear brake kit (200234).

The 'Master Production Schedule' would list, against the stock item for the front brake kit, for example, a job number of 200233 and a Parent Order number of 200232.

The Overall Order Number for all of these jobs would be 100191.

To clarify what type of document a document number refers to on the report, they are prefixed with a letter which indicates their source. These indicators are as follows:

- □ J Job (i.e. Works Order)
- □ S Sales Order
- P Purchase Order
- M Manufacturing Allocation

Thus, in the example described above, the Overall Order Number would be reported as \$100191, which would clearly indicate that the jobs listed are as a result of a sales order and not an internal Works Order.

## Function Locator

Bill of Materials/Material Requirements Planning/Master Production Schedule

# 7.8 Stock Movements

When Works Orders are created, they automatically also create Works Allocations against the components and sub-assemblies that will be required for the manufacturing process.

This automatically reduces the Free Stock figure on the components and sub-assemblies in question.

When work commences on a job, the components and sub-assemblies that will be required for that job can be easily issued in one simple operation. Alternatively, the components can be "backflushed" when the job is completed.

## 7.8.1 Issuing Stock to Works

Two functions exist to issue components and sub-assemblies to a job.

The function 'Issue All Components for a Job' issues the full kit of parts to the job, closing the allocation transactions created by the Works Order and replacing them with issues. This effectively reduces your Stock on Hand of the components but leaves the Free Stock figure unaffected (since the Free Stock figure was already taking into account the projected requirement).

Function Locator

P

Stock Ledger/Stock Movement Booking/Issue All Components for a Job

The function 'Issue Manufacturing Allocation' should be used if, for some reason you cannot (or do not wish to) issue all of the parts required for the job in one go.

This function allows you to issue individual components to a job.

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#### **Function Locator**

Stock Ledger/Stock Movement Booking/Issue Manufacturing Allocation

If for some reason not all of the components are required for a job, two functions exist for closing off the allocations created by the Works Order without issuing the components. This effectively leaves your Stock on Hand unaffected but increases your Free Stock. This is because the Free Stock figure was previously taking into account the projected requirement.

The function 'Close Unissued Components for a Job' should be used to close all of the remaining allocations for a job. You would use this function if either none of the components were required or all of the required components had previously been issued using the function 'Issue Manufacturing Allocation'.

# Function Locator

Stock Ledger/Stock Movement Booking/Close Unissued Components for a Job

The function 'Close Manufacturing Allocation' allows you to close the allocations for individual components. You would use this function if only some of the outstanding components were no longer required.

#### Function Locator

Stock Ledger/Stock Movement Booking/Close Manufacturing Allocation

#### 7.8.2 Receiving Completed Goods from Works

A function, 'Goods Received from Works' is used to book into stock the completed assemblies made as a result of an MRP job.

If there are still unissued components for the job, the system will allow you to backflush those components at this point (i.e. issue them retrospectively). If you do not wish to backflush the unissued components at this stage, a separate function can be used to do this (see below).

Quantities can be over or under the ordered quantity, although the system does warn you if this is the case. This is particularly useful if you are in a manufacturing environment where exact quantities cannot be made (due to high rejection levels, for example).

## Function Locator Stock Ledger/Stock Movement Booking/Goods Received From Works

# 7.8.3 Backflushing

If real-time stock control is not a primary concern, or if you are in a manufacturing environment where the start to completion time on each job is very short, you may not want to go through the process of issuing components to a job when it is started and receiving goods when it is completed.

Backflushing allows you to avoid these separate stages.

Having Scheduled your Works Orders, the appropriate Works Order Dockets are printed. Work can them commence on the jobs without further data entry.

When the jobs are completed, you use the 'Goods Received From Works' function to both receive the completed goods and backflush the components that were used. Alternatively, you can backflush the components at a later stage, using the function 'Backflush All Completed Jobs'.

