

Introduction to MS Dynamics

NAV XXXIII-Expected Costs

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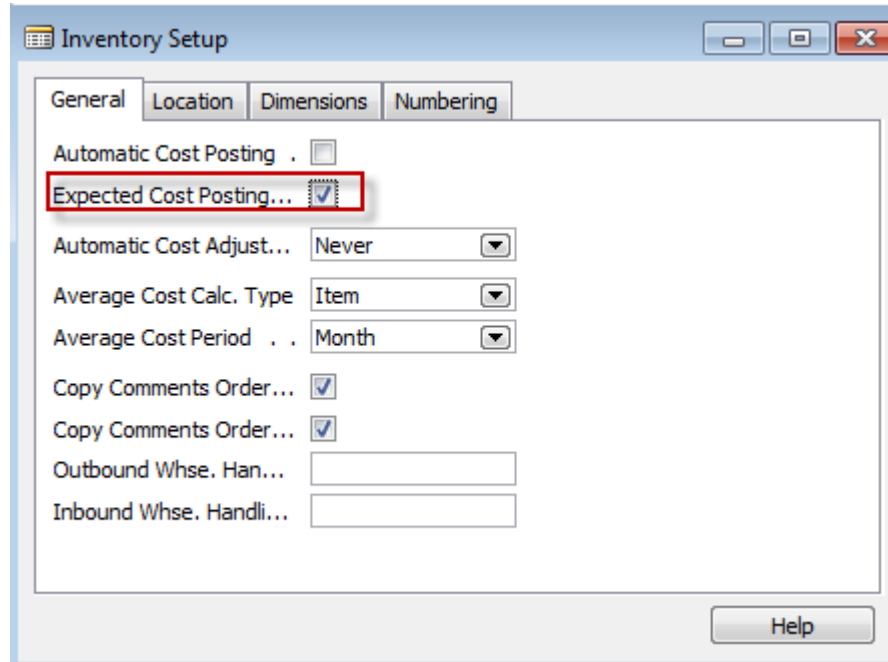
Expected costs initial setup

- Expected costs are the estimate that you make of the cost of, for example, purchasing an item before you actually receive the invoice for the item
- You can post expected cost to both inventory and to G/L. Whenever you post a document, such as an order or a journal, as received or shipped, a value entry line will be created with the expected cost. This expected cost **will affect inventory value, but it will not be posted to G/L unless you have set the program up to do that**
- Expected costs are posted to interim accounts in the general ledger. If you want to post expected cost, you must set up interim accounts for the relevant posting groups in the [General Posting Setup](#) table.



See setup later in this show

Expected costs initial setup I



If there is a check mark in the field, the program will post expected costs to interim accounts.

Expected costs initial setup II.

Financial Management

- [-] General Ledger
- [-] Cash Management
- [-] Receivables
- [-] Payables
- [-] Fixed Assets
- [-] Inventory
- [-] Setup
 - [-] General Ledger Setup
 - [-] Accounting Periods
 - [-] No. Series
 - [-] Posting Groups
 - [-] General
 - [-] **Business**
 - [-] Product
 - [-] Posting Setup

