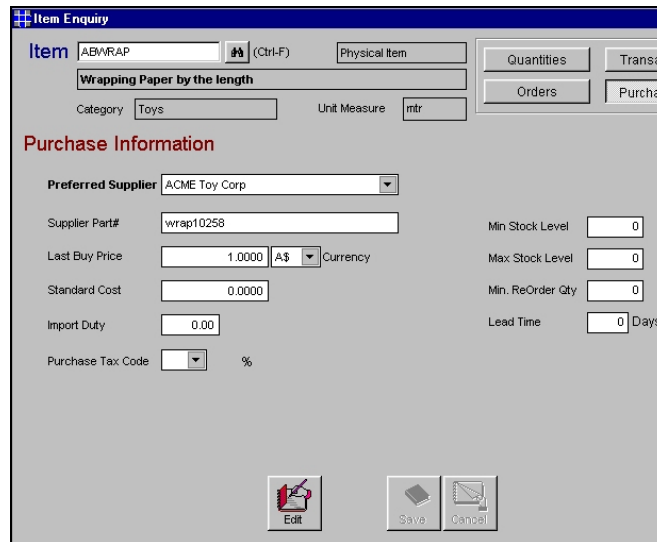


Instruction Sheet

Subject	Using Standard Costed Inventory items
Overview	Standard cost inventory items are entered into the inventory at the Standard Cost with the value automatically being credited to the Stock Purchase Allocation account. The real import costs, when received, are used to offset the Stock Purchase Allocation account.

Instructions

Set up Standard Cost item



Menu process

Inventory > Inventory List > Add Edit > Definition



Complete Item Definition as appropriate



Purchase Info

Complete Purchase information



Standard Cost: Complete as appropriate. This is in A\$

IMPORTANT!

Do not enter Last Buy Price as this will have an influence on later steps.

Using Standard Costed Inventory Items

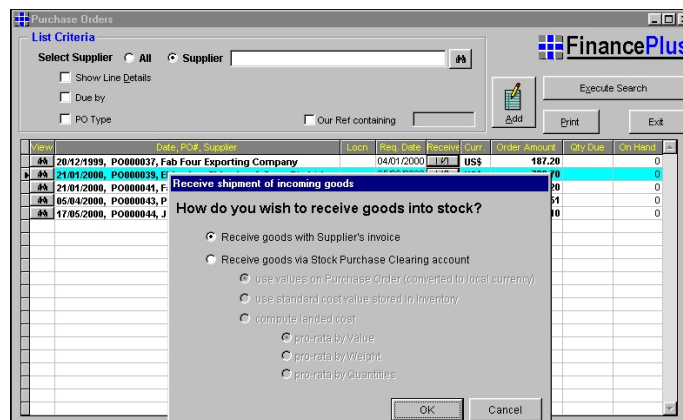
Purchase Standard Cost item

Menu process Purchases > New PO

Complete as appropriate



Receive Standard Cost Item



Menu process Purchases > Pending PO

Complete supplier field

IMPORTANT!

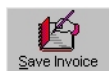
Click on Receive column

In "Receive shipment of incoming goods" window

- Click "Receive goods via Stock Purchase Clearing Account"
- Click on "Use Standard Cost value stored in inventory"
- OK to save

In Receive Goods window enter Quantities received

Note that the values are based on Standard Cost



Background

The value of the new goods, based on the Standard Costing is automatically Credited to the Stock Purchase Clearing Account

Using Standard Costed Inventory Items

Receive Actual Cost of Standard Cost item

Description	Account	Dept	Account Name	Amount A\$	Projct	Tax
Order # 958632-1 received on 16/5/2000				0.00	N	N

Sub-Total	Tax	Total
0.00	0.00	0.00

Menu process

Purchases > Receive a Bill

Supplier: As appropriate

Description: As appropriate – HINT add a reference to description of goods

Account: Double-click to open “Select Account from Chart of Accounts”

Enter actual values of goods/freight/charges

NOTE

Different currencies may be entered using the “Currency” field

IMPORTANT!

In FinancePlus Validation message – answer YES

NOTE

All charges related to each shipment are entered in the same manner

Background

The value of the new goods, based on the Real Cost(s) is now Debited to the Stock Purchase Clearing Account, balancing the previous Credit entry

Journal to clear balance of Stock Purchase Allocation account

Periodically a journal must be raised to clear the balance of the Stock Purchase Allocation account. The journal moves between the Stock Purchase Allocation account and the Cost of Goods Sold.

Suggest the creation of a sundry COGS account called Standard Cost reallocation.