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In MYOB AccountEdge terms, the word *item* is used to describe:

- A physical unit that your company may buy, sell or inventory. Such an item can also be built using other items; if it is, it's known in AccountEdge terms as a *finished item*. Such an item can also be one of the building blocks for a finished item; if it is, it's known as a *component*.
- One of your company's services that you'd like to include on item sales layouts. Such an item is often referred to as a *service item*.

In accounting terms, your company's physical items should usually be considered *current assets*.

Creating items

You can create many types of item records. Read the following information carefully, so you're sure you're creating the item record you need.

An item you buy, sell and inventory

Many, if not all, of your items are probably items that you buy from vendors and sell to customers and store in inventory.

Click below for the step-by-step procedure:

[To create a record for an item you buy, sell and inventory](#)

An item you buy, sell but don't inventory

Your company might have some items that aren't stored in actual inventory, but you buy and sell the items nevertheless. You also might have some items whose inventory quantities you don't need to track. If you track reimbursable expenses for jobs, the items you buy on your customer's behalf are of this type.

Click below for the step-by-step procedure:

[To create a record for an item you buy and sell, but don't inventory](#)

An item you buy for office use only

There are probably some items, such as pencils, in your company that you buy for office use only. Unless

you keep meticulous records of your office supplies, you probably don't track the exact number of pencils you have in inventory.

Click below for the step-by-step procedure:

[To create a record for an item you buy for office use only](#)

An item you build from components

If your company manufactures, combines or assembles items using other physical items you store in your company's inventory, you can specify which items-or *components*, in AccountEdge terms-you use to build the items. The term used to describe an item built from components is *finished item*. Once you've specified the finished item's components, or *auto-build* information, you can use the Auto-Build view of the Item Information window to automatically create, or *build*, the item in your AccountEdge records.

Click below for the step-by-step procedure:

[To create a record for an item you build from components \(Auto-Build\)](#)

An item you use only as a component to build other items

Before you create a finished item, you'll need to create the components that are used to build the finished item.

Click below for the step-by-step procedure:

[To create a record for an item you use only as a component to build other items](#)

A "service" item

If your business provides services, you can create item records for each service, and then enter the "service items" on item layouts. This is particularly helpful if you bill your customers for both physical items and services; using this strategy, you can include all your billable costs on the same type of sale.

Click below for the step-by-step procedure:

[To create a record for a "service item"](#)

An item whose information you copy from another item

If you want to create an item similar to one you've already created, you can simply copy the original item's information into the new item record. All information from the first item record will be copied to the new item record except the item number, item name, item description, vendor item number, auto-build information and item history information.

Click below for the step-by-step procedure:

[To create an item whose information you copy from another item](#)

[To copy pricing level information from another item record](#)

An "item" that serves a special purpose

If you want to include a blank line between line items on an item sales and purchases layout, you can set up a special "item" in the Inventory Command Center to give you the space you need.

Click below for the step-by-step procedure:

[To create a record for an "item" that serves a special purpose on a sale or purchase](#)

A special "placeholder item" for tracking reimbursable job expenses

If you want to create a special "placeholder item" for tracking reimbursable job expenses on your item layouts, you can set up a special "item."

Click below for the step-by-step procedure:

[To create a record for an "item" that serves a special purpose on a sale or purchase.](#)

Other considerations when creating items

Be careful using the backslash character

The backslash character (\) serves a special purpose in AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms. These item numbers can be used to add blank lines to forms, for example.

Choosing linked accounts for items

Many businesses use a single account to track the cost of sales, income and value with their physical items. If you'd like to do this, be sure you enter the same account numbers in the linked account fields for *every* item you record in the AccountEdge system.

Entering buying and selling units of measure

In the Buying Unit of Measure field, you'll enter the item's *buying unit of measure*-that is, the method by which this item is packaged when you *purchase* it. The unit of measure can be printed on purchases.

In the Selling Unit of Measure field, enter the item's *selling unit of measure*-that is, the method by which this item is packaged when you *sell* it. The unit of measure can be printed on sales.

Some typical units of measure are Each, Pair, Case, Gross, Hour and Day. For example, assume one of your items is a lamp set that's always sold or purchased in pairs; this item could be assigned a unit of measure of Pair.

The primary vendor's item number, not your item number, is set up to print on item purchases

AccountEdge item purchases are currently set up so your vendors' item numbers appear on the purchases you print using AccountEdge. If you use a different system of numbering your items than your vendor, this might seem confusing to you when you first print your purchases. If you wish to change the way your item purchases print-in other words, if you want to print your own item numbers on the purchases-you'll need to customize the item purchase form.

Click below for the step-by-step procedure:

[To print your item numbers on an item purchase](#)

[To create a record for an "item" that serves a special purpose on a sale or purchase.](#)

Adding additional details and custom information (optional)

Entering a description of the item

You can choose to enter a description of the item up to 255 characters in length. Simply enter the description in the Description field located on the Item Details tab. If you want this description instead of the item name to appear on sales forms and other forms, you'll mark the selection Use Item Description on

Sales.

Click below for the step-by-step procedure:

[To enter a description of an item](#)

Entering Optional Restocking Information for the To Do List

If you want an alert to appear in the To Do List window whenever the item's quantity on hand falls to a specified level, enter that information in the fields that appear in the lower half of the Buying Details tab.

Entering historical information

You can enter history for up to five years before you began using AccountEdge. You can enter an item's history up to the current month of your current fiscal year.

Click below for the step-by-step procedure:

[To enter historical information about an item](#)

[To copy pricing level information from another item record](#)

Entering pricing level information for an item

If you set different selling prices for different types of customers and for sales of greater quantities of an item, you can set up pricing levels for the item using the Selling Details view of the Item Information window. When you create an item layout that includes the item, the selling price that appears automatically on the sale reflects the item's pricing level for the quantity you've entered on the sale, as well as for the pricing level of the customer card you've entered.

Here are some facts about AccountEdge's pricing levels:

- You can set a selling price at each level that you'll charge for the same item bought in larger quantities, and you can specify those quantities.
- You can set a price for each type of customer or at each pricing level.
- You can set an item's selling prices for up to six pricing levels.
- The default labels for pricing levels are "A" through "F," but you can label your pricing levels in any way you like using the Custom Field and List Names window found under the Setup menu. See [To label a pricing level](#) for steps for more information.
- You can assign a pricing level to each of your customer cards using the Credit Terms window. See [To assign a pricing level to a customer card](#) for more information.
- You can copy the pricing levels that you've entered for another item into the item record you're creating.

Before you can enter pricing level information for an item, you must enter its selling details using the top part of the Selling Details tab.

For information about entering names for your pricing levels see [Using pricing levels](#).

Click below for the step-by-step procedure:

[To label a pricing level](#)

[To enter pricing level information for an item](#)

Creating custom lists and fields entries

You can make entries for the custom fields you've named and choose which custom list you want this item

to be displayed on. See [Using custom lists and fields](#) for more information.

Click below for the step-by-step procedure:

[To enter a label for a custom list](#)

[To create list entries on a custom list](#)

[To change a list entry on a custom list](#)

[To delete a list entry on a custom list](#)

[To enter a label for a custom list](#)

Linking a picture to an item or card record

You may wish to link a picture -- a bitmap file -- to an item or card record. You can display the picture of an item in the Item Details tab of the Item Information window, and you can link a picture to a card record and display the picture in the Card Details tab of the Card Information window.

The pictures aren't stored in your data file. They're stored in the Graphics folder in the directory where your data file is located. If the picture you link isn't already located in the Graphics folder, a copy of the graphics file you select is placed in the Graphics folder. If you move your data file, you must move the Graphics folder to the same location if you want to display the graphics in the Item Information window.

When you only remove the link between the item or card record and the graphics, the graphics file remains in the Graphics folder, which is located in the same directory as your AccountEdge data file. If you haven't linked the graphics to any other item or card records, you may want to delete the graphics file. For information about deleting files, refer to the documentation for your computer's operating system.

Click below for the step-by-step procedure:

[To display a picture \(or change the picture you display\)](#)

[To remove a link to a picture](#)

Enter the item's opening quantity and value

When you've entered all of your items into AccountEdge, you'll indicate how many items you have in stock and how much each item is worth.