Gen. Posting Group	Bus. Posting Group	Gen. Prod. Posting Group	Sales Account	Credit Memo Account	Sales Line Disc. Account	Sales Inv. Disc. Account	Purch. Account	Purch. Credit Memo Ac...	Inv. Accrual Acc. (Interim)	Purch. Disc. Account	Line Account
		MANUFACT	6110	6110	6910	6910	7110	7110			7140
		MISC							5510		
		NO VAT							5510		
		RAW MAT							5530		
		RETAIL							5510		
		SERVICES							5510		
EU		MANUFACT	6120	6120	6910	6910	7120	7120			7140
EU		MISC	6120	6120	6910	6910	7120	7120	5510		7140
EU		NO VAT	6120	6120	6910	6910	7120	7120	5510		7140
EU		RAW MAT	6220	6220	6910	6910	7220	7220	5530		7240
EU		RETAIL	6120	6120	6910	6910	7120	7120	5510		7140
EU		SERVICES	6420	6420	6910	6910	7120	7120	5510		7140
EXPORT		MANUFACT	6130	6130	6910	6910	7130	7130			7140
EXPORT		MISC	6130	6130	6910	6910	7130	7130	5510		7140
EXPORT		NO VAT	6130	6130	6910	6910	7130	7130	5510		7140
EXPORT		RAW MAT	6230	6230	6910	6910	7230	7230	5530		7240
EXPORT		RETAIL	6130	6130	6910	6910	7130	7130	5510		7140
EXPORT		SERVICES	6430	6430	6910	6910	7130	7130	5510		7140
INTERC...		MISC	6120	6120	6910	6910	7120	7120	5510		7140
INTERC...		NO VAT	6120	6120	6910	6910	7120	7120	5510		7140
INTERC...		RAW MAT	6120	6120	6910	6910	7120	7120	5530		7240
INTERC...		RETAIL	6120	6120	6910	6910	7120	7120	5510		7140
NATIONAL		MANUFACT	6110	6110	6910	6910	7110	7110			7140
NATIONAL		MISC	6110	6110	6910	6910	7110	7110	5510		7140
NATIONAL		NO VAT	6110	6110	6910	6910	7110	7110	5510		7140
NATIONAL		RAW MAT	6210	6210	6910	6910	7210	7210	5530		7240
NATIONAL		RETAIL	6110	6110	6910	6910	7110	7110	5510		7140
NATIONAL		SERVICES	6410	6410	6910	6910	7110	7110	5510		7140

New item

General	Invoicing	Replenishment	Planning	Foreign Trade	Item Tracking	E-Commerce	Warehouse
No.	EXP_COST_01				Search Description . . .	EXPECTED COST...	
Description	Expected costs O1				Inventory.	0	
Base Unit of Measure . . .	PCS				Qty. on Purch. Order . .	0	
Bill of Materials	<input type="checkbox"/>				Qty. on Prod. Order . .	0	
Shelf No.					Qty. on Component Lines	0	
Automatic Ext. Texts . . .	<input type="checkbox"/>				Qty. on Sales Order . .	0	
Created From Nonstoc...	<input type="checkbox"/>				Qty. on Service Order . .	0	
Item Category Code. . .					Service Item Group . . .		
Product Group Code. . .					Blocked	<input type="checkbox"/>	
					Last Date Modified . . .	19.08.15	

General	Invoicing	Replenishment	Planning	Foreign Trade	Item Tracking	E-Commerce	Warehouse
Costing Method	FIFO				Gen. Prod. Posting Group	RETAIL	
Cost is Adjusted.	<input checked="" type="checkbox"/>				VAT Prod. Posting Group.	VAT25	
Cost is Posted to G/L . . .	<input checked="" type="checkbox"/>				Inventory Posting Group.	RESALE	
Standard Cost	0,00				Net Invoiced Qty.	0	
Unit Cost	0,00				Allow Invoice Disc.	<input checked="" type="checkbox"/>	
Overhead Rate	0,00				Item Disc. Group		
Indirect Cost %	0				Sales Unit of Measure . . .	PCS	
Last Direct Cost.	0,00						
Price/Profit Calculation. . .	Profit=Price-...						
Profit %	100						
Unit Price	250,00						

Purchase order (original cost=190)

The screenshot shows a 'Purchase Order' form for '106027 London Postmaster'. The 'General' tab is active, displaying various fields for order details. The 'Buy-from Vendor Name' is 'London Postmaster' and the 'Buy-from Address' is '10 North Lake Avenue'. The 'Posting Date' is '26.03.12'. The 'Line Amount' is '170,00' and the 'Line Excl. VAT' is '170,00'. A blue arrow points to the 'Line Excl. VAT' field with the text 'Expected cost'.

Type	No.	Description	Location Code	Quantity	Reserved Quantity	Unit of Measure	Direct Unit Cost Excl. VAT	Line Amount Excl. VAT	Line Disc...	Qty. to Receive
Item	EXP_C...	Expected costs 01	BLUE	1		PCS	170,00	170,00		1

Posting : Only shipping !!!



The screenshot shows a dialog box titled 'Microsoft Dynamics NA...' with a question mark icon. It contains three radio button options: 'Receive' (which is selected and highlighted with a red box), 'Invoice', and 'Receive and Invoice'. There are 'OK' and 'Cancel' buttons at the bottom.

