


Deferred Liability Setup and Relieving of the Liability

Sales Item Setup for Trusting

1. An article of merchandise, in this case a vault, is to be sold. When sold At Need, no trusting is required. When sold preneed, the state law requires that 60% of the sales price is to be placed into the Merchandise Trust; in this case, Trust 2.
2. The trust is to be deferred until delivery.
3. The trust liability for each item sold is established during system set up, our example shown on the screen below.

Sales Items
_ □ ×



Item Code
Item Description

Sales Category Code ▾
Sales Category Name

Item Note

Sales Item
Trust Setup

Our Cost

Other Cost

At Need Trusting
 Preneed Trusting

	Trust ID	Trust Name	At Need Method	PreNeed Method	Add Tax	Trust Fixed Amount	Trust Pct. 1	Trust Pct. 2
Trust 1	<input type="text" value="01"/> ▾	<input type="text" value="Per Care"/>		<input type="text" value="N"/> ▾	<input type="checkbox"/>			
Trust 2	<input type="text" value="02"/> ▾	<input type="text" value="P/N Trust"/>		<input type="text" value="P"/> ▾	<input type="checkbox"/>		<input type="text" value="0.600"/>	
Trust 3	<input type="text" value="03"/> ▾	<input type="text" value="Trust 3"/>		<input type="text" value="N"/> ▾	<input type="checkbox"/>			
Trust 4	<input type="text" value="04"/> ▾	<input type="text" value="Trust 4"/>		<input type="text" value="N"/> ▾	<input type="checkbox"/>			
Trust 5	<input type="text" value="05"/> ▾	<input type="text" value="Trust 5"/>		<input type="text" value="N"/> ▾	<input type="checkbox"/>			

Post to Deferred Sales
 Post to Deferred Cost

Percent to Defer

General Ledger Set Up in Nexus to Handle a Vault Sale

4. The graph below shows how Nexus is set up to record this transaction in the General Ledger. The set up on these screens are not intended to be balanced entries. They are simply posting instructions for GL
5. The numbers in the debit and credit columns are the GL numbers corresponding to the activities in the left hand column. For example, the sale of the vault is credited 40% to account 33100 and 60% to account 20100.
6. Once the vault is recorded as delivered in Nexus, the 60% previously deferred to 20100 will be cleared and credited to the sales account 33100.

G/L Account Description		Debit Account	Dept? Prog?	Credit Account	Dept? Prog?
Deferred Sales	1		<input type="checkbox"/> <input type="checkbox"/>	20100 DEFERRED LIAB	<input type="checkbox"/> <input type="checkbox"/>
	2		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>
Sales	1		<input type="checkbox"/> <input type="checkbox"/>	33100 VAULT SALES	<input type="checkbox"/> <input type="checkbox"/>
	2		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>
Deferred to Actual Sales	1	20100 DEFERRED LIAB	<input type="checkbox"/> <input type="checkbox"/>	33100 VAULT SALES	<input type="checkbox"/> <input type="checkbox"/>
	2		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>
Payments	1		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>
	2		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>
Cancellations	1	33100 VAULT SALES	<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>
	2		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>

Selling the Item on a Contract


1. The sale of the vault (Item) during contract entry display as shown below.
2. 60% , or \$495 of the \$825 sales price is shown as the liability to Trust 2, the Merchandise Trust.

Contract Item Entry
_ □ ×

Contract Number
Group ID
Sales Category Name

Sales Item Code

Quantity Sold Qty. Changed
Comm.



Unit Sales Price	\$825.00	Extended Sales Price	\$825.00
Unit Cost	\$515.00	Extended Cost	\$515.00
Unit Other Cost	\$20.00	Other Cost	\$20.00
Transfer Allowance	\$0.00	Transfer Contract #	<input type="text"/>

Total Tax

Trust Name	Trust Per Unit	Trust Allowances	Total Trust
<input type="text" value="Per Care"/>	\$0.00	\$0.00	\$0.00
<input type="text" value="P/N Trust"/>	\$495.00		\$495.00
<input type="text" value="Trust 3"/>	\$0.00		\$0.00
<input type="text" value="Trust 4"/>	\$0.00		\$0.00

The Sales Register Shows 60% Deferred and 40% Hitting the Sale

**River Oaks Memorial Park
Sales Register**

Report Through: 02/13/2009

Report Number: 03-08

<u>Account</u>	<u>Debit</u>	<u>Credit</u>	<u>Contract</u>	<u>Description</u>
12100 A/R	878.40		70002	SAL
20100 DEFERRED LIAB		-495.00	70002	DET
33100 VAULT SALES		-330.00	70002	DET
43100 COST OF VAULTS	515.00		70002	SCT
13300 INVENTORY-VAULTS		-515.00	70002	SCT
20500 DUE TO O/C TRUST	495.00		70002	F02
27210 O/C TRUST		-495.00	70002	F02
18200 DEFERRED INTEREST		-53.40	70002	F08
Totals:	1,888.40	-1,888.40		

Item Delivery Screen

1. This screen is used when the item has been received, delivered, or installed, depending upon the preference of the cemetery. The screen shows the number of vaults sold and the user selects the number to deliver.
2. The choice of the new status is shown in the yellow Status Box at the bottom of the screen.
3. Once accepted, the GL transaction is automatically completed.

Contract Number: 70002 Find

Purchaser: Carlisle, John

<input checked="" type="checkbox"/>	Seq	Item	Item Description	Qty Sold	Fulfilled	Qty to Chg	Original Cost	Curent Cost	Actual Cost
<input checked="" type="checkbox"/>	1	37	Lined Monticello	1	0	1	\$515.00	\$515.00	\$515.00

Status: D Status Date Change: 02/13/2009

Change Status

Ok

GL Entries Show Relief of Deferred Liability

**River Oaks Memorial Park
Sales Register**

Report Through: 02/13/2009

Report Number: 03-09

<u>Account</u>	<u>Debit</u>	<u>Credit</u>	<u>Contract</u>	<u>Descriptio</u>
20100 DEFERRED LIAB	495.00		70002	DET
33100 VAULT SALES		-495.00	70002	DET
Totals:	495.00	-495.00		