

# Protean Software

Misc Nominal Codes

# Misc Nominal Codes

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## What are they used for?

Misc Nominal Codes are used to categorise purchases, sales and items used on jobs that aren't either Engineer Labour or Stock Parts. As Misc items are essentially description only items, having different Misc Nominal Codes, allows us to differentiate the type of items we are either buying, selling or using.

Here are some examples of the processes in Protean where Misc Nominal Codes are used. Below each process are some examples of the types of things Misc Nominal Codes could be used to represent.

### Purchase Order

Description	Cost Type	Cost	Due	Job No
Bags of rags	Consumables	£25.00	25/01/2016	

Example Misc Purchases: Purchase of one off items such as hotel accommodation, subcontractor labour, parking and tolls, plant hire etc.

### Sales Order

Description	Misc Type	Tax Type	Cost	Price
Sale of training services 1 day @ £550.00 per a day	Consumables	Standard	£100.00	£550.00

Examples Misc Sales: Selling of training, software upgrades, environmental charge, and other intangible items.

### Job

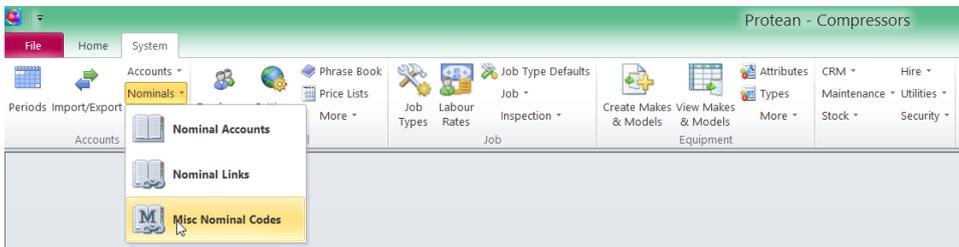
Visit	Description	Misc Type	Tax Type	Cost	Price	Markup
0	Fit new tyres as supplied by Tyres R Us	Sub contractor	Standard	£200.00	£0.00	-100.00%

Misc items on jobs can be used to both record costs that have been incurred such as subcontractors and plant hire etc, as well as items that you may want to charge for such as training, environmental charges, consumables, software updates, as well as items that are too small to list individually.

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### How do I add a new Miscellaneous Type?



1. Go to **System | Accounts | Misc Nominal Codes** on the menu.

The screenshot shows the 'Miscellaneous Nominal Codes' window. It contains a table with the following columns: Description, Cost, Price, Valuation (BS) Acc, Cost of Sale Acc, Sales Acc, Labour, Add To Job, PDA, Allow on EQ, and Add to EQ. The table lists various codes such as Accomodation, Consumables, Environmental Charge, Parking & Tolls, Plant Hire, Subcontractor Labour, Subcontractors Materials, Training, Misc Parts, Carriage, and Insurance. Each row has a 'Stock Type' dropdown menu and checkboxes for the other columns.

Description	Cost	Price	Valuation (BS) Acc	Cost of Sale Acc	Sales Acc	Labour	Add To Job	PDA	Allow on EQ	Add to EQ
Accomodation	£0.00	£0.00	0025	7100	4000	<input checked="" type="checkbox"/>				
	Minor Parts				0					
Consumables	£0.00	£0.00	0025	5002	4000	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consumables				0					
Environmental Charge	£0.00	£0.00	0020	5002	4000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Major Parts				0					
Parking & Tolls	£0.00	£0.00	0390	7100	4000	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Major Parts				2					
Plant Hire	£0.00	£0.00	0010	6900	4000	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Filters				0					
Subcontractor Labour	£0.00	£0.00	0010	6001	4000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consumables				0					
Subcontractors Materials	£0.00	£0.00	1002	6002	4000	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Major Parts				2					
Training	£0.00	£0.00	0010	5003	4000	<input type="checkbox"/>				
	Fuel				0					
Misc Parts	£0.00	£0.00	0010	5000	4000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Consumables				0					
Carriage	£0.00	£0.00	0040	6203	4000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Consumables				0					
Insurance	£0.00	£0.00	0010	6300	4000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Consumables				0					
*	£0.00	£0.00				<input type="checkbox"/>				

2. Enter a **Description** for this new Misc Type. The Description is seen only internally and should be easily recognisable by users as to its purpose.
3. You can optionally enter a default cost and selling price for this Misc Type. This can be useful for things like consumables or environmental charges that are automatically added to the job