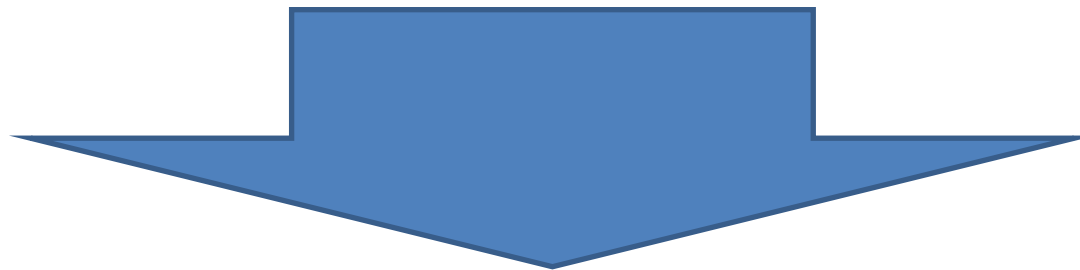
Item card-entries after posting

Item EXP_COST_01 Expected costs 01 - Item Ledger Entries

Applied Entry to Adjust	Posting Date	Entry Type	Document Type	Document No.	Item No.	Location Code	Quantity	Invoiced Quantity	Remaining Quantity	Sales Amount (Actual)	Cost Amount (Actual)	Open	Cost Amount (Non-Invtbl.)
	26.03.12	Purchase	Purchase Receipt	107044	EXP_COST_01	BLUE	1	1	1	0,00	190,00	✓	0,00
▶	26.03.12	Purchase	Purchase Receipt	107045	EXP_COST_01	BLUE	1	0	1	0,00	0,00	✓	0,00

Item Ledger Entry 359 - Value Entries

Posting Date	Item Ledger Entry Type	Entry Type	Item No.	Adjustment	Document Type	Document No.	Sales Amount (Actual)	Cost Amount (Expected)	Cost Amount (Actual)	Cost Posted to G/L	Item Ledger Entry Quantity	Valued Quantity
▶	26.03.12	Purchase	Direct Cost	EXP_COST_01	Purchase Receipt	107045	0,00	170,00	0,00	0,00	1	1



Adjustment see next slide

Adjustment

Financial Management

- + General Ledger
- + Cash Management
- + Receivables
- + Payables
- + Fixed Assets
- + Inventory
 - Costing
 - + Post
 - Adjust Item Costs/Prices...
 - Adjust Cost - Item Entries...**
 - Update Unit Costs...



Adjust Cost - Item Entries

Options

Item No. Filter EXP_COST_01

Item Category Filter . . .

Post to G/L

OK Cancel Help



EXP_COST_01 Expected costs 01 - Item Card

General Invoicing Replenishment Planning Foreign Trade Item Tracking E-Commerce Warehouse

Costing Method FIFO

Cost is Adjusted.

Cost is Posted to G/L . . .

Standard Cost 0,00

Unit Cost **180,00**

Overhead Rate 0,00

Indirect Cost % 0

Last Direct Cost. 190,00

Price/Profit Calculation. . Profit=Price-...

Profit % 28

Unit Price 250,00

Gen. Prod. Posting Group RETAIL

VAT Prod. Posting Group. VAT25

Inventory Posting Group. RESALE

Net Invoiced Qty. 1

Allow Invoice Disc.

Item Disc. Group

Sales Unit of Measure . . . PCS

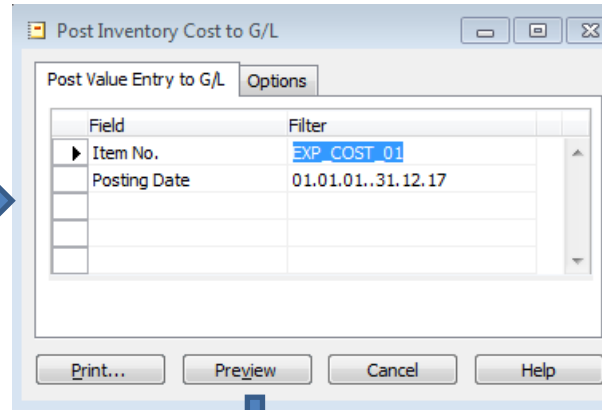
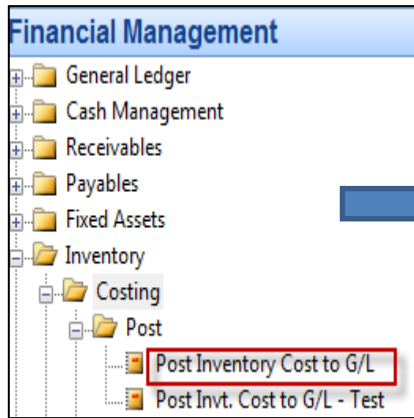
Item Sales Purchases Functions Help