If you're working with many items and need to know the exact count of your items, consider printing an Inventory Count Sheet report, which you can use to help you count your actual items.

Click below for the step-by-step procedure:

[To count your items opening quantity](#)

[To enter the item's opening quantity and value](#)

Changing items

Occasionally, you might need to make a change to an item in your AccountEdge records. You can make your changes using windows in the Inventory Command Center.

Changing basic item information

Depending upon whether you've used an item in a transaction, you can change most of the basic information you originally set up for the item. When you change an item's number or name, all the

information that was recorded using the item's previous number or name will change to reflect the new information you entered.

You can quickly change the selling prices of many-or all-of the items that you sell using the Set Item Prices window. See [To change the price of many items at one time](#) to learn how to update the base selling price of many items at once.

You can also use the Pricing Shortcuts window to update multiple item prices at the same time, based on a percentage or other type of change. It's a great way to re-price your items to reflect changing costs or to prepare for a sale.

Click below for the step-by-step procedure:

[To change basic item information](#)

[To change the price of many items at one time](#)

[To change the price of many items at one time using pricing shortcuts](#)

Inactivating items

If you have items that you create for a one-time sale or purchase, for example, inactivating them after their one-time use will remove them from the selection windows. Your list of items will be shorter, and selecting the item you need will be easier.

If an item is marked inactive, however, you may still use the item in transactions by manually entering the item. Inactive items will still appear in the Items List window. You can also return the status of the item to active so that it will appear again in the selection windows. No matter what the status of an item-active or inactive, transactions recorded using the item will still affect all of your financial records.

Two reports, the Items List (Summary) and Items List (Detail) will display and print item information with or without inactive items. Use the Report Filters window to unmark or mark the selection Include Inactive Items.

Click below for the step-by-step procedure:

[To inactivate \(reactivate\) items](#)

Removing items

If you have an item that has no quantities or inventory value and hasn't been assigned to any sales and purchases, you can quickly remove its record from the MYOB system.

You can't delete an item until all sales and purchases that use the item are deleted or purged. Once the sales and purchases are deleted or purged, you can then remove the item. (See [Purging information that's no longer needed](#) to learn how to purge sales and purchases.)

You also can't delete an item that has a current quantity or value. To remove an item's quantity and value, create an inventory adjustment with negative quantities and values to "zero out" an item's quantity and value. (See [Determining the type of inventory adjustment you need](#) to learn how to create inventory adjustments.)

Click below for the step-by-step procedure:

[To remove items](#)

Items Overview

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Note: Don't feel pressured to inventory every item. When you mark the I Inventory This Item selection, you're indicating that you want to track the item's on-hand quantity and value. If you don't need

to track an item's on-hand quantity and value, you don't need to mark the I Inventory This Item selection. **Warning: If you change an item's history** AccountEdge uses the figures displayed in the History view of the Item Information window on some reports. If you change an item's history in this window, keep in mind that the change you make may not accurately reflect your actual totals.

Use care when making changes to the amounts displayed in this window. If you make a change and then want to use the previous amount, AccountEdge cannot automatically reconstruct the monthly totals. **Note: Be sure not to undercharge when using pricing levels and volume customer discounts** If you enter pricing level information for an item, be sure to take into account your customer's volume discount so you don't inadvertently undercharge for some items. For example, if you assign the "wholesale" pricing level to a customer card so prices at that level only will appear on item layouts for that customer, don't enter your company's wholesale discount in the Volume Discount% field found in the Selling Details view of the Card Information window. Any volume discount you enter for the customer will be subtracted from the item's "wholesale" price. **Idea: Make a backup before you update prices** Before changing the price of multiple items, choose Backup from the File menu to make a backup copy of your data file containing your current prices and other data. (We recommend that you give the backup file an easily recognizable name so you can distinguish this backup file from others you've created.) If you don't want to use the new prices that are calculated during these procedures, you can return to the previous prices by choosing Restore from the File menu. See [Backing up and restoring data files](#) for further information about making backups. **Note: You can't use pricing shortcuts for items with a cost of \$0.00** If an item in the Set Item Prices window has a cost of \$0.00, its selling price can't be updated using the Pricing Shortcuts window. These items must be updated manually because there is no cost basis for the calculation of an updated price.

Creating items

Step 1: Create the type of item record you need

Step 1 > 2

To create a record for an item you buy, sell and inventory

To create a record for an item you buy and sell, but don't inventory

To create a record for an item you buy for office use only

To create a record for an item you build from components (Auto-Build)

To create a record for an item you use only as a component to build other items

To create a record for a "service item"

To create an item whose information you copy from another item

To create a record for an "item" that serves a special purpose on a sale or purchase

Creating items - Step 1

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To create a record for an item you buy, sell and inventory

Step 1 > 2

If you haven't already read the Items Overview, see [An item you buy, sell and inventory](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Mark the three boxes labeled I Buy This Item, I Sell This Item and I Inventory This Item. As you mark these boxes, you'll notice that other fields automatically appear in the window.
 - In the Cost of Sales Account field, enter the account number you want to use to track the costs associated with selling this item.
 - In the Income Account for Tracking Sales field, enter the account number you want to use to track the income you receive from the sale of this item.
 - In The Asset Account for Item Inventory field, enter the number of the account you want to use to track the total value of this item.
5. Next, you'll enter purchasing information for the item. Click the Buying Details tab at the top of the Item Information window to display the Buying Details view.

a. In the Buying Unit of Measure field, enter the item's buying unit of measure-that is, the method by which this item is packaged when you purchase it. Some typical units of measure are Each, Pair, Case, Gross, Hour and Day.

b. In the Number of Items per Buying Unit field, enter the number of items that make up one buying unit-that is, the number of items that will be added to your inventory each time you purchase one of these items.

The number you enter depends on how you count your inventory. While in many cases the number you enter will be 1, if you sell lamps individually, for example, you'll enter 2 if you want your inventory to increase by two individual lamps each time you purchase one pair of lamps.

6. If you pay tax when you purchase the item, mark the box I Pay Sales Tax When I Purchase This Item.

The item will automatically be marked when you enter a line item for this item in the Purchases window.

7. Next, enter selling information for the item. Click the Selling Details tab at the top of the Item Information window to display the Selling Details view.

a. In the Base Selling Price field, enter the price at which you usually sell one selling unit of this item.

The selling price is the normal price for one selling unit on an item layout. For example, if you sell cans of soda in cases, enter the price of one case of soda.

b. In the Selling Unit of Measure field, enter the item's *selling unit of measure*-that is, the method by which this item is packaged when you sell it. Some typical units of measure include Each, Pair, Case, Gross, Hour and Day.

c. In the Number of Items per Selling Unit field, enter the number of items that make up one selling unit-that is, the number of items that will be subtracted from your inventory each time you sell one of these items.

The number you enter depends on how you count your inventory. While in many cases the number you enter will be 1, if you buy lamps individually, for example, you'll enter 2 if you want your inventory to decrease by two individual lamps each time you sell one pair of lamps.

8. If you collect tax when you sell the item, mark the box I Collect Sales Tax When I Sell This Item.

When you make a selection from this list, the item will automatically be marked when you enter it as a line item in the Sales window.

9. At this point, you've entered the item's basic information. If you want more information about the Item Information window, read [Other considerations when creating items](#).

Click OK to add this item to the Items List, then continue to Step 2, [Enter the item's opening quantity and value](#).

See also:

[Using tax codes](#)

[Using custom lists and fields](#)

[To enter a description of an item](#)

[To enter historical information about an item](#)

[To enter pricing level information for an item](#)

[To copy pricing level information from another item record](#)

[To label a pricing level](#)

[To assign a pricing level to a customer card](#)

[To enter a label for a custom list](#)

[To create list entries on a custom list](#)

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[To delete a list entry on a custom list](#)

[To enter a label for a custom list](#)

[To display a picture \(or change the picture you display\)](#)

[To remove a link to a picture](#)

[To create a record for an item you buy, sell and inventory](#)

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Note: Don't feel pressured to inventory every item. When you mark the I Inventory This Item selection, you're indicating that you want to track the item's on-hand quantity and value. If you don't need to track an item's on-hand quantity and value, you don't need to mark the I Inventory This Item selection.