# Function Locator

Bill of Materials/Material Requirements Planning/Works Order Maintenance/Backflush All Completed Jobs

There are, howeve, several side effects of backflushing that you should consider before using this method of operation:

- Stock figures are no longer real time. The components were used at the time the work was done but the Stock on Hand figures were not downdated until the components were backflushed. The Free Stock figure, however, is correct because of the manufacturing allocations created when the Works Order was added.
- The Actual Cost of the manufactured goods may not be correct. This is because the system operates on a FIFO basis and the cost is rolled-up from the actual costs of the components being used. Backflushing may allocate components in a different sequence to the one in which they were physically used. This would be of less consequence if your component costs are relatively static.
- Backflushing does not give you the opportunity to close off allocations for unused components unless you use the 'Close Manufacturing Allocation' function prior to the backflush operation.

# 8. Purchase Requirements

The AXIS Diplomat Purchase Requirements module is an add-on to the Purchase Order Processing system.

Purchase Requirements are a list of stock items that need to be purchased, together with a recommended supplier and price.

Purchase Requirements can originate from one of three sources:

- They can be manually created, as provisional or unapproved purchase orders
- They can be automatically created based on stock that is below its minimum (re-order) level
- They can be automatically created based on shortages identified by the Material Requirements Planning (MRP) module.

The automatically generated Purchase Requirements will be for suggested suppliers based on information held in the Supplier Price List file.

Purchase Requirement details can be amended and, once satisfied that all of the details are appropriate, automatically converted into a batch of Purchase Orders, which can then be processed in the usual way.

# 8.1 Setting Up the System

When the Purchase Requirements module is added to an existing system, a single function needs to be run in order to create the Purchase Requirements file.

# Function Locator

Supervisor Functions/Purchase Order Processing/Create Purchase Requirements File

# 8.2 Manually Entering Purchase Requirements

Entering Purchase Requirements manually consists of specifying a list of stock items, quantities and suppliers. Supplier Price List entries are not required in order to manually enter Purchase Requirements.

Pricing information is retrieved from the Supplier Price List (if an entry exists for that particular item from that particular supplier) or from the stock ledger.

Each Purchase Requirement is flagged as "Approved" or "Unapproved". Normally, Purchase Orders are only created for Approved Purchase Requirements.

# Function Locator

Purchase Order Processing/Purchase Requirements/Enter Purchase Requirement Details

# 8.3 Purchase Requirements from Stock

Purchase Requirements can be created for stock items, or a selection of stock items, that are below their minimum stock levels (i.e. stock is below the re-order level) or are below zero. The calculations can be based either on the stock on hand, the free stock (i.e. stock on hand minus allocations) or the free stock plus stock already on order (from suppliers or from the works).

The requirement generated can be for the the actual shortfall quantity or the next multiple of the re-order quantity above the actual shortfall or the quantity required to replenish to the maximum stock level. The Purchase Requirements generated can be flagged as "Approved" or "Unapproved". Normally, Purchase Orders are only created for Approved Purchase Requirements.

#### Function Locator Purchase Order Processing/Purchase Requirements/Create Requirements from Stork File

#### 8.3.1 Create Projected Requirements

A second function is provided to automatically generate purchase requirements based on projected stock levels at a specified future review date.

In all other respects, this function operates in a similar way to the 'Create Requirements from Stock File' function.

#### Function Locator

P

Purchase Order Processing/Purchase Requirements/Create Projected Requirements

# 8.4 Purchase Requirements from MRP

If you are running the Material Requirements Planning (MRP) module, Purchase Requirements can be automatically generated as part of the scheduling operation.

## Function Locator

Bill of Materials/Material Requirements Planning/Schedule Planned Orders

# 8.5 Creating Purchase Orders

Purchase Requirements, whether manually entered or automatically created from stock or MRP shortages, can be amended. For example, a Purchase Requirement could be automatically created for a stock shortage, with the supplier being chosen from the Supplier Price List. You may know, however, that a different supplier has a special offer at the time. You can easily change the supplier for that particular Purchase Requirement for this one off purchase.

