FINDING THE DOLLAR VALUE OF INVENTORY ADJUSTMENTS

Inventory Reports regarding adjustments tell you about quantities: *how many* units fell from the sky and *how many* units grew legs and walked off. You already know the dollar value of inventory that was adjusted in, because you assigned it a cost when you added the adjustment. You may need to do a little digging to determine the dollar values of inventory adjusted out, because agrē uses FIFO from the product's Cost History to determine the value.

What you'll find:

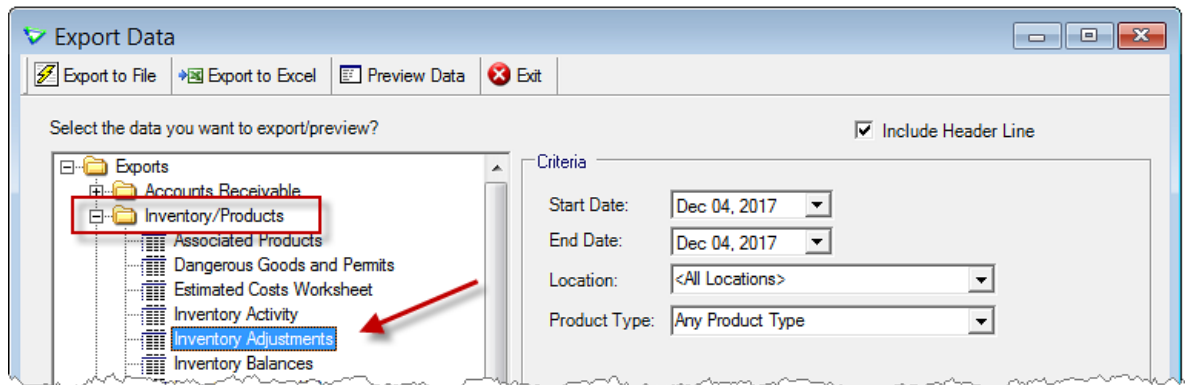## Quick & Easy: Inventory Adjustment Data Export

The quickest way to find the dollar value is by using the *Inventory Adjustments data export*.

This method works well for single or multiple adjustments when a **weighted-average cost** is what you're looking for.
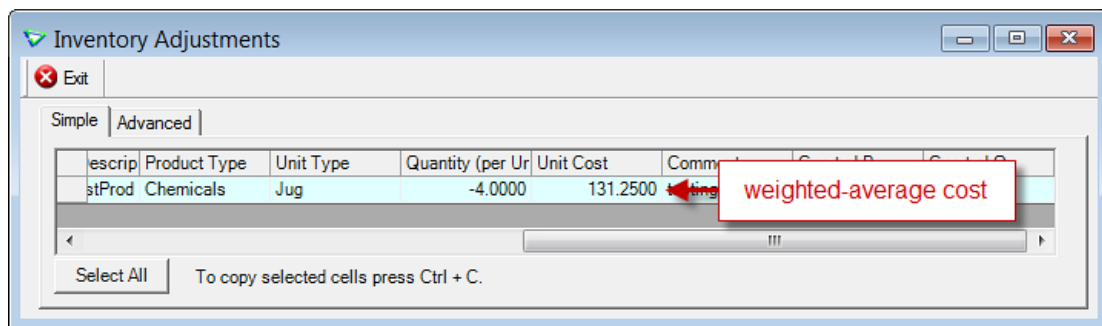
To run the Inventory Adjustment data export

- Navigate to: *File > Exports > Data*

- From the Inventory/Products group, select *Inventory Adjustments*

- Choose the criteria and *Preview* the data

Quick & Easy: Inventory Transaction Details Report

Another easy - but not quite as quick - way to find the value of an adjustment is from the *Inventory Transaction Details report* (a.k.a "The Secret Report" because you won't find it on any menu).

This method works well when you need to know the value of a single or just a few adjustments *and* you want the **cost for *each* unit** adjusted.