To create a record for an item you buy and sell, but don't inventory

Step 1 > 2

If you haven't already read the Items Overview, see [An item you buy, sell but don't inventory](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Mark the two boxes labeled I Buy This Item and I Sell This Item.

As you mark these boxes, you'll notice that other fields automatically appear.

- In the Expense Account for Tracking Costs field, enter the account number you want to use to track the costs associated with purchasing this item.
 - In the Income Account for Tracking Sales field, enter the account number you want to use to track the income you receive from the sale of this item.
5. Next, you'll enter purchasing information for the item. Click the Buying Details tab.

In the Buying Unit of Measure field, enter the item's *buying unit of measure*-that is, the method by which this item is packaged when you purchase it. Some typical units of measure are Each, Pair, Case, Gross, Hour and Day.

6. If you pay tax when you purchase the item, mark the box I Pay Sales Tax When I Purchase This Item

The item will automatically be marked when you enter a line item for this item in the Purchases window.

7. Next, enter selling information for the item. Click the Selling Details tab.

a. In the Base Selling Price field, enter the price at which you usually sell one selling unit of measure of this item.

The selling price is the normal price for one selling unit on an item layout. For example, if you sell cans of soda in cases, enter the price of one case of soda.

b. In the Selling Unit of Measure field, enter the item's selling unit of measure-that is, the method by which this item is packaged when you sell it. Some typical units of measure include Each, Pair, Case, Gross, Hour and Day.

8. If you collect tax when you sell the item, mark the box I Collect Sales Tax When I Sell This Item

When you make a selection from this list, the item will automatically be marked when you enter it as a line item in the Sales window.

9. At this point, you've entered the item's basic information. If you want more information about the Item Information window read [Other considerations when creating items](#).

Click OK to add this item to the Items List.

See also

[Using tax codes](#)

[Using custom lists and fields](#)

[To enter a description of an item](#)

- To enter historical information about an item
- To enter pricing level information for an item
- To copy pricing level information from another item record
- To label a pricing level
- To assign a pricing level to a customer card
- To enter a label for a custom list
- To create list entries on a custom list
- To change a list entry on a custom list
- To delete a list entry on a custom list
- To enter a label for a custom list
- To display a picture (or change the picture you display)
- To remove a link to a picture
- To create a record for an item you buy and sell, but don't inventory

To create a record for an item you buy for office use only

Step 1 > 2

If you haven't already read the Items Overview, see [An item you buy for office use only](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Mark the box labeled I Buy This Item.

When you mark this box, you'll notice that the Expense Account for Tracking Costs field automatically appears.

5. In the Expense Account for Tracking Costs field, enter the account number you want to use to track the costs associated with purchasing this item.

You might want to consider using an expense account called Office Expenses for this type of item, just so you can easily track your office expenses in the future.

6. Next, you'll enter purchasing information for the item. Click the Buying Details tab.

In the Buying Unit of Measure field, enter the item's *buying unit of measure*-that is, the method by which this item is packaged when you purchase it. Some typical units of measure are Each, Pair, Case, Gross, Hour and Day.

7. If you pay tax when you purchase the item, mark the box I Pay Sales Tax When I Purchase This Item

The item will automatically be marked when you enter a line item for this item in the Purchases window.

8. At this point, you've entered the item's basic information. If you want more information about the Item Information window read [Other considerations when creating items](#).

Click OK to add this item to the Items List.

See also

[Using tax codes](#)

[Using custom lists and fields](#)

[To enter a description of an item](#)

[To enter historical information about an item](#)

[To enter a label for a custom list](#)

[To create list entries on a custom list](#)

[To change a list entry on a custom list](#)

[To delete a list entry on a custom list](#)

[To enter a label for a custom list](#)

[To display a picture \(or change the picture you display\)](#)

To remove a link to a picture

To create a record for an item you buy for office use only

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To create a record for an item you build from components (Auto-Build)

Step 1 > 2

If you haven't already read the Items Overview, see [An item you build from components](#) for more information.

1. Create records for all the components used to create the finished item first. See [To create a record for an item you use only as a component to build other items](#) for more information.
2. In the Inventory Command Center, click Items List to open the Items List window. Click New.
3. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

4. Enter the name of the new item in the Name field using up to 30 characters.
5. Mark the box labeled I Inventory This Item. If you also sell the item after it's built, also mark the box labeled I Sell This Item.

As you mark these boxes, you'll notice that other fields automatically appear in the window.

6. In The Asset Account for Item Inventory field, enter the number of the account you want to use to track the total value of this item.
7. If you marked the I Sell This Item box, continue to step 8. If you didn't mark the I Sell This Item box, skip to step 10.
8. In the Income Account for Tracking Sales field, enter the account number you want to use to track the income you receive from the sale of this item.
9. Next, enter selling information for the item. Click the Selling Details tab at the top of the Item Information window to display the Selling Details view.

- a. In the Base Selling Price field, enter the price at which you usually sell one selling unit of this item.

The selling price is the normal price for one selling unit on an item layout. For example, if you sell cans of soda in cases, enter the price of one case of soda.

- b. In the Selling Unit of Measure field, enter the item's *selling unit of measure*-that is, the method by which this item is packaged when you sell it. Some typical units of measure include Each, Pair, Case, Gross, Hour and Day.

- c. In the Number of Items per Selling Unit field, enter the number of items that make up one selling unit-that is, the number of items that will be subtracted from your inventory each time you sell one of these items.

The number you enter depends on how you count your inventory. While in many cases the number you enter will be 1, if you buy lamps individually, for example, you'll enter 2 if you want your inventory to decrease by two individual lamps each time you sell one pair of lamps.

10. If you collect tax when you sell the item, mark the box I Collect Sales Tax When I Sell This Item

When you make a selection from this list, the item will automatically be marked when you enter a line item for this item in the Sales window.

11. Next, enter auto-build information for the item. Click the Auto-Build tab at the top of the Item Information window to display the Auto-Build view. Click Edit List.

- a. Enter the quantity of the finished item that will be created using the components displayed in the list in the middle of the window.
- b. Enter the item numbers of the components used to create the finished item.
- c. Enter the quantity of components used to create the finished item.

Once you've entered all the components that are used to build the finished item, click OK to record the item's auto-build information. Click OK again to close the Auto-Build view of the Item Information window.

12. At this point, you've entered the item's basic information. If you want more information about the Item Information window read [Other considerations when creating items](#).

Click OK to add this item to the Items List, then continue to Step 2, [Enter the item's opening quantity and value](#).

See also

[Using tax codes](#)

[Using custom lists and fields](#)

[To enter a description of an item](#)

[To enter historical information about an item](#)

[To enter pricing level information for an item](#)

[To copy pricing level information from another item record](#)

[To label a pricing level](#)

[To assign a pricing level to a customer card](#)

[To enter a label for a custom list](#)

[To create list entries on a custom list](#)

[To change a list entry on a custom list](#)

[To delete a list entry on a custom list](#)

[To enter a label for a custom list](#)

[To display a picture \(or change the picture you display\)](#)

[To remove a link to a picture](#)

Keyword: autobuild

[To create a record for an item you build from components](#)

To create a record for an item you use only as a component to build other items

Step 1 > 2

If you haven't already read the Items Overview, see [An item you use only as a component to build other items](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Mark the two boxes labeled I Buy This Item and I Inventory This Item. As you mark these boxes, you'll notice that the Asset Account for Item Inventory automatically appears in the window.

In The Asset Account for Item Inventory field, enter the number of the account you want to use to track the total value of this item.

5. Next, you'll enter purchasing information for the item. Click the Buying Details tab at the top of the Item Information window to display the Buying Details view.
 - a. In the Buying Unit of Measure field, enter the item's *buying unit of measure*-that is, the method by which this item is packaged when you purchase it.
 - b. In the Number of Items per Buying Unit field, enter the number of items that make up one buying unit-that is, the number of items that will be added to your inventory each time you purchase one of these items.

The number you enter depends on how you count your inventory. While in many cases the number you enter will be 1, if you sell lamps individually, for example, you'll enter 2 if you want your inventory to increase by two individual lamps each time you purchase one pair of lamps.

6. If you pay tax when you purchase the item, mark the box I Pay Sales Tax When I Purchase This Item

The item will automatically be marked when you enter a line item for this item in the Purchases window.