EXP_COST_01 Expected costs 01 - Average Cost Calc. Overview

Expand	Type	Valuation Date	Item No.	Unit Cost	Cost is Adjusted	Entry Type	Quantity	Cost Amount (Expected)	Cost Amount (Actual)
▶	Closing Entry	26.03.12	EXP_COST_01	180,00	✓		2	170,00	190,00
	Increase	26.03.12	EXP_COST_01	190,00		Purchase	1	0,00	190,00
	Increase	26.03.12	EXP_COST_01	170,00		Purchase	1	170,00	0,00

Post inventory cost General Ledger



Post Inventory Cost to G/L

Posted per Entry
CRONUS International Ltd.

Item	Entry No.	Item Ledger Entry Type	Document No.	Source No.	Inventory Posting Group	Posting Date	COGS	Inventory Adjustment	Direct Cost Applied	
EXP_COST_0 Expected costs O1										
	503	Purchase	108043	10000	RESALE	26.03.12			-190,00	
	504	Purchase	107045	10000	RESALE	26.03.12		-170,00		
Inventory Cost Posted to G/L									-170,00	-190,00

General Ledger Entries

Financial Management

- General Ledger
 - Chart of Accounts
 - Budgets
 - General Journals
- Analysis & Reporting
- Intercompany Postings
- Reports
- History
- Registers**
- Navigate

G/L Registers

No.	Creation Date	User ID	Source Code	Journal Batch Name	From Entry No.	To Entry No.	From VAT Entry No.
138	18.08.15		SALES		2871	2873	90:
139	18.08.15		PURCHASES		2874	2876	90:
140	18.08.15		PURCHASES		2877	2879	90:
141	18.08.15		PURCHASES		2880	2882	90:
142	18.08.15		PURCHASES		2883	2885	90:
143	18.08.15		SALES		2886	2888	90:
144	18.08.15		PURCHASES		2889	2891	90:
145	18.08.15		PURCHASES		2892	2894	90:
146	19.08.15		PURCHASES		2895	2897	91:
147	19.08.15		INVTPOST		2898	2901	91:

Register Functions Help

2110 Resale Items - General Ledger Entries

Posting Date	Document Type	Document No.	G/L Account No.	Description	Department Code	G... P... T...	G... B... P...	G... P... P...	Amount
26.03.12		108043	2110	Direct Cost 10000 on 26.03.12					190,00
26.03.12		108043	7191	Direct Cost 10000 on 26.03.12					-190,00
26.03.12		107045	2111	Direct Cost 10000 on 26.03.12					170,00
26.03.12		107045	5510	Direct Cost 10000 on 26.03.12					-170,00

2110	7191	2111 (interim)	5510 (interim)
190	190	170	170

Modification of expected costs to real one related to invoice and post as described below

106027 London Postmaster - Purchase Order

General Invoicing Shipping Foreign Trade E-Commerce Prepayment

No. 106027 [edit] Posting Date 26.03.12
 Buy-from Vendor No. 10000 [up] Order Date 26.03.12
 Buy-from Contact No. CT000066 [up] Document Date 26.03.12
 Buy-from Vendor Name London Postmaster Quote No.
 Buy-from Address 10 North Lake Avenue Vendor Order No.
 Buy-from Address 2 Vendor Shipment No.
 Buy-from Post Code/City N12 5XY [up] London [up] Vendor Invoice No. 010101
 Buy-from Contact Mrs. Carol Philips Order Address Code. [up]
 No. of Archived Versions. 0 Purchaser Code RL [up]
 Responsibility Center LONDON [up]
 Assigned User ID [up]
 Status Open

Microsoft Dynamics NA... [?] [?] [?] [?]

