Expense Work In Process Inventory/Crop Inputs

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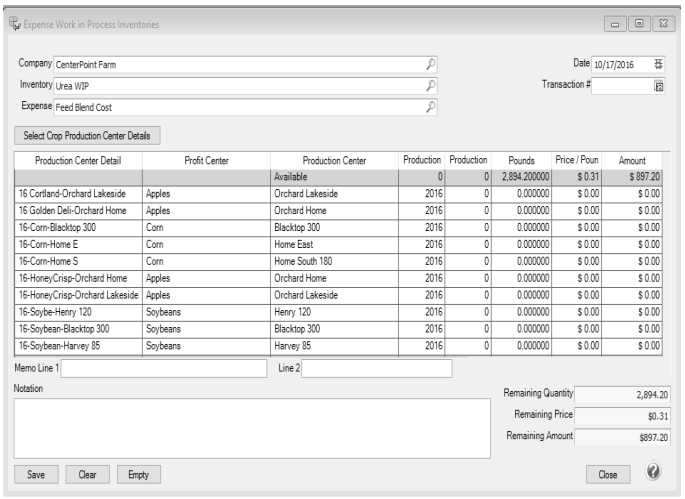
You will need to expense your crop inputs (if using accrual accounting) once they have been used. The purchases that originally increased a work in process asset account are transferred to a cost of goods sold account and the appropriate production details.

Prerequisite: *The crop inputs must have been entered and assigned to WIP Inventory accounts when purchased. For more information on that process, see our Purchase Prepaid Supplies document for step-by-step instructions.*

Products*: On WIP Inventory accounts where you are maintaining balance details by product and production center details, use the menu option Processes > Production > Expense Applied Work in Process Product. Refer to the document or video "Understanding and Using Products".*

Expense Work in Process/Crop Input Inventories

1. Select **Processes > Production > Expense Work In Process Inventories**.



2. Select the **Company**.
3. In the **Inventory** box, select the work in process inventory account that you'd like to expense.

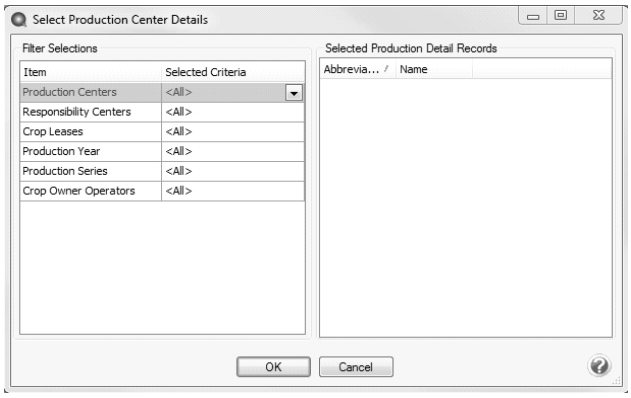
Note: If some of your WIP account categories maintain balance detail by product and production center detail, and others do not, the inventory lookup list can include a column to indicate the accounts with product. In the lookup list of accounts, right-click and select Add/Remove Columns. Select Product and click OK.

Note: Click the lookup button to display the list of work in process accounts and their remaining balances.

This documentation is for informational purposes only. For specific accounting guidance, please contact your accountant.

4. The **Expense** account is automatically populated with the offset account assigned to the WIP account. If the account doesn't automatically populate, select the corresponding cost of goods sold account or expense account.
5. Click **Select Crop Production Center Details** to specify specific crop production center details for this transaction.

Note: On the right screen that lists the crop production center detail records, right-click to add optional columns of information. Select Add/Remove Columns. Select any columns you wish to display. For example, add Size to show the number acres in each production detail. Click **OK**



6. Select the **Date** to expense the WIP inventory. The date is generally the same generation of time used to record the new crop production.
7. In the grid, the first line will show the amount of available WIP inventory to be distributed.
8. In the first blank line in the grid, select either a **Production Center Detail** OR the appropriate **Profit Center, Production Center, Year and Series** (series is optional).

Note: Selecting the production center detail will fill in the profit center, production center, year and series(optional) automatically, however you may override them.

9. Enter the **Quantity** applied to the location. The title on the quantity column will use the Unit of Measure assigned to the WIP account. In our example, the quantity field is titled **Pounds**.

Note: If a unit of measure was not assigned to the WIP account, the quantity column title will be blank.

10. The **Price** (in this example **Price/Pound**) and **Amount** will calculate automatically based on the prepaid purchases assigned to this account.

Note: This Price and Amount fields can be changed if needed.

11. The remaining values in the lower right corner of the screen will update automatically.
12. Repeat steps 6-9 for each production center detail or profit center / production center / production year combination that used this inventory.
13. In the **Memo Line 1** box, enter an optional memo for the transaction. In the **Line 2** box, if the transaction is assigned a name that was setup with a default memo, it will display automatically and can be overridden.
14. Click **Save**.
15. Repeat steps 1-13 for each Inventory to be distributed.

Frequently Asked Questions

Q: When I entered my Inventory account, it brought up an incorrect Available Quantity or Amount.

A: You have two options at that point. You can either simply overwrite the quantity/costs when you distribute to each Profit Center combination or you can cancel out of this transaction, fix the original purchase transactions and then begin an Expense Work in Process Inventory transaction again. Note: See the Edit a Transaction document for more information on how to correct an existing transaction.

Q: We no longer physically have any inventory left on the farm as it's all been applied. I entered my Expense Work In Process Inventory transaction, but the Remaining fields at the bottom still show a little inventory. Is there a simple way to zero that out?

A: Yes. Click the **Empty** button at the bottom of the screen and the system will add one more distribution to your transaction for the remaining amount in inventory. This will expense the remaining amount but not assign it to any production details. Note: If you prefer, you can assign a Production Center Detail or Profit Center/Production Center/Year.

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