7. At this point, you've entered the item's basic information. If you want more information about the Item Information window read [Other considerations when creating items](#).

Click OK to add this item to the Items List, then continue to Step 2, [Enter the item's opening quantity and value](#).

See also

[Using tax codes](#)

[Using custom lists and fields](#)

[To enter a description of an item](#)

[To enter historical information about an item](#)

[To enter a label for a custom list](#)

[To create list entries on a custom list](#)

[To change a list entry on a custom list](#)

To delete a list entry on a custom list

To enter a label for a custom list

To display a picture (or change the picture you display)

To remove a link to a picture

To create a record for an item you use only as a component to build other items

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To create a record for a "service item"

Step 1 > 2

If you haven't already read the Items Overview, see [A "service" item](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Mark the I Sell This Item box. When you mark this box, you'll notice that the Income Account for Tracking Sales field automatically appears.

Enter the account number you want to use to track the income you receive from the sale of this item.

5. Next, enter selling information for the item. Click the Selling Details tab at the top of the Item Information window to display the Selling Details view.

a. In the Base Selling Price field, enter the price at which you usually sell one selling unit of measure of this service.

The selling price is the normal price for one selling unit on an item layout. For example, if you perform consultation services on an hourly basis, enter the price of one hour of consulting.

b. In the Selling Unit of Measure field, enter the item's *selling unit of measure*-that is, the method by which this service is "packaged" when you sell it. Some typical units of measure for services are Hour and Day.

6. If you collect tax when you sell the item, mark the box I Collect Sales Tax When I Sell This Item

When you make a selection from this list, the service will automatically be marked when you enter it as a line item in the Sales window.

7. At this point, you've entered the item's basic information. If you want more information about the Item Information window read [Other considerations when creating items](#).

Click OK to add this item to the Items List, then continue to Step 2, [Enter the item's opening quantity and value](#).

See also

[Using tax codes](#)

[Using custom lists and fields](#)

[To enter a description of an item](#)

[To enter historical information about an item](#)

[To enter pricing level information for an item](#)

[To copy pricing level information from another item record](#)

[To label a pricing level](#)

[To assign a pricing level to a customer card](#)

[To enter a label for a custom list](#)

To create list entries on a custom list

To change a list entry on a custom list

To delete a list entry on a custom list

To create a record for a "service item"

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To create an item whose information you copy from another item

Step 1 > 2

If you haven't already read the Items Overview, see [An item whose information you copy from another item](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a unique number. You can use up to 30 numbers, letters and symbols.

The backslash character (\) serves a special purpose in MYOB AccountEdge-any item number that begins with a backslash can be included on sales and purchase forms, but they **won't** appear on printed forms.

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Be sure that the I Buy This Item, I Sell This Item, and I Inventory This Item selections are unmarked.
5. Click Copy From. A message appears to inform you that any information you've entered will be replaced when you copy information from another item. This doesn't apply to the name, number and description you've entered. (If you've entered a vendor item number, auto-build information or history information, these entries also will be protected if you copy another item's information.) Click OK. The Select From List window appears.
6. Select the item whose information you want to copy into your new item record and click Use Item.
7. At this point, you've entered the item's basic information. If you want more information about the Item Information window read [Other considerations when creating items](#).

Click OK to add this item to the Items List, then if you've selected I Inventory This Item continue to Step 2, [Enter the item's opening quantity and value](#).

See also

[To enter a description of an item](#)

[To change a list entry on a custom list](#)

[To delete a list entry on a custom list](#)

To create an item whose information you copy from another item

To create a record for an "item" that serves a special purpose on a sale or purchase

Step 1 > 2

If you haven't already read the Items Overview, see [An "item" that serves a special purpose](#) for more information.

The [Items List window](#) should be displayed.

1. Click New.
2. In the Item Number field, enter a backslash (\) as the first character of the item's number, then continue entering a unique number to assign to the new item by using up to 30 numbers, letters and symbols.

The backslash character indicates that the item number won't appear on printed forms. (The item number, will, however, appear on reports.)

3. Enter the name of the new item in the Name field using up to 30 characters.
4. Mark the two boxes labeled I Buy This Item and I Sell This Item. (Although you won't actually buy or sell this item, you need to mark these boxes so the item can appear on sales and purchase forms.)
5. In the Income Account for Tracking Sales field, enter the number of any income account. (You won't be using this account to actually track any dollar amounts, so it doesn't matter which account you use.)
6. In the Expense Account for Tracking Costs field, enter the number of any expense account. (Again, you won't be using this account to actually track any dollar amounts, so it doesn't matter which account you use.)
7. Review the entries on the remaining views of the Item Information window to make sure the fields in those views are blank. Be sure that no checkmark appears in the boxes before I Collect Sales Tax When I Sell This Item or I Pay Sales Tax When I Buy This Item.
8. You've made all the entries you need to make to this item. Click OK in the Item Information window to add the item to your list.

To create a record for an "item" that serves a special purpose on a sale or purchase

To enter historical information about an item

If you haven't already read the Items Overview, see [Entering historical information](#) for more information.

The item should be displayed in the [Item Information window](#).

1. Click the History tab.
2. Click the zoom arrows at the top right corner of the History tab to display the fiscal year for which you want to enter item history.
3. Enter purchases and sales information for the item. You can enter an item's history up to the current month of your current fiscal year.

To enter historical information about an item

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Warning: If you change an item's history MYOB AccountEdge uses the figures displayed in the History view of the Item Information window on some reports. If you change an item's history in this window, keep in mind that the change you make may not accurately reflect your actual totals.

Use care when making changes to the amounts displayed in this window. If you make a change and then want to use the previous amount, AccountEdge cannot automatically reconstruct the monthly totals.

To enter a description of an item

If you haven't already read the Items Overview, see [Entering a description of the item](#) for more information.

The item should be displayed in the [Item Information window](#).

1. Click the Item Details tab.
2. Enter a description of up to 255 characters in the Description field.
3. Mark the selection Use Item Description on Sales if you want this description instead of the item name to appear on sales forms and other forms.

To enter a description of an item

To display a picture (or change the picture you display)

If you haven't already read the Items Overview, see [Linking a picture to an item or card record](#) for more information.

1. Choose where you wish to display the picture:
 - If you want to link a picture to an item, highlight the item in the [Items List window](#) and click Edit.
 - If you want to link a picture to a card, highlight the card in the [Cards List window](#) and click Edit.
2. Depending on your selection in step 1, click the Item Details tab or the Card Details tab.
3. Double-click the text "Double click in this area to link to a picture file." The Picture Information window appears.
4. Click Link. Using the dialog box that appears, locate the bitmap file you want to display for this item and then click OK or Open. The dialog box closes and the graphic appears in the box at the right.
5. Click OK in the Picture Information window.

To display a picture (or change the picture you display)

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Note: Graphics files aren't stored in your data file Graphics files aren't stored in your data file. They're stored in the Graphics folder in the directory where your data file is located. If the graphic you link to an item or card record in the Picture Information window isn't already located in the Graphics folder, a copy of the graphics file you select is placed in the Graphics folder. If you move your data file, you must move the Graphics folder to the same location if you want to display graphics in the Item Information window or Card Information window.

To remove a link to a picture

If you haven't already read the Items Overview, see [Linking a picture to an item or card record](#) for more information.

1. Choose where you wish to remove the link to a picture:
 - If you want to unlink a picture to an item, highlight the item in the [Items List window](#) and click Edit.
 - If you want to unlink a picture to a card, highlight the card in the [Cards List window](#) and click Edit.
2. Depending on your selection in step 1, click the Item Details tab or the Card Details tab.
3. Double-click the picture field. The Picture Information window appears.
4. Click Unlink.
5. Click OK in the Picture Information window.

To remove a link to a picture

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Note: This procedure removes the link between the item record and the graphic only. The graphics file remains in the Graphics folder, which is located in the same directory as your MYOB AccountEdge data file. If you haven't linked the graphic to any other item or card records, you may want to delete the graphics file. For information about deleting files, refer to the documentation for your computer's operating system.

To enter pricing level information for an item

If you haven't already read the Items Overview, see [Entering pricing level information for an item](#) for more information.