Receive
 Invoice
 Receive and Invoice

OK Cancel

Status must be Reopen

Type	No.	Description	Location Code	Quantity	Reserved Quantity	Unit of Measure...	Direct Unit Cost Excl. VAT	Line Amount Excl. VAT	Line Disco...	Qty. to Receive	C	F
Item	EXP_C...	Expected costs O1	BLUE	1		PCS	210,00	210,00				

Item card and Average cost calculation overview Item ledger entries and Value entries

EXP_COST_01 Expected costs 01 - Item Card

General Invoicing Replenishment Planning Foreign Trade Item Tracking E-Commerce Warehouse

Costing Method FIFO
 Cost is Adjusted.
 Cost is Posted to G/L
 Standard Cost 0,00
 Unit Cost 190,00
 Overhead Rate 0,00
 Indirect Cost % 0
 Last Direct Cost 210,00
 Price/Profit Calculation. . . Profit=Price-...
 Profit % 28
 Unit Price 250,00

Gen. Prod. Posting Group RETAIL
 VAT Prod. Posting Group. VAT25
 Inventory Posting Group. RESALE
 Net Invoiced Qty. 2
 Allow Invoice Disc.
 Item Disc. Group
 Sales Unit of Measure . . . PCS

Item Sales Purchases Functions Help

EXP_COST_01 Expected costs 01 - Average Cost Calc. Overview

Expand	Type	Valuation Date	Item No.	Unit Cost	Cost is Adjusted	Entry Type	Quantity	Cost Amount (Expected)	Cost Amount (Actual)
▶	Closing Entry	26.03.12	EXP_COST_01	200,00			2	0,00	400,00
	Increase	26.03.12	EXP_COST_01	190,00		Purchase	1	0,00	190,00
	Increase	26.03.12	EXP_COST_01	210,00		Purchase	1	0,00	210,00

Item EXP_COST_01 Expected costs 01 - Item Ledger Entries

Applied Entry to Adjust	Posting Date	Document	Location	Invoiced	Remaining	Sales Amount	Cost Amount
	26.03.12						
	26.03.12						

Item Ledger Entry 359 - Value Entries

Posting Date	Item Ledger Entry Type	Entry Type	Item No.	Adjustment	Document Type	Document No.	Sales Amount (Actual)	Cost Amount (Expected)	Cost Amount (Actual)	Cost G/L
26.03.12	Purchase	Direct Cost	EXP_COST_01		Purchase Receipt	107045	0,00	170,00	0,00	
26.03.12	Purchase	Direct Cost	EXP_COST_01		Purchase Invoice	108044	0,00	-170,00	210,00	

Item ledger entries and Value entries

EXP_COST_01 Expected costs O1 - Item Card

Costing Method	FIFO	Gen. Prod. Posting Group	RETAIL
Cost is Adjusted.	<input type="checkbox"/>	VAT Prod. Posting Group.	VAT25
Cost is Posted to G/L . . .	<input type="checkbox"/>	Inventory Posting Group.	RESALE
Standard Cost	0,00	Net Invoiced Qty.	2
Unit Cost	180,00	Allow Invoice Disc.	<input checked="" type="checkbox"/>
Overhead Rate	0,00	Item Disc. Group	
Indirect Cost %	0	Sales Unit of Measure . . .	PCS
Last Direct Cost	210,00		
Price/Profit Calculation. . .	Profit=Price-...		
Profit %	28		
Unit Price	250,00		

Item Sales Purchases Functions Help

Item EXP_COST_01 Expected costs O1 - Item Ledger Entries

Applied Entry to Adjust	Posting Date	Entry Type	Document Type	Document No.	Item No.	Location Code	Quantity	Invoiced Quantity	Remaining Quantity	Sales Amount (Actual)	Cost Amount (Actual)	Open
	26.03.12	Purchase	Purchase Receipt	107044	EXP_COST_01	BLUE	1	1	1	0,00	190,00	✓
	26.03.12	Purchase	Purchase Receipt	107045	EXP_COST_01	BLUE	1	1	1	0,00	210,00	✓

