

Raw Material – Detailed Reference Guide

Overview and background

The Jewellery Shopkeeper has several code types for inventory Merchandise, Standard Stock, Raw Material as well as Non-inventory price and description lookup codes, linked codes and esoteric variations.

Descriptions

The first two characters of all inventory and non-inventory code is the product analysis group

Merchandise

These are unique codes that allow detailed descriptions. They are used once and then kept for reference after the item is sold. Ideal for expensive jewellery and similar unique items.

Standard Stock

This is the industry standard type of inventory control.

Raw Material

Intended for items like gold, stones and findings. It differs from standard stock in that it can control both quantity and/or mass in a single code.

This document relates to Raw Material only.

Creating a Raw Material code

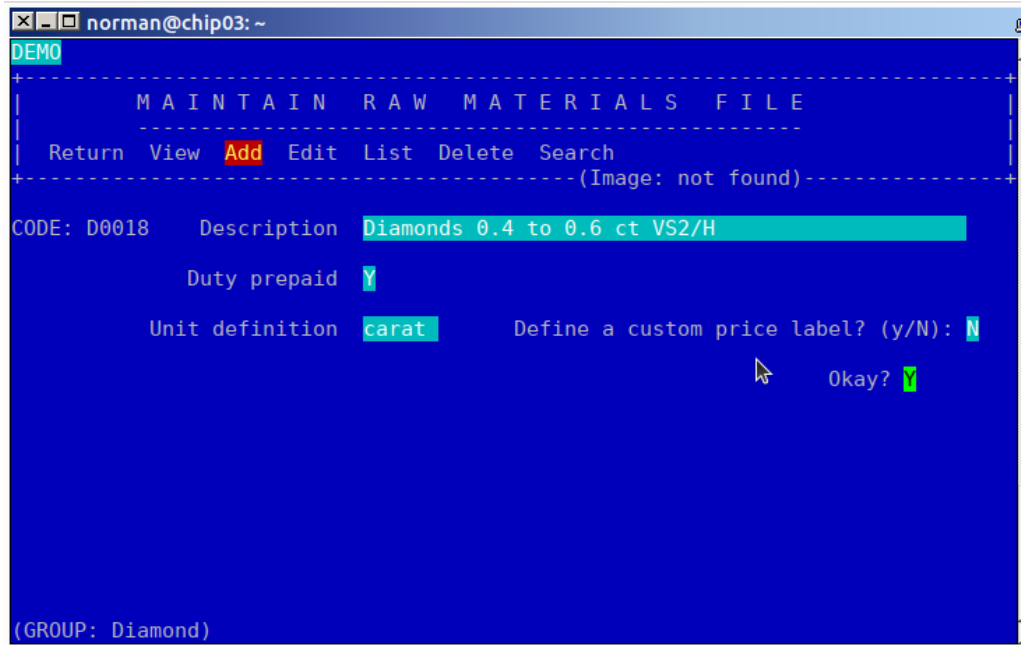
Raw material group codes are single characters A-Z preceded where necessary with an asterisk.

Reserved group codes are

*D diamond

*G gold

*L labour



These 3 codes are recognised by the program and help to analyse the cost when used to manufacture merchandise or standard stock.

Example: Adding a packet of diamonds

Type IFRA from the Outer menu. You will get the description edit screen. Type in the description of the stones. (Leave Duty prepaid as “Y” unless you wish to use it for something else.)

Unit definition

This can either be 'carat' or 'each'. The choice must be made and will depend on the value, the mix of stones in the packet and the way that the stones are dispensed. Typically a packet will contain several stones of approximately the same size, colour and clarity and the cost and price can be directly related to the carat weight.