# Function Locator

Purchase Order Processing/Purchase Requirements/Maintain Purchase Requirements

Reports are provided to allow you to see easily the current selection of Purchase Requirements. These reports can be either in supplier sequence or stock item sequence.

# Function Locator

Purchase Order Processing/Purchase Requirements/Purchase Requirements by Supplier; Purchase Order Processing/Purchase Requirements/Purchase Requirements by Stock

When you are happy with the Purchase Requirements list on the system, you can automatically convert them into Purchase Orders.

## Function Locator

Purchase Order Processing/Purchase Requirements/Create Purchase Orders

# 9. Mail Order Processing

The Mail Order Processing module consists of several components designed to simplify the sales order processing within a mail-order orientated business.

Mail Order businesses, in this context, are characterised by the following features:

- High throughput of orders, typically with the majority of the orders being placed by telephone.
- High percentage of retail customers, little or no sales to credit accounts.
- □ High percentage of orders paid by credit card.
- Low Rate of Repeat Business. Unlike a trade wholesaler or distributor, dealing with the same customers on a regular basis, Mail Order is characterised by occasional purchases but from a much larger customer base.
- Greater demands on marketing information. Repeat business from mail order customers generally results from follow-up mailings.

The aspects of the Mail Order Processing module, designed to cater for these requirements, are as follows:

- Extended Customer File capacity is increased to 90,000 customers.
- Postcode Database Link an external Postcode Database is used to allow simple creation of new customer accounts.
- Automatic Credit Card Authorisation credit card details are recorded on the Sales Order. Credit Card orders are then authorised electronically by your bank. Payments are collected overnight and the cash is automatically booked on to the customer account and allocated to the invoice.

Telesales Order Entry - this function consolidates the creation of a customer account (if one does not already exist) with the entry of the sales order.

Since each customer is given their own customer account, rather than using a consolidated Cash Sales account, full analysis is available via the Sales Archive Analysis Reports on who has bought what and when. The addresses, which are more accurate because of the post code database, can be extracted for mailing purposes.

# 9.1 Setting Up the System

The post code database is supplied with its own user guide. Please refer to this for information on installation. Once installed, the post code database is transparent to the operator since it accessed entirely through the Telesales Order Entry function and this is completely automatic.

The credit card authorisation software is also supplied with its own user guide which details its installation and operation.

## 9.1.1 Installing the Postcode Database Software

The postcode software and database is supplied on CD-ROM and must be installed onto your system. The software and database can reside on any PC but would normally be installed on the machine being used as your AXIS Diplomat server. An exception to this is where AXIS Diplomat resides on a Novell NetWare server, in this case the postcode database software must be installed on another Windows or DOS PC which has network access to the NetWare server.

□ Install AFD Postcode

On a Windows PC, run the SETUP program from the AFD Postcode CD-ROM. When prompted for the software to install, select "Postcode" and follow the instructions on screen. You will asked to specify the drive and path in which to install the software. This can be any drive with sufficient capacity, it is not necessary for the postcode database to reside on the same drive as AXIS Diplomat.

The SETUP program will also prompt for account number and password details, these are supplied by AFD Software.

#### Note:

You should ensure that you elect to install "Full product" and not an evaluation license when installing onto a production server as the evaluation license is time limited.

The AFD SETUP program makes modifications to the AUTOEXEC.BAT file in the root of the boot drive which are essential for correct operation.

If you are installing the software on a Windows NT machine, the SETUP program does not correctly modify the \ <winnt>\system32\autoexec.nt file. You will need to manually remove the AUTOEXEC.BAT it has created in the root directory and transfer its contents into AUTOEXEC.NT.

- Reboot the system for these system changes to take affect.
- AXIS Diplomat interfaces with the postcode software using an additional AXIS service known as BRUN. The BRUN process must be running on the machine onto which the postcode software has been installed (it is not required on any other workstation,, nor the AXIS Diplomat server where this is a different machine to the server running the postcode database).

