

Adjusting Inventory Quantities and Values

Available in All Versions of Sage 50 Accounting

Quick Reference Guide

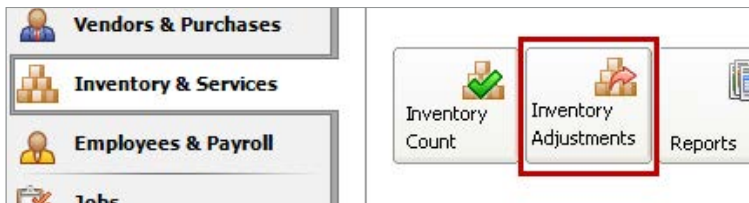
Why would I need to adjust my inventory values and quantities?

If you buy and sell products, then there may be times when you need to adjust the number of items you have in stock. A few reasons are:

- The number of items you physically have in stock does not match what's in Sage 50.
- A product has become obsolete or outdated.
- The market value or the replacement cost of a product is less than what you paid.
- A product is damaged or defective.
- A product was stolen.

How do I adjust my inventory in Sage 50?

Go to Inventory & Services > Inventory Adjustments.



The screenshot shows the 'Inventory Adjustments' form in Sage 50. The form has a menu bar (File, Edit, Go To, Window, Help) and a toolbar with icons for Close, New, List, Save, Delete, Serial No, and Help. The form fields are as follows:

- Item ID: AVRY-10130
- Reference: INADJ-101
- Name: Bird Feeder-Plastic Hanging
- Date: Mar 15, 2015
- Job: (empty)
- GL source acct: 50000-AV (Account from which adjustment is taken)
- Unit cost: 0.00
- Quantity on-hand: 12.00
- Adjust quantity by: -2.00
- Reason to adjust: Damaged products
- New quantity: 10.00

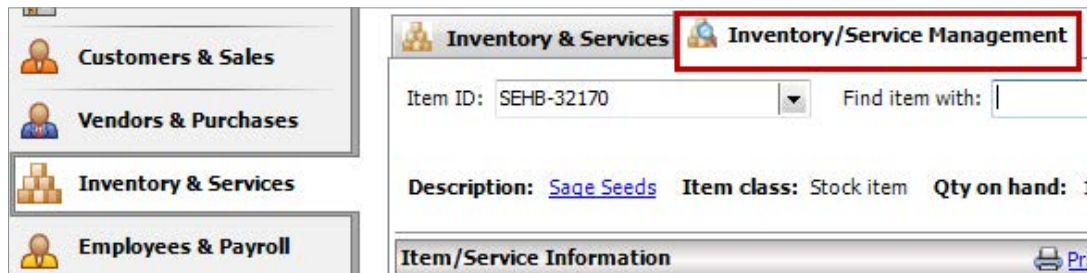
Basic steps for adjusting inventory

1. Select the **Item ID**
2. In the **Adjust quantity by** field, enter a positive number to increase inventory. Enter a negative number to reduce inventory.
3. Enter a **Reason to adjust**.
4. Enter a **Reference**. (optional)

Note: The unit cost can only be changed when entering a positive quantity. If your adjustment is negative, Sage 50 will determine the cost value of the adjustment.

Did you know?

- You may need to periodically adjust your inventory levels in order to **avoid overstating your inventory value**. If your inventory value is overstated, this results in a lower cost of goods sold, which makes your net income higher than what it should be. Your tax liability is then increased, which means you **could essentially overpay taxes**.
- You can view the **Inventory Adjustment Journal report** to see all of the adjustments you've made to your products.
- You can also view inventory adjustments in the Inventory/Service Management center. **View an all-in-one snapshot of your product information** and customize it the way you want. Go to the Inventory & Services area and click the Inventory/Service Management tab. (Available in Sage 50 Premium Accounting and higher).



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