From the Inventory Adjustment Report

- Add an Inventory Adjustment like you normally would.

- Preview the *Inventory Adjustment report*.

  - Click the *Quantity* link.
    The *Inventory Transaction Details report* opens.

  - The value of the adjustment is shown in the **Unit Costs Applied to This Transaction** section.

- If you need to find the values of several adjustments, follow this process for each one.

- Clicking the link to the **Journal** entry will also give you the dollar value of the adjustment, but no details about the product or quantity involved.

From the Inventory Activity Detail Report

Another way to get to the *Inventory Transaction Details report* is from the Inventory Activity Detail Report.

- Navigate to *Inventory > Reports > Inventory Activity Detail*.
  Select the appropriate dates, narrow down your results by product or product type, and chose *Inventory Adjustments* as the Activity Type.

- Find the adjustment on the report and click on the quantity value in the *In/Out* column.
  The *Inventory Transaction Details report* will open.

- If you need to find the values of several adjustments, follow this process for each one.

Lots of Adjustments

The Inventory Transaction Detail report works well, but if you have a lot of adjustments and need a total you'd have to add it all up manually.

Separate GL Account = Less Math

If you know in advance that you're going to want to track dollar value of multiple inventory adjustments, make it easier by posting them to a separate GL instead of to COGS (which is the default). That way agrē will do the math for you.

- Create a new GL account (a 5 COGS account or a 6 Expense account) called "Product Adjustments" or "Dry Fertilizer Write-offs" or something similar and use it just to keep track of adjustments.
  You can use one GL for all adjustments, or you can create multiple GLs to track adjustments by say, product type

- When you add Inventory Adjustments, use the new adjustment GL account instead of the product's usual COGS account.

- To find the dollar value of the outgoing product, navigate to *General Ledger > Reports > Account Transaction Detail*.

- Select the appropriate dates and choose just the adjustment GL account.

- When you use a separate GL, agrē adds up all the values instead of you doing it manually.
  If you use a separate GL for each product type, you'll be able to quickly determine the dollar value of all the Dry Fertilizer or all the Seed that you adjust throughout the year.

What if I have a lot of adjustments to add up but I *didn't* use a separate GL account?

If you didn't realize you'd have *that* many adjustments, you can find the total dollar value after the fact in the *General Ledger Transaction Journal* (the report of every single posting ever made) or the *GL Transactions* data export (the export of every single posting ever made), but it's best to export the results

and open them in a spreadsheet program (like Microsoft Excel) where you can do some sorting, filtering and manipulating of the data to view and total the results the way you want.

GL Transaction Journal

- Navigate to *General Ledger > Reports > GL Transaction Journal*.
  Select the dates (either entry or posting) and choose Inventory as the Source. Narrow down the list of results further by selecting only the relevant COGS account(s). You can also suppress corrections.

- Export the Raw Data in Excel format.

- Start a spreadsheet program (such as Microsoft Excel) and open/import the exported data file.

- Sort or filter the data as needed so that you can add up the dollar values.

GL Transactions Data Export

The *GL Transactions* data export includes the same information as the GL Transaction Journal report. You aren't able to filter just for the inventory adjustments as quickly, but it's a little easier to get the results into an external program (like Excel) to add up all the values - just copy and paste.

- Navigate to *File > Export > Data > General Ledger > GL Transactions*.
  Select the posting dates. If you want to suppress corrections, leave *Active Post Only* = Yes. To display corrections, change it to No.

- Narrow down the results to just the Inventory transactions by heading over to the *Advanced* tab and dragging the *Source* column header into the dark grey area above the columns, then click on the column header *Description* to sort.
  Click in the + next to *Source: Inv* in the grid to display the details.

File > Data Exports > GL > GL Transactions

- Select just the rows that are flagged as *Inventory Adjustments* and copy them (Ctrl+C) into Excel where they can be totaled up.