To load BRUN on a Windows 95/98 or Windows NT machine run:

d:\axis7\brun32

on a DOS or REAL/32 machine run:

d:\axis7\brun

We recommend including the BRUN/BRUN32 command in the machine's startup process.

You are now ready to try accessing the postcode database from within AXIS Diplomat. First ensure that the postcode database feature (F249) has been enabled for the AXIS Diplomat company/companies that you are using (check this by running the "Print Release Specification Details" report).

#### **Function Locator**

P

Kernel Supervisor Functions/Package Documentation/Print Release Specification Details

You should now be ready to use the postcode database. The AXIS Diplomat functions "Customer Record Maintenance" and "Telesales Order Entry" utilise the database to retrieve address details using the postcode when creating a new customer account.

#### Note:

To keep your postcode database up to date with new addresses and postcode changes, AFD Software provides a subscription based quarterly update service. Each update is installed using a simple procedure similar to that described above. In order that you continue to take full advantage of the AXIS Diplomat postcode interface we strongly recommend that you subscribe to the update service.

#### 9.1.2 Installing the Credit Card Software

Before using the Credit Card Authorisation part of the system, the credit card details file must be initialised using a supervisor function.

## Function Locator

Supervisor Functions/Sales Ledger/File Creations and Conversions/Create Customer Credit Card Files

No additional set-up of the AXIS Diplomatsystem is required, other than to ensure you have allowed sufficient Customer Accounts for your needs.

# Function Locator

Kernel Functions/Data File Maintenance Functions/Amend Data File Sizes

# 9.2 Entering Sales Orders

The Telesales Order Entry function is used to enter orders and is designed for simple use whilst the customer is on the telephone. The same function can be used for orders received in other ways (fax, post or e-mail, for example).

The function combines the creation of the customer account (if one does not already exist) with the entry of the sales order.

On entry, the function closely resembles the standard customer enquiry. Customer accounts can be retrieved using any of the following methods:

- Customer Account
- Customer Short Name
- Telephone Number
- Fax Number
- Post Code
- Address Key Word

The variety of methods for locating the account help prevent duplication of accounts.

If the account is not found, a new account is created automatically, with the address retrieved by simply entering the post code.

If the customer is paying by credit card, these details are also entered and are held on the account as a default method of payment when the customer re-orders.

The sales order is then entered in a similar manner to the conventional Sales Order Maintenance function.

## Function Locator

Sales Order Processing/Sales Order Maintenance/Telesales Order Entry

# 9.3 Credit Card Authorisation

Credit card orders are handled via the following procedure:

Firstly, the sales order is entered (see above) and the credit card details recorded.

#### 9.3.1 Create Card Authorisation File

On a periodic basis (hourly for a busy mail order processing system), the function 'Create Card Authorisation File' is run. This extracts credit card details from sales orders that have entered since the last time this function has been run.

These details are then transmitted to the bank for authorisation. Please consult the user documentation for the credit card software for details of this operation.

#### Function Locator

P

Sales Order Processing/Sales Order Maintenance/Credit Card Authorisation/Create Card Authorisation File

## 9.3.2 Import Card Authorisation File

Once the credit card details have been authorised by the credit card software, the details are read back into the AXIS Diplomat system using the function 'Import Card Authorisation File'.

This updates the sales orders to indicate whether they have been authorised or declined.

# Function Locator

Sales Order Processing/Sales Order Maintenance/Credit Card Authorisation/Import Card Authorisation File

## 9.3.3 Credit Card Authorisation Report

Once the details have been updated, the 'Credit Card Authorisation Report' should be run to produce a list of orders for which the credit card details have been rejected. This will include a status code which will match the documentation supplied by your bank. This code will indicate the reason for the rejection (over credit limit, stolen card, etc.). A decision can then be made on how to handle those rejected orders. For example, the customer can be contacted and alternative payment requested.