If you haven't done so already, display the item for which you want to enter pricing level information in the Item Information window and click the Selling Details tab.

1. The Base Selling Price you entered for this item in the upper section of the Selling Details tab appears in the Quantity Over 0.00 field at Level A.

In the remaining fields (Levels B through F or whatever you've labeled them), enter the selling price for this item. Make an entry for each pricing level you want to use.

2. Enter the next quantity, if you wish, in the next Over field. The quantities you enter in each field must be greater than the quantities you entered in the Over field directly to the left. Enter a selling price for each price level.
3. Repeat step 2 for each quantity.

See also

[Using pricing levels](#)

To enter pricing level information for an item

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Note: Assign a pricing level to your customer cards To make use of the pricing level information when entering sales transactions, be sure to assign a pricing level to each of your customer cards using the Selling Details view of the Card Information window. See [To assign a pricing level to a customer card](#) to learn how to assign a pricing level to customer cards.

To copy pricing level information from another item record

If you haven't already read the Items Overview, see [Entering pricing level information for an item](#) for more information.

If you haven't done so already, display the item for which you want to copy pricing level information in the [Item Information window](#) and click the Selling Details tab.

1. Click Copy From. The Select From List window appears.
2. Select the item whose pricing level you want to copy and then click Use Item.

To copy pricing level information from another item record

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Note: Assign a pricing level to your customer cards To make use of the pricing level information when entering sales transactions, be sure to assign a pricing level to each of your customer cards using the Selling Details view of the Item Information window. See [To assign a pricing level to a customer card](#) to learn how to assign a pricing level to customer cards.

Creating items

Step 2: Enter the item's opening quantity and value

Step 1 > 2

If you haven't already read the Items Overview, see Enter the item's opening quantity and value for more information.

To count your items opening quantity

The [Index to Reports window](#) should be displayed.

1. Click the Inventory tab, then highlight Inventory Count Sheet.
2. Click Filters. Be sure to choose the Sort by Item Number selection, then click OK.
3. Click Print.
4. After the report is finished printing, count your actual quantities of inventory items and write down those quantities on the report. You might also want to write down the unit cost of each item, as well; this will help speed your setup of the items later in this procedure.

To enter the item's opening quantity and value

If you don't already know the actual quantity of your items, find that quantity at this time.

The [Count Inventory window](#) should be displayed.

1. Notice that all the items for which you marked the I Inventory This Item selection in the Item Information window are displayed. All your items display 0 (zero) in the On Hand column at this time because MYOB AccountEdge has no record of quantities for any of those items yet.
2. Enter the actual quantities of your items in the Counted column. The difference between the On Hand and Counted columns will automatically appear in the Difference column.
3. When you're finished making entries in the Counted column, click Adjust Inventory. Since you're entering opening inventory quantities and values, you won't need to enter a Default Expense Account in the Default Adjustment Account field. Click Continue.
4. Another Adjustment Information window appears, subtitled "Opening Balances." This window informs you that AccountEdge has noticed that some of your on-hand inventory quantities are zero. Click Opening Balances.
5. If you entered an opening balance for your inventory asset account, skip to step 8.

If you opted not to enter an opening balance for your inventory asset account, the Account Balances window will appear, informing you that AccountEdge has noticed that the balance of one of your inventory asset accounts is zero. Click Adjust Balances.

6. The Inventory Adjustments window appears, showing a line item for each item whose opening quantity you entered in the Count Inventory window. The line items show each item's number, name and quantity, as well as the inventory asset account number, or, if you opted not to enter an opening balance for your inventory asset account, your historical balancing account number.
7. Next, you'll enter the opening total values for each item. You have two choices for how you want to do this:
 - In the Unit Cost column, you can enter the cost of a single buying unit of measure for the item.
 - In the Amount column, you can enter the total value of the item. (The item's *total value* is the total cost of all the item's units.)

When you make an entry in either column, the column in which you *didn't* make an entry will change to reflect the entry you *did* make.

8. When you're finished entering values for every item, click Record to assign the new quantities and values to the items.

Creating items - Step 2

Warning: Don't change the Account column! Be sure you leave the entry in the Account column unchanged. Choose Recap Transaction from the Edit menu to view how this adjustment will affect your accounts. **Warning: Enter costs, not selling prices** Remember to enter the amounts these items *cost* you, not how much you're selling them for.

To change basic item information

If you haven't already read the Items Overview, see [Changing basic item information](#) for more information.

The [Items List window](#) should be displayed.

1. Click the zoom arrow next to the item whose information you want to change. The Item Information window appears.
2. Make the changes you want in each of the views of the Item Information window.
3. When you're finished making changes, click OK.

To change basic item information

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Note: Some things might be unchangeable Depending upon what you've done with a particular item, you might not be able to change some of its basic information. For example, if you've recorded sales or purchases with an item, you won't be able to unmark the I Buy This Item, I Sell This Item or I Inventory This Item selections. If you want to change these selections, you'll first need to remove the transactions that the item is assigned to.

Changing the price of many items at one time

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To change the price of many items at one time

If you haven't already read the Items Overview, see [Changing basic item information](#) for more information.

We recommend that you make a backup of your data file before you perform this task.

The [Set Item Prices window](#) should be displayed.

1. All the items you sell appear in the list with their average or last cost and current prices.
2. There are two ways of changing your items' prices:
 - You can change an item's price that's displayed in the Current Price column; or
 - You can use MYOB AccountEdge's pricing shortcuts to update your items' prices in a different way. For a step-by-step procedure, see [To change the price of many items at one time using pricing shortcuts](#).
3. When you're finished, click OK.

To change the price of many items at one time

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Note: Prices can be changed when you make a sale Remember that the prices you assign to items can be changed on individual sales, if you need to make a change at the time of a sale. When you change an item's price on a sale, you change the amount for that sale only.

To change the price of many items at one time using pricing shortcuts

If you haven't already read the Items Overview, see [Changing basic item information](#) for more information.

The [Set Item Prices window](#) should be displayed.

1. All the items you sell appear in the list with their average or last cost and current prices.
2. Mark the Shortcut column next to the items whose prices you want to update. If you want to update the prices of all your items, you can leave the Shortcut column blank.
3. Click Shortcuts. In this window, you can make as many entries as you want to change your items' selling prices. You can also leave fields in this window blank, if you want.
4. If you want to update the prices of only the items you marked in step 2, click Update X Items Only to update only those items. If you want to update all your items' prices, click Update All Items.

To change the price of many items at one time using pricing shortcuts

To inactivate (reactivate) items

If you haven't already read the Items Overview, see [Inactivating items](#) for more information.

The [Items List window](#) should be displayed.

1. Click the zoom arrow next to the name of the item you want to inactivate (or reactivate). The Item Information window appears, displaying the item you selected.
2. Mark the box in front of Inactive Item. (To return the item to active status, simply remove the mark.)

To inactivate (reactivate) items

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To remove items

If you haven't already read the Items Overview, see [Removing items](#) for more information.

The [Items List window](#) should be displayed.

1. In the list in the middle of the window, click the zoom arrow next to the item you want to remove. The Item Information window appears, displaying the basic information assigned to the item.
2. From the Edit menu, choose Delete Inventory Item to remove the item.

To remove items

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Inventory Adjustments Overview

Making inventory adjustments

Counting inventory items

Adjusting item quantities and unit costs

Adjusting item total values and unit costs

Finding inventory adjustments

Changing inventory adjustments

Removing and reversing inventory adjustments

Most businesses probably won't need to use MYOB AccountEdge's inventory adjustments feature very often. If you set up your items properly and you record item invoices and item purchase orders accurately and promptly, your AccountEdge records should match your actual quantities and values.

Occasionally, however, situations will occur when you need to adjust your items' quantities, unit costs and total values in AccountEdge. When this is the case, it's important that you make your adjustments carefully so your records remain accurate.