Although the unit description is an obvious indicator of the control unit of measure, it is not in fact used to control the actual value unit. **This is defined when receiving the packet.** Note that quantity is an integer up to a maximum of 9999, but mass has 3 decimal places before and after the point.

```
norman@chip03: ~
DEMO
-----
|           M A I N T A I N   R A W   M A T E R I A L S   F I L E           |
|-----|
| Return View  Add  Edit  List  Delete  Search |
|-----|
|                                           (Image: not found)-----|
|-----|
CODE: D0018      Description  Diamonds 0.4 to 0.6 ct VS2/H
Duty prepaid    Y
Unit definition  carat       Define a custom price label? (y/N): N
                                           Okay? Y
                                          
                                          
                                          
Do you wish to receive this parcel now? Y
(GROUP: Diamond)      Posted description
```

Receiving Raw Material

Select Receive Raw Material from the menu. Enter the raw code. (Note: Unlike Merchandise and Standard Stock, the zeros must be typed in full) and the supplier. You will be asked if it is to be received on consignment and the currency, local or forex.

The reference is optional. The quantity is only required if you wish to keep count of the quantity as well as (or instead of) the mass.

```
norman@chip03: ~
RECEIVE RAW MATERIALS
-----
Raw material code: D0018 Diamonds 0.4 to 0.6 ct VS2/H
... new receiving data ...

1001 CASH PURCHASES          Consignment? (Y/N): N
                             Selling price in forex? (Y/N): N
                             (Cost prices must EXclude VAT)
Ref. 123                      Date 19/09/22  Qty 5      Cost each (optional) 0.00
                             (of qty, if given, else mass)
Tot.mass 2.35                 Meas.unit: carat

To create lookup code:
Enter zero in 'Qty', the net cost per unit in 'Cost each'
and zero also in 'Tot.mass'. After accepting the entries you
must answer 'Y' to 'Okay to post?'. You will then be asked
to select between Quantity or Mass as the costing unit.
```

Enter the total cost. This will define the cost per unit of mass. If the Tot.mass was left as zero, then the unit definition will be of quantity even if the Meas.unit is written as “carat”.