#### Note

Most banks reject a certain percentage of credit cards as a matter of course. These are normally returned with a status code indicating "manual authorisation required". These require authorisation by calling the authorisation centre in the normal way.

This affects all EFTPOS (Electronic Fund Transfer at Point of Sale) systems, including PDQ-type machines.



Function Locator

Sales Order Processing/Sales Order Maintenance/Credit Card Authorisation/Credit Card Authorisation Report

## 9.3.4 Release Credit Card Orders

Having prepared the ordered goods for shipment, the function 'Release Credit Card Orders' automatically generates the invoices for authorised sales orders. As with other batch release functions, only orders with sufficient stock are released, unless 'Allow part order deliveries' or 'Allow part order line deliveries' is selected, or unless you are configured to allow negative stock. Please refer to the Sales Order Processing documentation for further details.

In addition, payment transactions are automatically created and allocated to the invoice. There is therefore no need to go through a cash received and allocation procedure. This can be done because the credit card details have already been authorised and therefore receipt of payment is assured.

## Function Locator

Sales Order Processing/Sales Order Maintenance/Credit Card Authorisation/Release Credit Card Orders

## 9.3.5 Create Card Payment Request File

At the end of each days operation, the function 'Create Card Payment Request File' should be run. This generates a file which is then fed into the credit card software. These details are then collected by the bank overnight and payment initiated.

# Function Locator

Sales Order Processing/Sales Order Maintenance/Credit Card Authorisation/Create Card Payment Request File

# 10. Point of Sale

An elementary Point of Sale Invoicing function is provided with AXIS Diplomat Accounts as standard. This is suitable for occasional use, typically on a trade counter.

The Point of Sale module, however, is designed for higher throughput systems, handling both trade and retail operations.

The Point of Sale module operates in conjunction with a range of (optional) Point of Sale hardware:

- Cash Drawers
- Receipt Printers
- Bar Code Scanners
- Customer Display Units

Point of Sale transactions can be cash or on account. Cash transactions are accepted for a variety of payment methods including cash, cheque, credit card and debit cards.

# 10.1 Setting Up the System

The installation of the Point of Sale hardware is beyond the scope of this User Guide. Please refer to the information supplied with each item.

The AXIS Diplomat system must be configured with details of the hardware (if any) that is to be used.

The configuration of the AXIS Diplomat system is based on the concept of Point of Sale workstations. Each workstation is configured to use a particular receipt printer (if available), a particular cash drawer (if available) and to indicate whether a Customer Display unit is available.

It is possible for more than one workstation to share the same cash drawer and/or receipt printer. It would not, of course, be possible for two workstations to share the same Customer Display unit or bar code scanner.

### 10.1.1 Cash Drawers

To configure the cash drawer that is being used by a particular workstation, you must run the configuration utility, EPOS, from within the AXIS2000 directory.

On DOS and REAL/32 based systems, this is done by executing the commands:

C>CD\AXIS2000

C>EPOS

On Windows based systems, click Start, and select <u>R</u>un.

Enter the command

c:\axis2000\epos32.exe

EPOS firstly asks for the name of the workstation that you wish to configure. It defaults to the name of the current workstation. If you are configuring the system for one of the other workstations, enter its name. If you do not know that name of the workstation, you can determine this by running the following command on the workstation in question.

EPOS /g

on DOS and REAL/32 systems or

EPOS32 /g

on Windows based systems.

This reports the name of the current workstation.

You can then specify whether that workstation uses a cash drawer and, if it does, the till number. The till number will be used by the Accounts system to determine the nominal bank accounts for each payment/refund method (see below).

Having specified the till number, you then specify the device name that is used to access that till. For parallel cash drawers which connect via a receipt printer the device name will be in the format

LPTnn

where nn is the AXIS printer number + 1. For serial cash drawers the device name will be in the format

COMnn

for DOS/Windows systems or

AUXnn

for REAL/32 based systems, where nn is the port number.

