

Slide 1

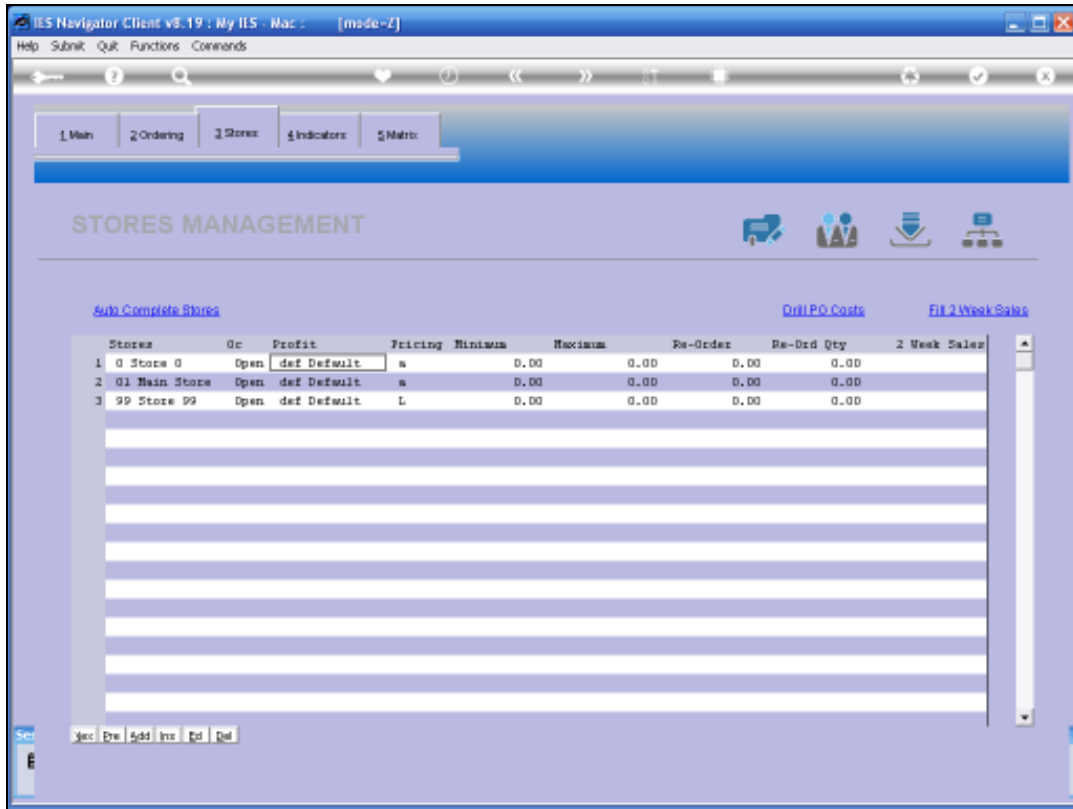
Slide notes: In this tutorial, we consider what the Profit Centres are.

Stores Management Table:

Stores	Oc	Profit	Pricing	Minimum	Maximum	Re-Order	Re-Ord Qty	2 Week Sales
1 0 Store 0	Open	def Default	a	0.00	0.00	0.00	0.00	0.00
2 01 Main Store	Open	def Default	a	0.00	0.00	0.00	0.00	0.00
3 99 Store 99	Open	def Default	L	0.00	0.00	0.00	0.00	0.00

Slide 2

Slide notes: For each Stock Item and for each Store from where a Stock Item can be issued or sold, we have a Profit Centre indicator. We may use 1 or many of these Profit Centres, and the implication is that when the Accounting transactions are automatically performed by the system, i.e. when a Stock Item is issued or sold, then the Profit Centre is considered as part of the Journal path.