Before going further, read the text shown. It will say “Cost per carat(or what was typed in Meas.unit)” if the measuring and costing is by mass, or it will say “Cost per Each” if by quantity.

```
norman@chip03: ~
RECEIVE RAW MATERIALS
-----
Raw material code: D0018 Diamonds 0.4 to 0.6 ct VS2/H
... new receiving data ...

1001 CASH PURCHASES          Consignment? (Y/N): N
                             Selling price in forex? (Y/N): N
                             (Cost prices must EXclude VAT)
Ref. 123                      Date 19/09/22  Qty 5      Cost each (optional) 12553.19
                             (of qty, if given, else mass)
Tot.mass 2.350               Meas.unit: carat          TotalCost 29500.00

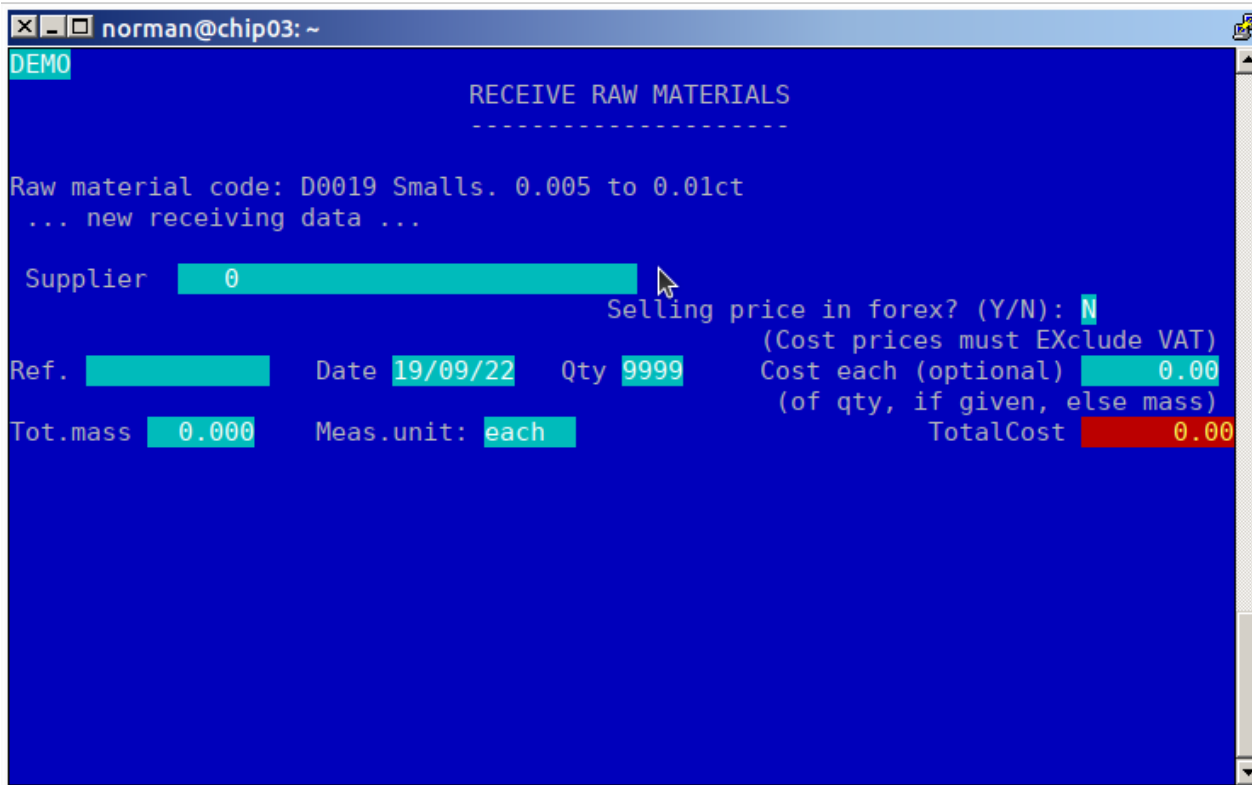
                             Total cost including VAT: 33925.00

                             Cost per carat (including VAT) 14436.17
                             Price per carat (including VAT) 0.00

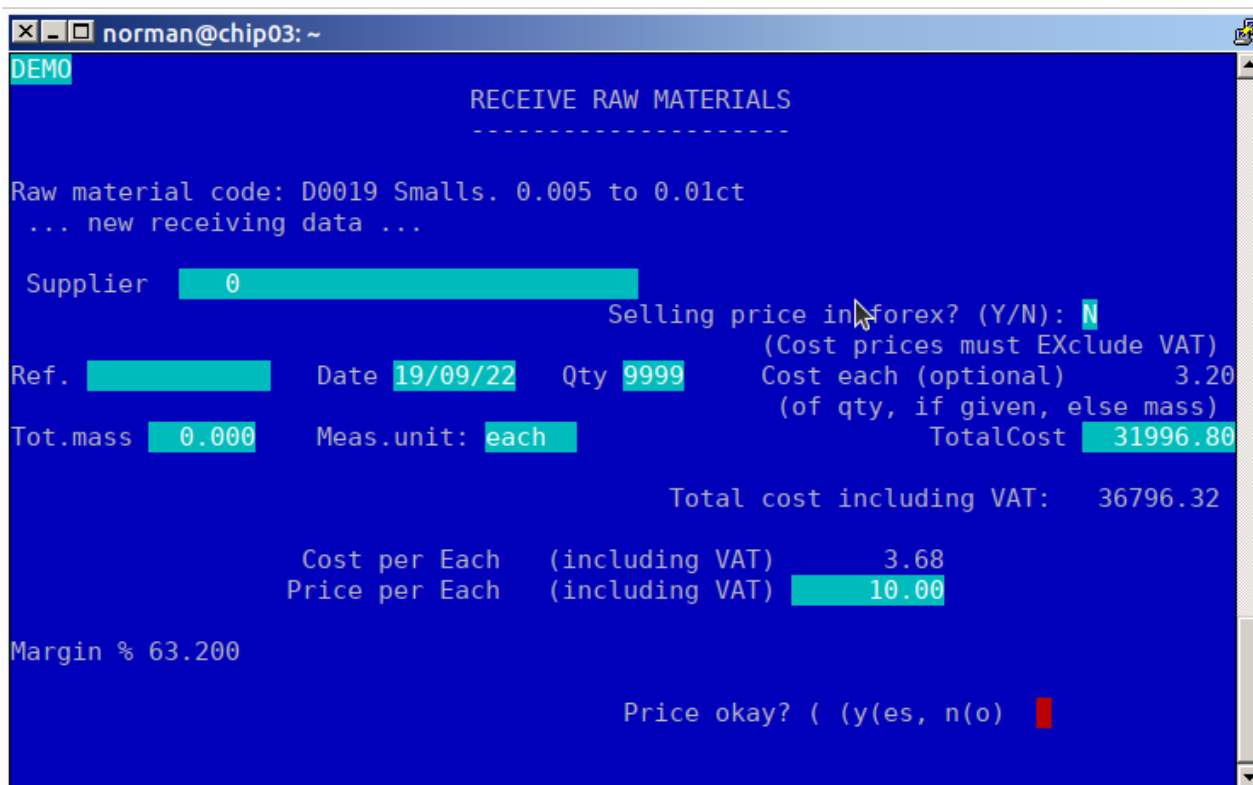
Margin % 0.000  Sig.dig. 3  Ending
```