## 10.1.2 Receipt Printers

Receipt printers are connected to a printer port, in the same way as other printers.

To configure a particular workstation to print receipts on a receipt printer, use the EPOS program. For further information on running EPOS, refer to the section above on Cash Drawers.

The configuration for each workstation allows you to suppress the usual printer selection and automatically print direct to a specified printer. This ensures that receipts are always printed on the receipt printer and not on other system printers.

## 10.1.3 Bar Code Scanners

Bar Code Scanners generate the numerical equivalent of the bar code as if it had been typed at the keyboard. This means that the AXIS Diplomat system does not need to know that a bar code scanner is fitted to a particular workstation. It also means that, as inevitably happens from time to time, a bar code cannot be scanned (because it is damaged or has dirt on it, for example), the operator can simply type the sequence of numbers shown beneath the bar code.

# 10.1.4 Customer Display Units

To configure a particular workstation to use a Customer Display Unit, you need to run the configuration program, EPOS. For further details on this program, refer to the section above on Cash Drawers.

Irrespective of whether that workstation is using a cash drawer, you can configure it to use a Customer Display Unit.

You must specify the device name that is used to access the device and a display advert.

The device name will be in the format

COMnn

for MS-DOS/Windows systems, or

AUXnn

for REAL/32-based systems, where nn is the port number.

The display advert is the text that is shown on the Customer Display Unit when it is idle. This consists of six lines of twenty characters. These are displayed in pairs - in other words, lines 1 and 2 are displayed, then lines 3 and 4 are displayed, followed by lines 5 and 6. If a particular workstation is going to use a Customer Display Unit, it needs to run the following command as part of its startup procedures in order to program the unit with the display advert:

For DOS or REAL/32 based systems

\AXIS2000\EPOS /S

For Windows based systems

\axis2000\epos32.exe /s

# 10.1.5 Configuring AXIS Diplomat Accounts

Once the hardware has been configured, it is necessary to configure AXIS Diplomat Accounts for Point of Sale operation.

Firstly, you must amend the Sales Ledger parameters to indicate Yes in response to the parameter 'Allow Point of Sales payment/refund booking?'.

# Function Locator

Supervisor Functions/Amend Company Parameters/Maintain Sales Ledger Parameters/Amend Sales Ledger Parameters

You must then set up one or more Cash Book bank accounts to receive the revenue from the Point of Sale tills. Individual bank accounts can be set up for Cash, Cheque, Credit Card, Debit Card and Other receipts. Different bank accounts can be specified for different tills. All can, however, be analysed to the same bank account, if preferred.

This is done in the normal way, via the Cash Book. When creating the bank account(s), specify yes to the 'Counter sales account?' prompt.

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### **Function Locator**

Nominal Ledger/Cash Book/Cash Book Account Maintenance

You now need to create one or more cash sales accounts on the Sales Ledger. These are created in the normal way but the Account Type must be set to 'Counter Sales'.

# Function Locator

Sales Ledger/Customer Account Maintenance/Customer Account Mainenance

You now need to specify which of the bank accounts are to be used for each payment type for each till. This is configured within the Nominal Ledger parameters. Specify the Nominal Account number, not the Bank Account number.

If you do not wish a particular payment type (such as Credit Card) to be offered as an option during Point of Sale, do not specify a bank account for that option.

You will then be asked to specify the Sales Ledger Cash Sales account to which sales from that particular till are to be posted.

## Function Locator

Supervisor Functions/Amend Company Parameters/Maintain Nominal Ledger Parameters/Amend Nominal Ledger Parameters

Finally, if you are using receipt documentation, and you wish a "thank you" message to be printed at the bottom of each receipts (such as "Thank you for shopping at ABC Supplies - Please Call Again") then this can be set-up by entering the message on the cash sales account(s).

