# Recalculating COGS

## Overview:

The Cost of Goods Sold (COGS) is calculated and is the List Price – the discount received from the vendor at the time it was received. Anthology uses a count-back method to achieve this value. When an item is sold, Anthology looks back into Receiving History to locate the PO and ultimately the discount for that item. This value, e.g. 40%, is then deducted from the List Price associated with the item in the Inventory.

NOTE: this is why the List and Retail price are the same in you inventory.

If the "count-back" cannot locate a discount on associated with a PO, then Anthology will use the "Default purchase discount for costing" value located in the Departments screen for that department. If this value is not available, then no costing information will be calculated for this item. This can be easily corrected through the Anthology interface.
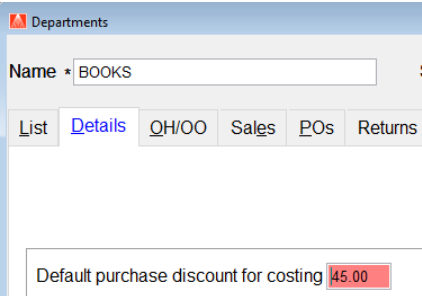


## Correcting the COGS:

Whether you are correcting many PO's or just one, the steps will be the same.

### STEPS:

If you have many orders to do, we recommend that you do this after you close for the day so you don't interfere with daily sales and if is not what you expected you can easily put it back.

1. Do a Quick Backup
   a. Go to Tools | Quick Backup menu.
   b. Choose "Copy open files".
2. Open Inventory Control | Receiving
   a. Uncheck the Open POs Only option
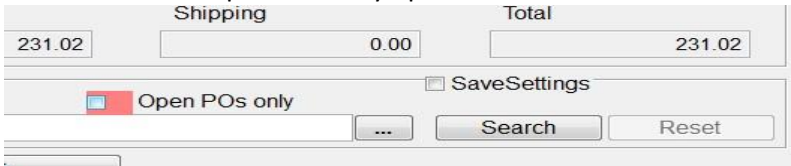
b. Click the Search to set the screen to show all receiving.

c. Locate the order you want to make the corrections for, in this case STEPS-A is the PO Number.

| Compl Steps-A | | BAKER & TAYLOR PUB | 2064 | 0.00 |
|---|---|---|---|---|
| ▸ Shipm Steps-A | 1 | BAKER & TAYLOR PUB | 2064 | 39,957.00 |

d. Select the Shipment record and move to the Details tab

e. Select Actions | Edit Receiving History

Print Labels
**Edit Receiving History**
Recalculate Costs of Goods Sold
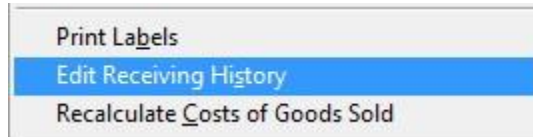
f. Change the discount in the header to whatever it should have been. I used 43%

| Disc % | 43.000 | Terms | (None) | ▾ |
|---|---|---|---|---|
| Qty | 2064 | Ship via | (None) | ▾ |
| Retail | 39,957.00 | | CBOs ☐ | |

g. Choose Actions | Flow Header Discount Down – this will populate the line items in the Receiving Memo

Show Short-Shipped Items Only
Unreceive All
Update Inventory Prices
**Flow Header Discount Down**
Sort by Entry Order
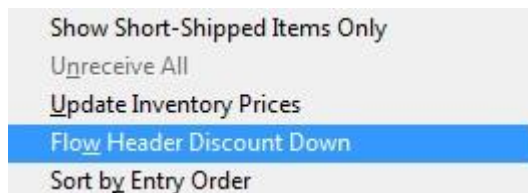
h. Choose F10 Save

i. Choose Actions | Recalculate Cost Of Goods Sold

Print Labels
Edit Receiving History
**Recalculate Costs of Goods Sold**

j. On Recalculate screen choose All Records On PO and click F12 Recalculate
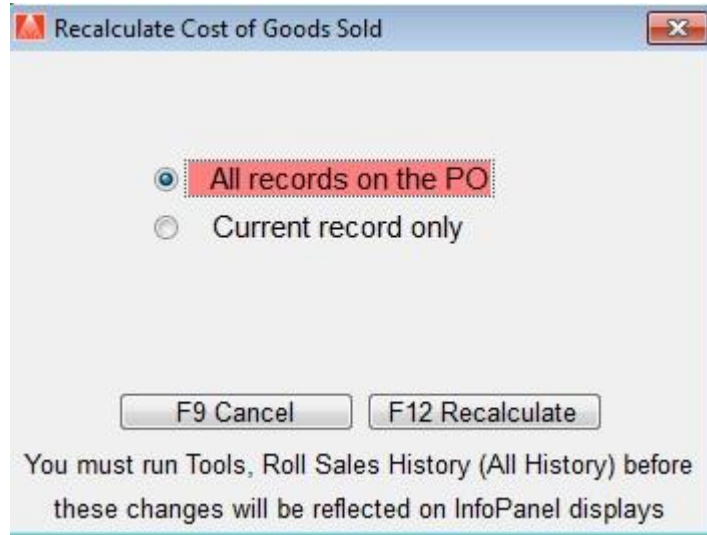
> k. You'll see the screen update progress. It takes a few minutes.
3. Run the Sales History Report – you should see better numbers.