Making inventory adjustments

Step 1: [Identify the inventory adjustment](#)

Step 2: [Enter the details of the inventory adjustment](#)

Step 3: [Choose what you want to do with the transaction](#)

Determining the type of inventory adjustment you need

When making inventory adjustments, you should determine the type of inventory adjustment you need:

- If an item's actual inventory quantity is lower than your AccountEdge records indicate due to unexplained loss or theft, you should enter a typical inventory adjustment. For instructions about this situation, start with [Identify the inventory adjustment](#).
- If an item's actual inventory quantity is lower than your AccountEdge records indicate because you've conducted sales without entering AccountEdge item invoices, you should enter a typical inventory adjustment. For instructions about this situation, start with [Identify the inventory adjustment](#).
- If an item's actual inventory quantity is higher than your AccountEdge records indicate because you've made purchases without entering AccountEdge item purchase orders, you should enter a typical inventory adjustment. For instructions about this situation, start with [Identify the inventory adjustment](#).
- If the actual inventory quantities of *many* of your items are different than your AccountEdge records indicate, you can use the Count Inventory window, which will help you quickly update the quantities of many items at once. For instructions about using the Count Inventory window, see [Counting inventory items](#).
- If an item's actual inventory quantity is different than your AccountEdge records indicate, but the value of your main inventory asset account is correct in AccountEdge, you should enter an inventory adjustment that changes the item's quantity and unit cost in AccountEdge. For instructions about this situation, see [Adjusting item quantities and unit costs](#).
- If an item's actual inventory quantity matches your AccountEdge records but the value of your main

inventory asset account and the item's total value are incorrect, you should enter an inventory adjustment that changes the balance of the inventory asset account, the item's total value and unit cost. For instructions about this situation, see [Adjusting item total values and unit costs](#).

- If an item's actual inventory quantity matches your AccountEdge records and the value of your main inventory asset account is correct in AccountEdge, but the unit cost of an item is incorrect, you should enter an inventory adjustment that changes the item's total value and unit cost. For instructions about this situation, see [Adjusting item total values and unit costs](#).

Entering information in the Inventory Adjustment window

Keep in mind that adjustments should be entered in the Quantity column field only; in other words, enter the quantity by which your inventory has changed, not the actual quantity of your inventory. For example, if your actual quantity is 100 items, but your AccountEdge records show that your quantity is 125 items, enter a quantity of -25 in the Quantity column.

The entry you make in the Account field of the Inventory Adjustments window depends on the type of adjustment you're making. Here are a few typical situations; choose the option that most closely matches your situation:

Option A: If the items were lost or stolen

Enter the account you usually use to track loss. In this situation, most businesses use an expense account called "Shrinkage," or a similar name, to track this type of loss.

Option B: If you didn't record an item invoice when you sold the item

Enter the account you usually use to track the cost of sales for this item. If you're not sure what this account is, display this item in the Item Information window, then check the Cost of Sales Account field; the entry in that field is the account you should enter in the Account column.

Option C: If you didn't record an item purchase order when you purchased the item

If you used AccountEdge to write a check for the purchase, use the same expense account that you used when you wrote the check to buy the item. See [Finding, changing, removing and reversing Spend Money transactions](#) to learn how to find a check you've written in AccountEdge.

Option D: If you're fixing an error you made when you entered your original item count when you set up AccountEdge

If you made a mistake when you first entered your item information into AccountEdge, use this item's inventory asset account. If you're not sure what this account is, display this item in the Item Information window, then check the Asset Account for Item Inventory field; the entry in that field is the account you should enter in the Account column.

Click below for the step-by-step procedures:

[Identify the inventory adjustment](#)

[Enter the details of the inventory adjustment](#)

[Choose what you want to do with the transaction](#)

Counting inventory items

Once in a while, you may experience discrepancies between the actual quantity of items you have in stock and your AccountEdge records of those quantities. When such a situation exists for many items, it can take a great deal of time to enter individual inventory adjustments for each discrepancy.

Fortunately, however, the Count Inventory window will speed the process of updating the quantities of many items for you. By using this window, you can quickly create one inventory adjustment for all the items whose quantities you need to change.

Each inventory adjustment you make must be allocated to a specific account so your accounting records accurately reflect the reasons why your inventory needed adjusting. For example, many businesses use one account -- often called "Shrinkage" -- to track natural loss or theft of their items.

Click below for the step-by-step procedure:

[To count your inventory items](#)

Adjusting item quantities and unit costs

If your AccountEdge record of an item's quantity is incorrect but the item's total value is correct, you can enter a special type of inventory adjustment to change the item's quantity and unit cost without changing the total value of the item.

If you want to reduce the inventory of the item, be sure to enter a negative number.

For example, if your AccountEdge records show 10 units on hand, and you want to change it to 15, enter 5 in the Quantity column. Or, if your AccountEdge records show 10 units on hand and you want to change it to 8, enter -2 in the Quantity column.

Click below for the step-by-step procedures:

[To adjust an item's quantity and unit cost](#)

Adjusting item total values and unit costs

If your AccountEdge record of an item's total value or unit cost is incorrect but the item's quantity is correct, you can enter a special type of inventory adjustment to change the item's total value and unit cost without changing the quantity of the item.

If you're reducing the item's unit cost and total value, be sure to enter the amount as a negative amount.

For example, say the total value of all your gadgets is \$50 and you want to change that total value to \$40. In the Amount column, you'd enter -\$10.

Another example: Say you have 10 gadgets with a unit cost of \$10 each. Your total item value is \$100 (10 units multiplied by \$10). Now, say you want to change the unit cost to \$8 each. First, multiply the quantity of units (10) by the new unit cost (8). The eventual total item value you want is \$80 (10 units multiplied by \$8). To determine the amount of the adjustment, subtract the current total item value (\$100) from the total item value you want to have (\$80); this results in a -\$20 adjustment amount. You'd then enter -\$20 in the Amount column.

Click below for the step-by-step procedure:

[To adjust an item's total value and unit cost](#)

Finding inventory adjustments

Inventory adjustments are a bit different than other types of AccountEdge transactions, such as sales and checks, in that the transactions you create can be reviewed only in the Transaction Journal window.

Click below for the step-by-step procedure:

[To find an inventory adjustment](#)

Changing inventory adjustments

Unlike other types of transactions in AccountEdge, once an inventory adjustment is recorded, you can't change it.

If you've entered an inventory adjustment that you need to change, you can do one of two things:

- Enter a new inventory adjustment that corrects the incorrect adjustment. For example, if you entered an adjustment of 20 gadgets but needed an adjustment of 200 gadgets instead, you could create a new inventory adjustment of 180 gadgets to make up the difference.
- Enter a new inventory adjustment that completely cancels the effects of the incorrect adjustment, then enter another new inventory adjustment with the correct adjustment amounts. For example, if you entered an adjustment of 20 gadgets but needed an adjustment of 200 gadgets instead, you could first create a new inventory adjustment of -20 gadgets to cancel the incorrect adjustment, then you could create another new inventory adjustment of 200 gadgets to correctly record the adjustment.

Removing and reversing inventory adjustments

Unlike other types of transactions in AccountEdge, once an inventory adjustment is recorded, you can't remove or reverse it.

However, if you need to remove the effects of an inventory adjustment from your AccountEdge records, you can enter a new inventory adjustment that completely cancels the incorrect adjustment. For example, if the adjustment you want to remove is for an increase of 20 gadgets, create a new inventory adjustment of -20 gadgets to cancel the incorrect adjustment.

Inventory Adjustments Overview

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Warning: Be very careful choosing the account to enter in the Account column! If you choose Option A, B or C in the list below, keep in mind that the item's inventory asset account's value will change when you record this transaction. This is probably the most common entry to make in this type of inventory adjustment.

If you choose Option D, however, the inventory asset account's value will *not* change. In most cases, you *will* want the value of the inventory asset account to change, so be very sure you want the account's value to remain the same before you enter that account in the Account column. **Warning: If you're setting up an item or many items at this time** If you're setting up an item at this time, the procedure for recording your items' initial quantities and values in AccountEdge is slightly different than what is described in this procedure. See [Enter the item's opening quantity and value](#) for more information. **Warning: This transaction won't affect the Inventory Journal** Keep in mind that the transaction you create using these steps will not have a dollar amount assigned to it. As a result, no entry will be made in the Inventory Journal. In effect, you won't be able to find this transaction again in the future.

Making inventory adjustments

Step 1: Identify the inventory adjustment

Step 1 > 2 > 3

If you haven't already read the Inventory Adjustments Overview, see [Making inventory adjustments](#) for more information.

The [Inventory Adjustments window](#) should be displayed.