#### Function Locator

Sales Ledger/Customer Account Maintenance/Customer Account Maintenance

Set-up of the Point of Sale module is now complete.

# 10.2 Bar Codes

If you wish to use bar codes for Point of Sale operation, these need to be recorded against each stock item that can be sold via Point of Sale. Bar Codes are stored in the Alternative Stock Reference field of the stock record. The Alternative Stock Reference is a secondary reference, in addition to the 10 character primary stock reference.

This can be done by retrieving the stock item in question using the standard 'Stock Record Maintenance' function and, when prompted for the Alternative Stock Reference, read the bar code, using the bar code reader.

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#### **Function Locator**

Stock Ledger/Stock Record Maintenance/Stock Record Maintenance

# **10.3 Entering a Point of Sale Invoice**

Point of Sale Invoices are entered using a separate function, not the conventional Invoice Entry routine.

The Point of Sale Invoice Entry function is designed for simple and rapid use, whilst the customer is waiting to pay.

The function can also combine the creation of the customer account (if one does not already exist) with the entry of the invoice.

Thus, the system can either be used to always use a cash sales account or to allow accounts to be used for individual customers. If dealing with trade customers, or selling larger valued items, separate accounts may be prefered. This method allows greater analysis and, asking customers for their address, for example, allows the information to be used later for marketing purposes.

On entry, the function closely resembles the standard customer enquiry. Customer accounts can be retrieved using any of the following methods:

- Customer Account
- Customer Short Name
- □ Telephone Number
- Fax Number
- Post Code

# Address Key Word

The variety of methods for locating the account help prevent duplication of accounts.

If the account is not found, a new account can be created automatically. An optional link to an external post code database allows the address to be retrieved by simply entering the post code.

If the customer is paying by credit card, these details are also entered and are held on the account as a default method of payment for future sales.

The invoice is then entered in a similar manner to the conventional Invoice Entry function unless using bar codes.

With bar code entry, the default line details item type is Alternative Reference. At this point, a bar code can be swiped using a bar code reader. All defaults (price, etc.) are automatically taken from the items stock record, a quantity of one is assumed and the system automatically prepares for the next bar code.

This means that a number of items can be added to the invoice without recourse to the keyboard.

If you wish to enter a quantity before scanning a bar code, simply key the quantity, followed by an asterisk, "\*", immediately before scanning the bar code.

All other line entry types (such as stock item and key word search) are available to cater for items that do not have bar codes.

On completing entry of a Point of Sale Invoice, the system will ask you to enter the Payment Details.

A mix of payment details can be entered, for example part payment by cheque and part payment by cash.

If the payment details contain a cash element, the amount tendered can exceed the invoice amount. Change is calculated and displayed. If a cash drawer is configured, it is opened.

The cash transaction is automatically generated and allocated to the invoice so there is no requirement for a separate cash booking/allocation procedure.

#### P

# **Function Locator**

Sales Ledger/Invoice and Credit Note Production/Point of Sale Functions/Invoice Entry

A cashing up report is also provided, to reconcile the cash in the till(s) with the days taking.

# Function Locator

Sales Ledger/Invoice and Credit Note Production/Point of Sale Functions/Cashing Up Report

# 11. EC Trade

The EC Trade module covers the requirement of Customs and Excise for companies trading with companies in other EC countries.

The EC Trade module has two components - EC VAT, which handles the VAT requirements of dealing with those customers, and Intrastat, which handles the recording and printing of the Customs and Excise Trade Statistics documentation.

# 11.1 Setting Up the System

No system set-up is required for the EC VAT component of the EC Trade module. The Intrastat component, however, does require initialisation using a supervisor function.

# Function Locator

Supervisor Functions/Nominal Ledger/File Creations and Conversions/Create EC Trade Statistics File

## 11.1.1 Sales Ledger

It is necessary to amend the account details of any EC customers to record various details, including their VAT number (which must be shown on invoices in order to zero-rate the VAT on the transaction).