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4. Select the appropriate Nominal Codes for the three Accounts required from the drop-down lists. These are Valuation (Cost of Goods Sold) a Balance Sheet account; Cost of Sales (P&L) and Sales (P&L). For further information on nominal coding please see below. Or use the Help for further advice on selecting the right codes.
5. Select Departments as appropriate for each Account, if using departments in your accounting system.
6. Then select a Stock Type from the list. (see below as to why you need to select a Stock Type)

## Tick Boxes

Labour	Add To Job	PDA	Allow on EQ	Add to EQ
<input checked="" type="checkbox"/>				

7. The Labour tick box is used to tell the system whether this Misc Item should be categorised as Labour or Parts on an Invoice. This is primarily for use in the Republic of Ireland but can also be used if you are consolidating information on the invoice layout.
8. Tick Add to Job if you would like this item added to each Job as it is created automatically. Such items can be manually removed if necessary. This is often used for adding additional charges for things like Consumables and Environmental Charges.
9. Tick PDA this box allows you to choose which Misc Types should be available for PDA user to select when adding Misc items to a job visit.
10. Tick Allow on EQ to make the Misc Type available for selecting on Equipment Quotations.
11. Tick Add to EQ to automatically add the Mics Type to Equipment Quotations, these Misc Types could be for things like Carriage, Packaging or Insurance.

Repeat steps 2 to 11 for as many Misc Types as you require

NB Because you can type in the invoice description for each Misc Item when you create the Order or the Job, they are very flexible. You can use one Misc Type for many functions. The only reason for creating new Misc Types is if you wish them to report to different Nominal Codes on your Accounts Software.

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## Nominal Ledger Coding

### What are the Nominal Codes required for Misc Types?

This depends on how the Misc Nominal Codes are used, there are three nominal ledger codes that can be entered against each Misc Nominal Code.

These are:

Valuation	Balance Sheet	The COGS or valuation account on the Balance Sheet. The current balance will be the value of Misc receipts minus Misc sales or issues to Jobs.
Cost of Sale	Profit & Loss	When you sell a Misc Item, or use it on a Job, the cost value of the item will be posted to this account.
Sales	Profit & Loss	When you sell a Misc Item, or use it on a Job, the sales value of the item will be posted to this account.

**There is essentially three ways in which Misc Items can be used from a nominal ledger point of view. The setup of the nominal codes is therefore very important, as if used incorrectly can cause discrepancies in the accounts system.**

#### A. Items purchased for resale/use on a job

In this case you need to consider all three nominal codes on the form. The first is the Valuation account. If we were to raise a purchase order for this item and book it in, the system would debit this account.

The second code is the Cost of Sale. If we continue the example above, the item you just purchased is then sold out on a Job. The cost of the item would end up in the account specified here in the Profit & Loss (via WIP).

The last account is for the revenue in Profit & Loss when this item is sold/used.

PO & Book In	DR	Valuation (Cost)
	CR	Accrual (Cost)
Add to Job	DR	WIP (Cost)
	CR	Valuation (Cost)
Inv Job	DR	Cost of Sale (Cost)
	CR	WIP (Cost)
+ revenue	CR	Sales (Charge)
	DR	Trade Debtors (Charge)

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## B. Overhead Items

You can use Miscellaneous to order overhead items for your business such as stationery or workwear.

In this case you only need to consider the first code (labelled Valuation) as this code will be debited when the order is received.

PO & Book In	DR	Valuation (overhead account) (Cost)
	CR	Accrual (Cost)

In this way the costs of the items get booked to the Profit & Loss automatically on receipt.

As the other two boxes cannot be blank we suggest selecting the overhead code applicable for all three boxes. In the event of someone selling an overhead item by mistake will then have a nil effect on the Profit & Loss

## C. Items for resale that are not purchased through the system (no Purchase Order /Purchase Invoice)

You may also have Misc items that you do not raise purchase orders for, as the costs come into the company in another way.

In this scenario the first two columns (Valuation & COS) need to be set to the same code, with the Sales code as normal.

Add item to job	DR	WIP (Cost)
	CR	VALUATION (e.g. acc code 5010) (Cost)
Job invoiced	DR	Cost of Sale (e.g. acc code 5010) (Cost)
	CR	WIP (Cost)
+ revenue	CR	Sales (Charge)
	DR	Trade Debtors (Charge)

This prevents any double accounting of the cost of these items as no costs are posted from Protean – they net off. The costs may already be in the Profit & Loss (e.g. Labour) or be posted from outside (e.g. Credit Card/Petty Cash)

## Why do I have to select a Stock Type?

Linking a Misc Type to a Stock Type enables the user to take advantage of the functionality associated with Stock Types specifically in terms of Job charging structures and VAT Rates.

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## Version Control

Version	Comments	User	Date	Approver
0.2	Added new logo, version control and contents	Richard Barron	16/08/2019	