Controlling smalls

For example 20000 x 0.007ct. Where quantity is to be controlled.



Create the code with the description as you require. Enter the quantity up to a maximum of 9999. **Leave the cost each as zero**, even though we are costing and tracking the quantity. Also, **very important**, leave the mass as zero, otherwise the costing will be by unit of mass. If 9999 is less than the quantity received, calculate the proportional cost of this quantity. Example: If 25000 were received at a total cost of R80000, the total cost of 9999 will be $80000/25000*9999$, or R31996.80



Adjusting the quantity received, to increase it above 9999

Repeat the Raw Receive transaction above. Be sure to use a correct TotalCost for the new portion received. For example, to add another 2501 to the previous 9999, set the TotalCost to $80000/25000*2501$, or R8003.20

Using Raw Material

When selling an item of raw material, or using it in a service order, Enter the code. For example D0019-Enter. Then look at the bottom line of the screen. It will show the quantity on hand and the mass on hand.

Only use from the non-zero value (unless of course both are non-zero). In the case of the smalls example this will mean that you must only enter the quantity of stones dispensed.

In the case of gold, it will be measured by mass only.

This is not applicable to “lookup codes” (see below) which will instead show both the quantity and the mass on hand as zero.

Raw Material Price Lookup Codes

In many cases it is useful to keep record of raw material usage without keeping a quantity or mass on hand. This is especially useful for labour or machine time such as engraving.

Creating a Raw Lookup Code

Decide what your unit of measure will be. It must be either Qty or Mass. Keep in mind that the only real difference is that the Qty field is always an integer, whereas the mass field has 3 decimal places. Machine time might be measured in minutes and will never need more than a few hundred minutes – so quantity can be used for that. Goldsmith time might be better measured in hours and tenths of an hour, in which case use mass.

Starting with a code that is not received (you can clear out any existing code by ITRU), go to ITRR (Inventory → Transactions → Raw → Receive) and enter the pre-defined code, such as L0003.