A new Account Type is added, 'EC Export Customer'. Set all of your EC customers to this type. When specifying this account type, additional information is then requested for each customer:

- VAT Number
- EC Country Code
- □ Nature of Trans.

- Delivery Terms
- Mode of Transport

The first is required for all EC transactions. The remainder are used as defaults for the Intrastat recording and are only applicable if you are using Intrastat in addition to EC VAT.

# Function Locator

Sales Ledger/Customer Account Maintenance/Customer Account Maintenance

# 11.1.2 Purchase Ledger

A new indicator is added to the Supplier Account, 'Goods received from'. This can be set to either 'Non EC Member State' or 'EC Member State'. Set all of your EC suppliers to 'EC Member State'. When specifying this type, additional information is then requested for each supplier:

- □ EC country code
- □ Nature of transaction
- □ Country of origin
- Delivery terms
- □ Mode of transport

These are used as defaults for the Intrastat recording and are only applicable if you are using Intrastat in addition to EC VAT.

# Function Locator

Purchase Ledger/Supplier Account Maintenance/Supplier Account Maintenance

# 11.1.3 Stock Ledger

Before you can use Intrastat recording, any stock items which are purchased or sold to EC member states must be modified to record additional information:

- Unit Weight
- □ Intrastat Commodity Code
æ

#### Report Supplementary Units?

#### Function Locator

Stock Ledger/Stock Record Maintenance/Stock Record Maintenance

# 11.2 EC VAT

Once set-up, the operation of the EC VAT component of the EC Trade module is, on a day-to-day basis, transparent. If sales are made to customers flagged as 'EC Export' then the VAT number is automatically shown on the invoice and no VAT is calculated.

The Current Period VAT Report and the Quarterly VAT Summary are extended to include the appropriate EC trade information.

An additional report, EC Sales List, is also provided. The layout of the report is similar to the Customs and Excise VAT101.

#### Note

If you wish to submit a plain paper format EC Sales List you will need to request approval from your local VAT office quoting reference VCU/TCU 79.

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### **Function Locator**

Nominal Ledger/Nominal Ledger Reports/EC Sales List

## 11.3 Intrastat

The movement of goods between EC countries which results from your day-to-day trading are handled via the normal routines, such as Invoice Entry.

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The default code (EC Country Code, Nature of Transaction, Delivery Terms and Mode of Transport) are retrieved from the relevant customer or supplier account. These may, however, be amended for the transaction in question.

This caters for the situation, for example, where a customer in France orders goods for delivery to Germany. This is referred to by Customs and Excise as "triangulation" and is therefore supported by the AXIS DiplomatEC Trade module.

Movements which are not a direct result of your day-to-day trade can be recorded separately on the EC Trade Statistics module using the Enter Goods Movement Details function.

### **Function Locator**

Nominal Ledger/EC Trade Statistics/Enter Goods Movement Details

The EC Trade Statistics module is capable of printing the following documents:

- A4 Arrivals Declaration
- A4 Dispatches Declaration
- □ A4 Aggregated Arrivals Declaration
- □ A4 Aggregated Dispatches Declaration
- Arrivals Declaration
- Dispatches Declaration
- Aggregated Arrivals Declaration
- Aggregated Dispatches Declaration
- Intrastat Audit List
- Aggregated Audit List
- Quarterly EC Sales List

## Note

Customs & Excise no longer accept plain paper submissions of EC Trade Statistics documentation. The A4 document prints are designed to fit onto the pre-printed forms (C1500, C1500(Cont), C1501 and C1501(Cont)). Due to line up problems (these forms are designed for use with a typewriter and not software-generated output) only a limited number of laser printers are supported for the printing of these documents.

Consult the on-line help of these functions for an up-to-date list of the supported printers.

Alternatively, the information can be transposed onto the forms manually.

The documents should be printed immediately following the Purchase Ledger Period End.

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