

HOW LANDING COST BY VALUE WORKS

Overview:

The system is capable of auto-calculating the Landed Cost of an item. There are 4 available ways on how QNE will distribute the Landing Cost and one of it is by using the 'By Value' option. 'By Value' is computing the landing cost according to its purchased amount. This is the most common option wherein the item that has the highest value will also get the most amount allocation.

Scenario:

Incorporate the Landed Cost in imported stocks and use the purchase value as reference for allocating the total Landing Cost.

Procedure:

Enable 'Landing Cost'.

1. Go to Purchases > Landing Costs

Cash Purchases
Purchase Debit Notes
Purchase Returns
Purchase Requisition Appr
Purchase Cost Priority
Landing Costs
Mark Purchases Document
Dashboard
General Ledger
Customer
Supplier
Sales
POS

Set the Proportional into 'Value'.





Application:

Issue a Purchase Invoice and use the Landing cost Calculator as shown below. Input the value in the calculator to calculate the amount per Cost.

Set up the Landing Cost by Value in Purchase Invoice.

§ * - Purchase In ×																		
	Purchase Invoices							😴 * - Proportional Of Landing Cost – 🗆 🗙										
De	Details Supplier Deliver To Others Notes 🏥 Files Info							Custom Dut	ty		10.00	Proportion By	Value			•		
S	Supplier 301-A001						-	Freight			20.00	Proportion By	Value		*			
Fr	om		ALI MANUFACTU	JRING IN	С		1	Insurance			30.00	Proportion By	Value ~			*	/07/2020	
Te	Term 60 DAYS							Local Charg	jes		40,00	Proportion By	Value			*	.2005/001	
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PI	Project					-										🗸 Tax Inclusiv		
	📋 Scan Item 🔳 🗙 🗇 🖕 🛃 📴 🥥										ОК	Cance	el					
	C	Stock Code	Description	Qty	UOM	Unit Price	Disc	Amount	Net	Custom Duty	Freight 1	Insurance Loca	al Charges					
•		Item 1	Item 1	10	UNIT(S)	10.00		100.00	100.00									
		Item2	Item2	20	UNIT(S)	20.00		400.00	400.00									

System will automatically compute the Value for Custom Duty, Freight, Insurance, and Local Charges.

-	s Purchase Invoices																	
Det	Details Supplier Deliver To Others Notes 4 Files Info																	
S	ppl	lier	301-A001 ~						Currency	PHP	PHP ~				1.00000000 Exchange			
Fr	om		ALI MANUFACTURING INC					Attention	Leah Sar	ntos			Doc Date	05/07/2020				
Te	rm		60 DAYS • Purchaser				ALVIN				Invoice No.	BIL2005/001	*					
Lo	Location		-						Supplier DO	No.				Supplier Inv No.				
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	С	Stock Code	Description	Qty	UOM	Unit Price	Disc	Amount	Net	Custom Duty	Freight	Insurance	Local Charges					
+		Item 1	Item 1	10	UNIT(S)	10.00		100.00	100.00	2.00	4.00	6.00	8.00					
		Item2	Item2	20	UNIT(S)	20.00		400.00	400.00	8.00	16.00	24.00	32.00					

The calculation of proportion *Value* is as below:

Item1											
Custom Duty	Insurance										
(Subtotal Item1/ Total Amount) x Custom Duty	(Subtotal Item1/ Total Amount) x Insurance										
= (PHP 100 /PHP 500) x PHP 10	= (PHP 100 / PHP 500) x PHP 40										
= 2 php	= 4 php										
Freight	Local Charges										
(Subtotal Item1/ Total Amount) x Freight	(Subtotal Item1/ Total Amount) x Local Charges										
= (PHP 100 /PHP 500) x PHP 30	= (PHP 100 / PHP 500) x PHP 40										
= 6 php	= 8 php										

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Item2											
Custom Duty	Insurance										
(Subtotal Item1/ Total Amount) x Custom Duty	(Subtotal Item1/ Total Amount) x Insurance										
= (PHP 400 /PHP 500) x PHP 10	= (PHP 400 php/ PHP 500) x PHP 20										
= PHP 8	= PHP 16										
Freight	Local Charges										
(Subtotal Item1/ Total Amount) x Freight	(Subtotal Item1/ Total Amount) x Local Charges										
= (PHP 400 /PHP 500) x PHP 30	= (PHP 400 / PHP 500) x PHP 40										
= 24 php	= 32 php										

To check the Cost of the Stock, generate a Stock Inquiry. Under Inquiry> Stock Inquiry.

		ks In	quiry Main	tenance													
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D	ate From		05/01/2020						- To 05/07/2020								*
L	Location ALL					• _ I	ndude GST				Include Stock	Transfer	Use Stock Trans	fer Cost(WA On	ly)		
Le	Ledger Costing QtyInfo Location Qty																
	Date		Transac	tion Code	Description						In	Out	Balance	Cost Price	Price (Exc L.Cost)	Sel	Price
Þ					BALANCE B/F												
	05/07/202)	BIL2005/001 ALI MANUFACTURING INC							10		10	12.00	10.00			

The calculation for the Cost Price is:

Cost Price = (Custom Duty+ Insurance + Freight+ Local Charges)/Qty + Unit Price = (PHP 2 +PHP 4 +PHP 6 +PHP 8)/10+PHP 10 =PHP 12



For further concerns regarding this matter, please contact support to assist you or create ticket thru this link <u>https://support.qne.com.ph</u>