Item Ledger Entry 359 - Value Entries

Posting Date	Item Ledger Entry Type	Entry Type	Item No.	Adjustment	Document Type	Document No.	Sales Amount (Actual)	Cost Amount (Expected)	Cost Amount (Actual)	Cost Posted to G/L
26.03.12	Purchase	Direct Cost	EXP_COST_01		Purchase Receipt	107045	0,00	170,00	0,00	0,00
26.03.12	Purchase	Direct Cost	EXP_COST_01		Purchase Invoice	108044	0,00	-170,00	210,00	0,00

General Ledger entries corresponding real cost

7110 Purch., Retail - Dom. - General Ledger Entries										
Posting Date	Document Type	Document No.	G/L Account No.	Description	Department Code	G... T...	G... P...	G... P...	Amount	Bal. A... T...
▶ 26.03.12	Invoice	108044	7110	Order 106027		P..	N..	R..	210,00	G..
26.03.12	Invoice	108044	5630	Order 106027					52,50	G..
26.03.12	Invoice	108044	5410	Order 106027					-262,50	G..

Post Inventory Cost to G/L

Posted per Entry

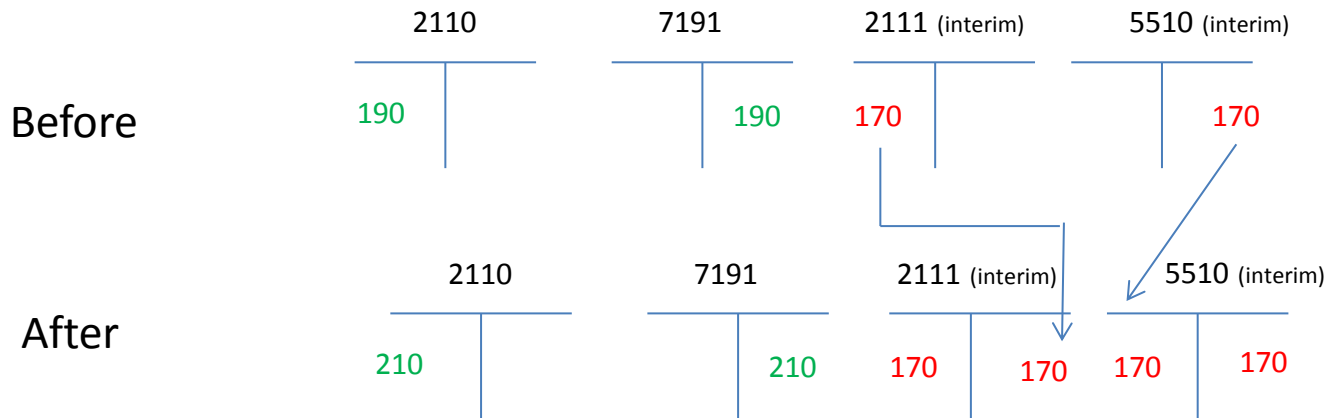
CRONUS International Ltd.

After adjustment and posting to G/L

Item	Item Ledger Entry No.	Ledger Entry Type	Document No.	Source No.	Inventory Posting Group	Posting Date	COGS	Inventory Adjustment	Direct Cost Applied
EXP_COST_0	505	Purchase	108044	10000	RESALE	26.03.12		170,00	-210,00
					Inventory Cost Posted to G/L			170,00	-210,00

General Ledger Entries

2111 Resale Items (Interim) - General Ledger Entries										
Posting Date	Document Type	Document No.	G/L Account No.	Description	Department Code	G... P... T...	G... B... P...	G... P... P...	Amount	Bal. A... T... Bal. Account No.
26.03.12		108044	2111	Direct Cost 10000 on 26.03.12					-170,00	G..
26.03.12		108044	5510	Direct Cost 10000 on 26.03.12					170,00	G..
26.03.12		108044	2110	Direct Cost 10000 on 26.03.12					210,00	G..
26.03.12		108044	7191	Direct Cost 10000 on 26.03.12					-210,00	G..



Where previous purchase cost was 190 and next real one 210. Expected cost 170 was neutralized

End of the section XIII.

