

A2000ERP ~ INVENTORY

My weighted average stock cost is wrong when filtered by individual warehouses, although it is correct by all-warehouses. Why is it so?

Case: In A21, the Weighted Average Cost of stocks is treated as weighted cost across "all warehouses". This is to achieve a more consistent averaging effect, rather than each warehouse having its own distinct average cost. However in light of this design, we may encounter in certain cases, the stock ledger showing "0" quantity with a negative cost. Prima facie, it looks like a problem, but is actually not a problem.

1

BASIS: All Warehouses

A stock ledger, basis: "ALL WAREHOUSES", shows correctly the balance quantity as 1 piece @\$5/-.

Trn	Customer/Supplier	WH	In	Rate	Out	Cost	Balance	Value
SAMPLE PRODUCT								
SI-101	Supplier A Pte Ltd	WH-1	1	\$10/-	-	-	1	\$10/-
SI-102	Supplier B Pte Ltd	WH-2	1	\$0/-	-	-	2	\$10/-
CR-500	Customer X Pte Ltd	WH-2	-	-	1	\$5/-	1	\$5/-
							1	\$5/-

Note: (B) and (C) below sums up to be equal to (A)

A

2

BASIS: Cost By Individual Warehouses

When the transaction filters down to "WH-2", the stock shows a zero piece with negative \$5/- as value.

Trn	Customer/Supplier	WH	In	Rate	Out	Cost	Balance	Value
SAMPLE PRODUCT								
SI-102	Supplier B Pte Ltd	WH-2	1	\$0/-	-	-	1	\$0/-
CR-500	Customer X Pte Ltd	WH-2	-	-	1	\$5/-	0	-\$5/-
							0	-\$5/-

B

When we take transaction filtered down to "WH-1", we still see the intact 1 piece that is valued at \$10/-. If looked at in totality, we have both warehouse being correct at 1 piece @\$5/-.

Trn	Customer/Supplier	WH	In	Rate	Out	Cost	Balance	Value
SAMPLE PRODUCT								
SI-101	Supplier A Pte Ltd	WH-1	1	\$10/-	-	-	1	\$10/-
							1	\$10/-

C

*** END ***

Unique solution ID: #1016

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