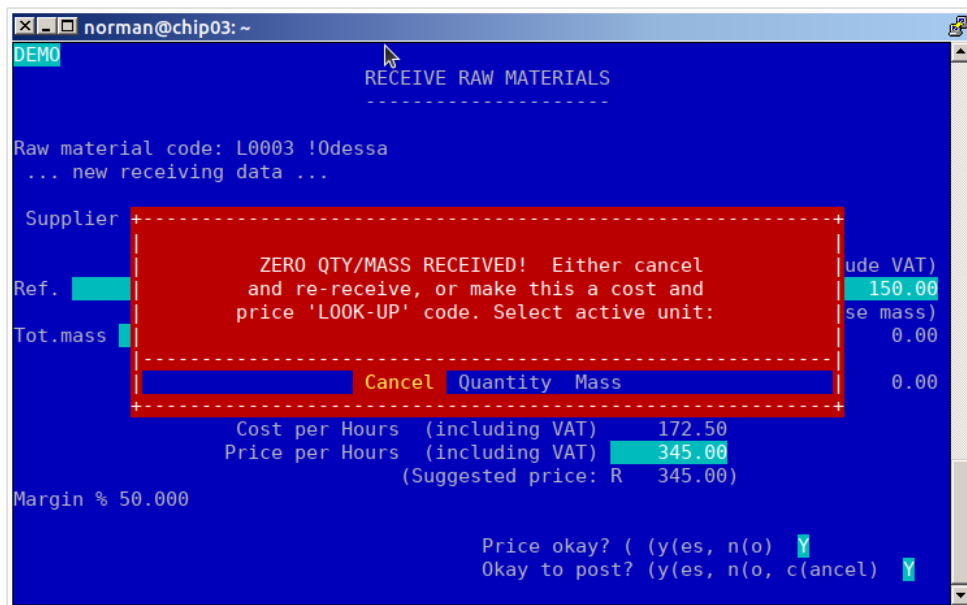
Press Escape to omit the supplier, and press Enter an select to proceed without ref.

Leave Qty zero and enter the required net cost per unit into the 'Cost each' field.

Also leave the 'Tot.mass' field zero.

In the 'Meas.unit' field enter the description of the unit. Four example “Hours”, “Minutes” or “Each”.

The computer will ask for which measurement unit you wan to use.



Select the desired unit and then go back to IFRV and check to see that the code is now correctly set .

```

norman@chip03: ~
DEMO
-----
|      M A I N T A I N   R A W   M A T E R I A L S   F I L E
|-----
|  Return  View  Add  Edit  List  Delete  Search
|-----
|-----
|-----
|  CODE  L0003  Description: !Odessa
|
|          Duty prepaid: Y
|
|          Unit definition: Hours          Use defined price label? (y/n): N
|          (
|
|
|-----
|          Transaction sensitive data
|-----
|  Supplier number: 0  Ref: 0  Date received: 20/09/22
|  Mass rcvd: 1.000  Qty rcvd: 0  Cost of total shipment: 150.00
|  Cost/Hours : 150.00  Mass on hand: 0.000  LOOKUP
|  Price/Hours : 345.00  Quantity on hand: 0  CODE
|  Date of last usage: 20/09/22  Written down amount (each): 0.00
|  Lookup code.  Active unit: Mass
|-----

```

Quiet Raw Material Codes

When parts or labour are used in service orders, you might want to record and control these items but do not want the customer to see them.

Precede the description with an exclamation mark. This will hide the item from the service order invoice.

Note: This only works when the quiet raw code is used as a 'Parts' in a service order and then invoiced from the service order.

Non-inventory raw material

A 3-character code starting with an asterisk (*), followed by a letter from A to Z and ending with another asterisk. (This code type is valid for The Jewellery Shopkeeper only.) Negative quantity and mass as well as negative price must be entered to reverse a sale, or use S(ales, T(ransactions, R(eturn.

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That's all for now. For more information about all 12 inventory types and "Linked Codes, refer the The Jewellery Shopkeeper Reference Manual. (From page 139)

<https://shopkeeper.co.za/download/tutorials/jskman.pdf>