1. Note that the Inventory Journal number and transaction date will be filled in for you automatically. These default entries can be changed if necessary, but in most instances, you'll probably want to keep the default entries.
2. To describe the transaction, enter a comment in the Memo field. Your comment should be short but descriptive, so you can differentiate the transaction from other, similar transactions. For example, you might enter "Adjustment for July" or "February Purchases Adjustments."

Making inventory adjustments - Step 1

Making inventory adjustments

Step 2: Enter the details of the inventory adjustment

Step 1 > 2 > 3

If you haven't already read the Inventory Adjustments Overview, see [Making inventory adjustments](#) for more information.

1. Enter the item's number in the Item Number column of the first line item in the scrolling list. The name of the item will be displayed automatically in the Name column, and the average cost per unit is displayed in the Unit Cost column.
2. In the Quantity column, enter the quantity by which you want your inventory to be adjusted.
3. An amount appears automatically in the Amount column. Since you're making a typical inventory adjustment, in which you want the item's unit cost to remain unchanged, leave the default entries in the Unit Cost and Amount columns as they are.
4. The entry you'll make in the Account field depends upon the type of adjustment you're making. See [Entering information in the Inventory Adjustment window](#) for more information.
5. If you want to assign the inventory adjustment to a particular job, enter the job's number in the Job column.
6. If you need to make adjustments for several items, create separate line items for each adjustment.

Making inventory adjustments - Step 2

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Warning: Typical inventory adjustments affect total inventory values Keep in mind that when you make a typical inventory adjustment like this one, you will affect the item's total inventory value. The total inventory value is calculated by multiplying the total quantity of the item by the item's average unit cost; therefore, when you adjust the quantity, you also adjust the total inventory value of the item.

Making inventory adjustments

Step 3: Choose what you want to do with the transaction

Step 1 > 2 > 3

If you haven't already read the Inventory Adjustments Overview, see [Making inventory adjustments](#) for more information.

To see how the transaction will affect your financial records

Choose Recap Transaction from the Edit menu to view the accounting entries that will be made to your financial records when you record the inventory adjustment.

To record the transaction

To record the inventory adjustment, click the Record button.

Making inventory adjustments - Step 3

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To count your inventory items

If you haven't already read the Inventory Adjustments Overview, see [Counting inventory items](#) for more information.

1. Be sure to record any inventory transfers before counting your inventory. Otherwise, missing inventory that was really used to build another item will be accounted for as an expense, such as loss or shrinkage. See [Making inventory transfers](#) for more information.
2. Click Count Inventory in the Inventory Command Center to open the Count Inventory window.
3. Count the actual items in your inventory and enter their actual quantities in the Counted column.
4. Click Adjust Inventory. The Adjustment Information window appears.
5. In the Adjustment Information window, you can specify a default allocation account with which you can track the adjustments you entered in the Count Inventory window. If you choose to enter an account in this window, the inventory adjustment transaction that will be created in the next step will use this default allocation account to track every adjustment you entered in step 3.

Keep in mind that you don't need to enter a default allocation account in the Adjustment Information window, however. If it's necessary for you to use different accounts to track the adjustments you made in step 3, you'll get the chance to enter those accounts in the next step.

When you're finished in the Adjustment Information window, click Continue.

6. The Inventory Adjustments window appears. A line item for each adjustment you entered in the Count Inventory window in step 3 is displayed.

Take a look at the Account column in the scrolling list. If you entered a default allocation account for the transaction in step 5, that account appears in the Account column for each line item. If you didn't enter a default allocation account for the transaction in step 5, enter the accounts you want to use to track each item's change in quantity.

7. Click Record.

To count your inventory items

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Warning: If the line items aren't correct If you notice that the amounts in the Unit Cost or Amount columns aren't correct, don't make changes to that information at this time. Finish this procedure, then see [To adjust an item's total value and unit cost](#).

To adjust an item's quantity and unit cost

If you haven't already read the Inventory Adjustments Overview, see [Adjusting item quantities and unit costs](#) for more information.

The [Inventory Adjustments window](#) should be displayed.

1. Enter the number of the item you want to change in the Item Number column on the first blank line in the scrolling list.
2. In the Quantity field, enter the quantity of the adjustment-not the new quantity of the item.
3. When you entered the item number in step 1, the item's unit cost appeared automatically in the Unit Cost column. Change this amount to \$0.00.
4. Click Record. The item's quantity and unit cost will be adjusted in MYOB AccountEdge without affecting the item's total value.

To adjust an item's quantity and unit cost

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Warning: Don't make any changes to the Amount column It's very important that you don't make changes to the Amount column at this point.

To adjust an item's total value and unit cost

If you haven't already read the Inventory Adjustments Overview, see [Adjusting item total values and unit costs](#) for more information.

The [Inventory Adjustments window](#) should be displayed.

1. Enter the number of the item you want to change in the Item Number column in the scrolling list.
2. Be sure 0 (zero) appears in the Quantity column.
3. In the Amount column, enter the dollar amount of the adjustment, not the new total value of the item.
4. Your entry in the Account column depends upon your situation. Read the information in this step carefully before you make an entry in the Account column.

If you're entering an opening value for this item and you don't want the transaction to change the opening balance of the item's inventory asset account, enter that inventory asset's account's number as the allocation account for this transaction.

Regardless of whether you're entering an opening value for this item, if you want the balance of your main inventory asset account to reflect this adjustment transaction, enter the expense or cost of sales account that you want to use to track this adjustment.

5. Click Record.

To adjust an item's total value and unit cost

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Warning: Don't make any changes to the Unit Cost column It's very important that you don't make changes to the Unit Cost column at this point.

To find an inventory adjustment

If you haven't already read the Inventory Adjustments Overview, see [Finding inventory adjustments](#) for more information.

The [Transaction Journal window](#) should be displayed.

1. A list of inventory transactions in the current month are displayed. If the inventory adjustment you're looking for occurred in a previous month, enter the appropriate range of dates in the Dated From/To fields.
2. The inventory adjustment you're looking for appears in the scrolling list.

To find an inventory adjustment

Inventory Transfers Overview

[Making inventory transfers](#)

[Auto-building items](#)

[Finding inventory transfers](#)

[Changing, removing and reversing inventory transfers](#)

In MYOB AccountEdge, *transferring inventory* is the process of changing the quantity and total value of one or more items, known as *components*, to change the quantity and total value of at least one other item, known as a *finished item*. You can also change the quantity and total value of one or more finished items to change the quantity and total value of other finished items. You can use a single transaction, known as an *inventory transfer*, to make these changes.

Inventory transfers are useful for manufacturing businesses. For example, in a woodworking business, you could create an inventory transfer to turn components like lumber into finished items like furniture.

Transferring inventory is even simpler if you choose to automatically build finished items using AccountEdge's auto-build inventory feature.

Making inventory transfers

- Step 1: [Identify the inventory transfer](#)
- Step 2: [Enter the inventory transfer's components.](#)
- Step 3: [Enter the inventory transfer's finished items.](#)
- Step 4: [Balance the transaction](#)
- Step 5: [Choose what you want to do with the transaction](#)

When making inventory transfers, you should determine the type of inventory transfer you need:

- If you haven't set up a finished item's auto-build information but you want to immediately build the item, you should enter a typical inventory transfer. For step-by-step instructions about this situation, see Step 1, [Identify the inventory transfer](#).
- If you've already set up a finished item's auto-build information, or if you wish to build many different finished items, you should use the auto-build inventory feature. For instructions about auto-building inventory, see [Auto-building items](#).

After you've created an inventory transfer, you may decide that the total value of the finished item is actually greater than just the sum of the values of its components. If a finished item is built by human labor, for example, you might decide that labor costs should also be included in the total value of the finished item.

To increase the total value of a finished item, create a special inventory adjustment for the item. If the increased total value of the item is due to the cost of labor, we suggest that you allocate the inventory adjustment to a wage expense account.

Click below for the step-by-step procedure:

[Identify the inventory transfer](#)

[Enter the inventory transfer's components.](#)

[Enter the inventory transfer's finished items.](#)

[Balance the transaction](#)

[Choose what you want to do with the transaction](#)

Auto-building items

If you frequently build finished items out of components, you're probably aware that it might take a great deal of time to record an individual inventory transfer in the Inventory Transfers window each time you need to build another set of finished items.

