

Discount on Deposit Deduction

Discount on Deposit Deductions may arise when deposit is used to settle invoice as payment for purchase another item.

Member WeM-00001 use \$8,000 to purchase a Deposit value (D10000) of \$10,000.

Invoice journal will record this transaction as follows.

Invoice date	Invoice no	Invoice type	Member code	Member name	Invoice	Paid	Payment	Deposit	OS
01-Jun-2016	PSI-02038	Sales	WeM-00001	Amy Chan	\$ 8000.00	\$ 8000.00	Visa	\$ 0.00	\$ 0.00

Item sales listing will record this transaction as follows.

Date	Invoice no	Member code	Item code	Item name	Quantity	Unit Price	Gross amount	Item discount	Item amount	Invoice discount	Net item amount
31-May-2016	PSI-02038	WeM-00001	D10000	Value 10000	1.00	\$ 10000.00	\$ 10000.00	\$ 2000.00	\$ 8000.00	\$ 0.00	\$ 8000.00

Subsequently, member WeM-00001 purchases Moisturing Day Cream (MDC) at \$280 by this deposit.

Invoice journal will record this transaction as follows.

Invoice date	Invoice no	Invoice type	Member code	Member name	Invoice	Paid	Payment	Deposit	OS
01-Jun-2016	PSI-02039	Sales	WeM-00001	Amy Chan	\$ 280.00	\$ 0.00		\$ 280.00	\$ 0.00

Item sales listing will record this transaction and display as follows.

Date	Invoice no	Member code	Item code	Item name	Quantity	Unit Price	Gross amount	Item discount	Item amount	Invoice discount	Net item amount
01-Jun-2016	PSI-02039	WeM-00001	MDC	Moisturing Day Cream	1.00	\$ 280.00	\$ 280.00	\$ 0.00	\$ 280.00	\$ 56.00	\$ 224.00
01-Jun-2016	PSI-02039	WeM-00001	Discount on Dep Deduction	Discount on Dep Deduction	0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	-\$ 56.00	\$ 56.00
Grand Total							\$ 280.00	\$ 0.00	\$ 280.00	\$ 0.00	\$ 280.00

Net item amount: \$ 280.00

Deposit deductions: \$ 280.00

Net item amount (after deposit deductions): \$ 0.00

Net item amount this Moisturing Day Cream (MDC) is $\$280 * \$8,000 / \$10,000 = \224

The difference between the net item amount (\$224) and the face amount (\$280) is called discount on deposit deductions (\$56)

Amount of deposit used to settle invoice as payment is called Deposit deductions (\$280).