Making Inventory Adjustments

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This guide explains how to adjust your inventory quantities. It is intended for advanced users.

You may need to adjust your inventory quantities due to mis-counted, damaged, missing, or returned items, or for adding beginning balances to your system. When updating inventory quantities, be sure you use the correct adjustment type (https://aace6.knowledgeowl.com/help/overview-of-inventory-adjustments). For example, a count adjustment and a beginning balance adjustment can both increase item quantities; however, they have distinctly different impacts on your financials.

Adjusting Inventory Quantities

1. Navigate from **Main Menu** > **Inventory** > **Inventory Adjustments**.
2. Click **New** and select the appropriate adjustment type:
   - Count — Accounts for inventoried items that were mis-counted, returned, etc.
   - Loss — Accounts for inventoried items that are damaged, missing, etc.
   - Transfer — Tracks the movement of inventory between various locations / offices
   - Assembly — Implies the building of additional product, creating more inventory
   - Division — Splits an existing inventoried item into additional items
   - Beg Balance — Adds inventory where none previously existed in the system
3. Enter the details for the adjustment record and for each adjustment item.
   Note: Be sure to assign the adjustment to the correct GL account. If you have questions, consult with your accountant or system administrator.
4. Click **Save** and **Post Inventory Adjustment**.

Inventory Screens After an Adjustment

When most adjustments are posted, you can see the entry reflected in the Inventory Transactions (https://aace6.knowledgeowl.com/help/overview-of-inventory-transactions) module, as well as in the Inventory Usage (https://aace6.knowledgeowl.com/help/overview-of-inventory-usage) module. The exceptions to this are transfer and beginning balance adjustments. Transfer entries are not counted as inventory transactions. Neither transfer nor beginning balance entries generate inventory usage records.

Correcting Posted Inventory Adjustments

If an adjustment was the incorrect record type, void and re-create the adjustment.

If an adjustment was the correct record type, but linked to the wrong GL account:

1. Open the General Ledger module and locate the credit entry corresponding to the adjustment.
2. Hide all other entries, then click **Actions** > **Reassign GL Account for List**.
3. Select the correct GL account.