Fortunately, however, the Auto-Build Inventory window will speed the process of updating the quantities of your components and finished items for you. By using this window, you can quickly create one inventory transfer for all the items whose quantities you need to change.

Once you've assigned auto-build and restocking information to your items, you can automatically build items using the To Do List window.

Click below for the step-by-step procedure:

[To auto-build an item](#)

[To auto-build an item using the To Do List](#)

Finding inventory transfers

Inventory transfers are a bit different than other types of AccountEdge transactions, such as sales and Spend Money transactions, in that the transactions you create can be reviewed only in the Transaction Journal window.

Click below for the step-by-step procedure:

[To find an inventory transfer](#)

Changing, removing and reversing inventory transfers

Unlike other types of transactions in AccountEdge, once an inventory transfer is recorded, you can't change it.

If you've entered an inventory transfer that you need to change, you can do one of two things:

- Enter a new inventory transfer that corrects the incorrect transfer. For example, if you reduced gadgets by 20 but needed to reduce 200 gadgets instead, you could create a new inventory transfer in which 180 gadgets are reduced to make up the difference.
- Enter a new inventory transfer that completely cancels the effects of the incorrect transfer, then enter another new inventory transfer with the correct transfer amounts. For example, if you reduced gadgets by 20 units but needed to reduce 200 gadgets instead, you could first create a new inventory transfer in which 20 gadgets are *increased*, then you could create another new inventory transfer in which 200 gadgets are reduced.

If you need to remove the effects of an inventory transfer from your AccountEdge records, you can enter a new inventory transfer that completely cancels the incorrect transfer. For example, if the transfer you want to remove is for a reduction of 20 gadgets, create a new inventory transfer of 20 gadgets (be sure to enter a *positive* quantity) to cancel the incorrect transfer.

Inventory Transfers Overview

Making inventory transfers

Step 1: Identify the inventory transfer

Step 1 > 2 > 3 > 4 > 5

If you haven't already read the Inventory Transfers Overview, see [Finding inventory transfers](#) for more information.

The [Inventory Transfers window](#) should be displayed.

1. Note that the Inventory Journal number and transaction date are filled in for you automatically. These default entries can be changed if necessary, but in most instances, you'll probably want to keep the default entries.
2. To describe the transaction, enter a comment in the Memo field. Your comment should be short but descriptive, so you can differentiate the transaction from other, similar transactions. For example, you might enter "Transfer for July" or "February Finished Items Build."

Making inventory transfers - Step 1

Making inventory transfers

Step 2: Enter the inventory transfer's components.

Step 1 > 2 > 3 > 4 > 5

If you haven't already read the Inventory Transfers Overview, see [Making inventory transfers](#) for more information.

Next, you'll enter a line item for each component that will be reduced by the inventory transfer

1. Enter the first component in the Item Number column of the first line item in the scrolling list. The name of the item will be displayed automatically in the Name column, and the average cost per unit will be displayed in the Unit Cost column.
2. Enter the quantity by which you want the component to be reduced in the Quantity column. (Remember, since you're reducing the quantity of the component, you should enter this quantity as a negative number.)
3. The Amount column automatically displayed the amount by which the total value of the component will be reduced when you record this transaction. You can change this amount, if you wish; however, keep in mind that the unit cost of the component will change to reflect the change you made.
4. Repeat the previous three steps for each component that's used to build the finished item. When you're finished entering components, proceed to the next step.

Making inventory transfers - Step 2

Making inventory transfers

Step 3: Enter the inventory transfer's finished items.

Step 1 > 2 > 3 > 4 > 5

If you haven't already read the Inventory Transfers Overview, see [Making inventory transfers](#) for more information.

Next, you'll enter a line item for each finished item that will be created by the inventory transfer.

1. Enter the first finished item in the Item Number column of the next line item in the scrolling list, below the last component you entered. The name of the finished item will be displayed automatically in the Name column, and the average cost per unit will be displayed in the Unit Cost column.
2. Enter the quantity by which you want the finished item to be increased in the Quantity column. (Remember, since you're increasing the quantity of the finished item, you should enter this quantity as a positive number.)
3. The Amount column automatically displayed the amount by which the total value of the component will be increased when you record this transaction. You can change this amount, if you wish; however, keep in mind that the unit cost of the finished item will change to reflect the change you made.
4. Repeat the previous three steps for each finished item that's created by the components you entered earlier in this transaction.

Making inventory transfers - Step 3

Making inventory transfers

Step 4: Balance the transaction

Step 1 > 2 > 3 > 4 > 5

If you haven't already read the Inventory Transfers Overview, see [Making inventory transfers](#) for more information.

When you finish entering components and finished items in the scrolling list, take a moment to review the Out of Balance field below the scrolling list.

Before you can record the transaction, the amount in the Out of Balance field must be \$0.00. If the dollar amounts you've entered in the transaction don't balance, adjust the total value of one of the line items-most likely, you'll want to adjust a finished item instead of a component-in the Amount column, until \$0.00 appears in the Out Of Balance field.

You can enter any amounts and quantities in the scrolling list. However, keep in mind that if you make disproportionate entries in a component's Quantity and Amount fields-for example, if you indicate that 10 nails are worth \$1,000-you could adversely affect the total value of the remaining components that aren't part of this transaction. Therefore, be careful when you attempt to balance your inventory transfers.

Making inventory transfers - Step 4

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Making inventory transfers

Step 5: Choose what you want to do with the transaction

Step 1 > 2 > 3 > 4 > 5

If you haven't already read the Inventory Transfers Overview, see [Making inventory transfers](#) for more information.

To see how the transaction will affect your financial records

Choose Recap Transaction from the Edit menu to view the accounting entries that will be made to your financial records when you record the inventory transfer.

To record the transaction

Click Record.

Making inventory transfers - Step 5

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To auto-build an item

If you haven't already read the Inventory Transfers Overview, see [Auto-building items](#) for more information.

1. Create the item records that you intend to include in the auto-build process. For each finished item you plan to auto-build, remember to set up its appropriate auto-build information in the Auto-Build Information window. See [Creating items](#) for more information.
2. Click Auto-Build Inventory in the Inventory Command Center to open the Auto-Build Inventory window.
3. Decide which finished items you want to build and enter the quantity of each that you want to build in the Qty to Build column.
4. Click Build Items. The Inventory Transfers window appears, displaying the line items needed to build the finished items you chose in the previous step.

Take a moment to review the entries in this window to be sure the quantities, unit costs and total inventory values are correct. Note that the quantities of the components in the list are displayed as negative numbers, while the quantities of the finished items in the list are shown with positive numbers.

If you wish, you can make changes to the information that appears in the window. (Keep in mind, however, that you may incorrectly adjust the value of your items if you make changes to these entries.)

5. Click Record to record the inventory transfer and update your inventory quantities and values.

Keyword: autobuild

To auto-build an item

To auto-build an item using the To Do List

If you haven't already read the Inventory Transfers Overview, see [Auto-building items](#) for more information.

The [To Do List window](#) should be displayed.

1. Click the Stock Alert tab to display a list of all your items that need to be restocked. (The list contains all finished items that need to be built, as well as all items that need to be purchased.)
2. Click the zoom arrow to the right of the item's name if you want to view detail about a specific finished item.
3. If you want to auto-build one or several of the finished items in the list, click the Action column for the items you want to build.
4. Click the Order/Build button.

To auto-build an item using the To Do List

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Warning: Read this before you auto-build items using the To Do List If you choose to build finished items using the To Do List window, keep in mind that the inventory transfers will be recorded automatically; you won't get a chance to review or change any of the transactions before they're recorded. If you're not sure you want to record a particular transaction, we suggest you use the Auto-Build Inventory window to manually enter the transaction so you have better control over the transaction than you would if you used the To Do List.

To find an inventory transfer

If you haven't already read the Inventory Transfers Overview, see [Finding inventory transfers](#) for more information.

The [Transaction Journal window](#) should be displayed.

1. A list of inventory transactions in the current month are displayed. If the inventory transfer you're looking for occurred in a previous month, enter the appropriate range of dates in the Dated From/To fields.
2. The inventory transfer you're looking for appears in the scrolling list.

To find an inventory transfer