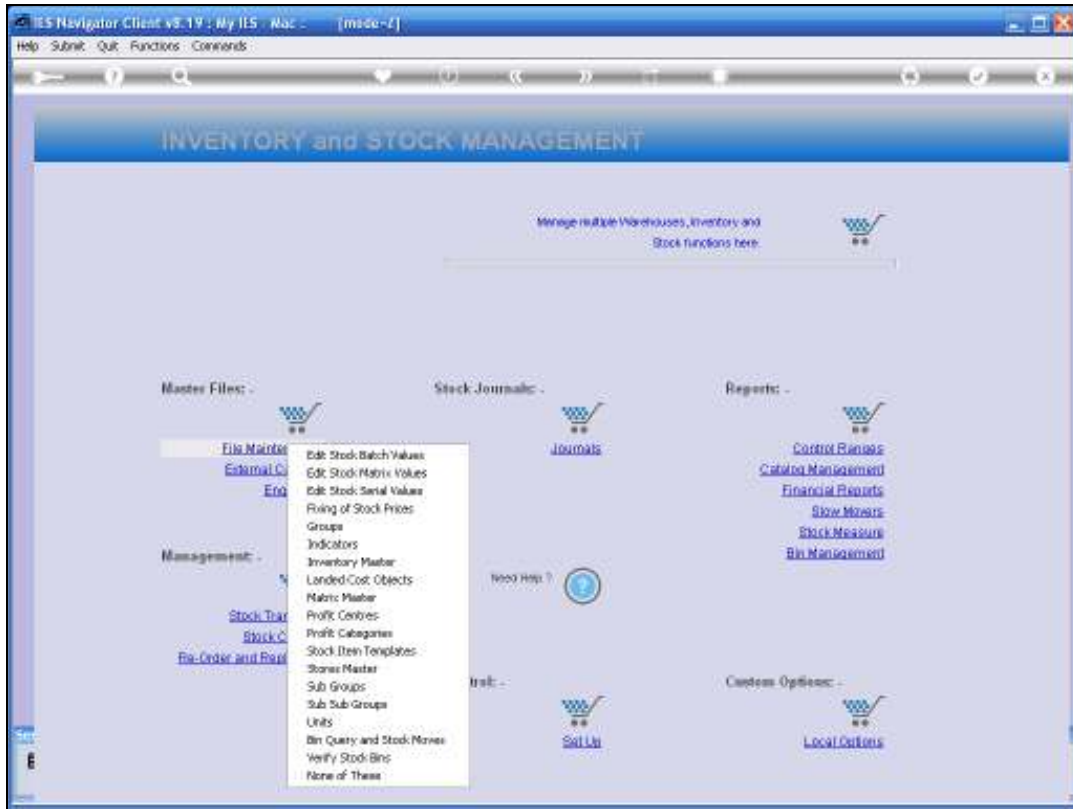
Slide 3
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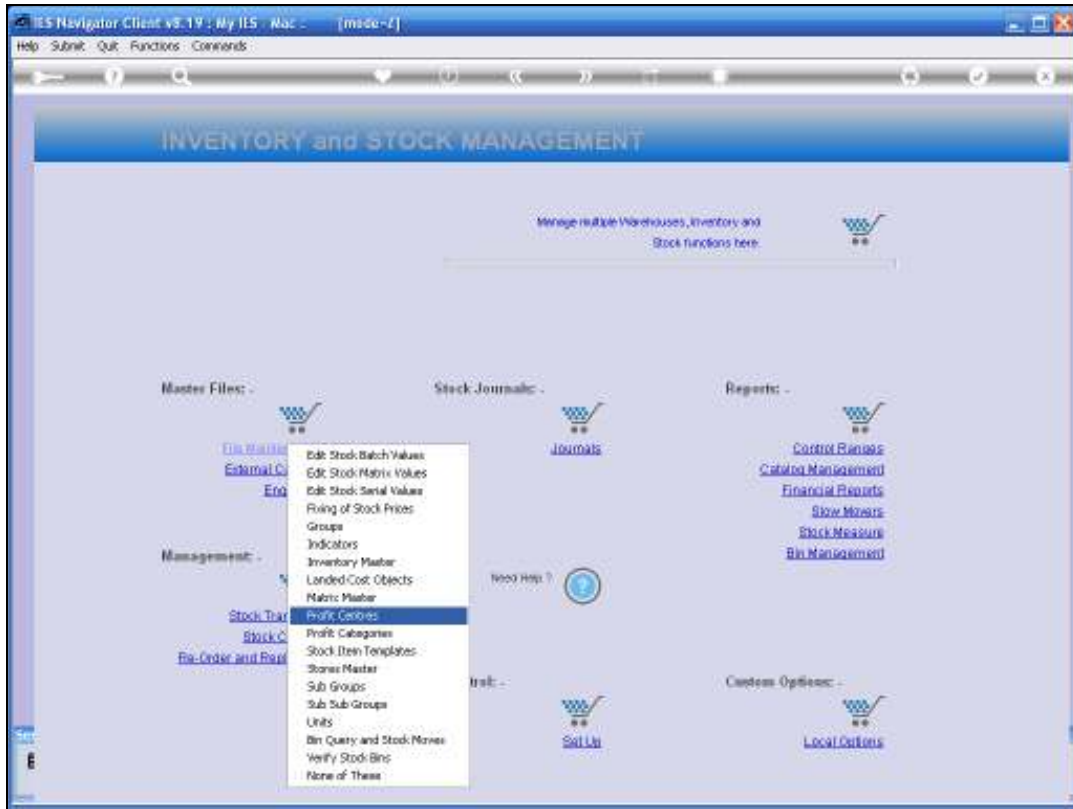
Slide 4
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Slide 5
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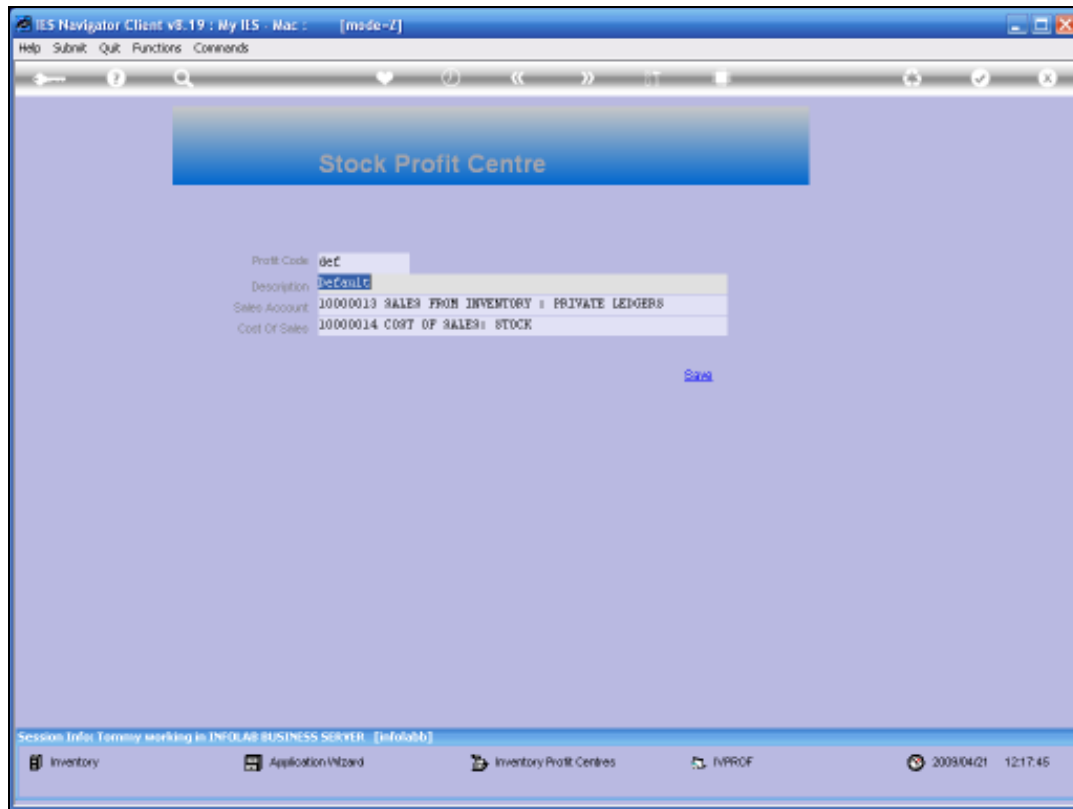


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Slide notes:



Slide 7

Slide notes: Now let's have a look at the Profit Centre master.



Slide 8

Slide notes: A Profit Centre has a short Code and a Descriptive label to recognize it by. It always has a Sales Account and a Cost of Sales Account, and it is allowed that these 2 may be the same Account. When a Stock Item is issued or sold and there is a difference between the cost at which it is issued or sold as compared with the average cost of the Item in Stock, then the Sales Account will be credited with the issue or sales price, and the Cost of Sales Account will be debited with the Cost Price from Inventory, i.e. the Average Cost. By implication, the difference between the Sales Income and the Cost of Sales is the margin or profit.