

**EXAMPLE 3 - ON PURCHASE, DIFFERENT STOCK COST, EXPANDED**

ACCOUNTING

	BUSINESS TRANSACTION		VALUE	STOCK INVENTORY		FINANCIAL TRANSACTION	STOCK / INVENTORY	COST OF GOODS SOLD	CREDITORS	SALES	DEBTORS	BANK ACCOUNT	
					QTY								Asset (BS)
1	Buy Product Stock	100 x \$10	Supplier Order	1000	100	Expense	1,000.00		1,000.00				
2	Buy Product Stock	50 x \$11	Supplier Order	550	50	Expense	550.00		550.00				
3	Pay Supplier					Payment		-	1,000.00		-	1,000.00	
4	Sell Product	125 x \$15	Order	1875	25	Order	- 1,291.67	1,291.67					
5						Invoice				1,875.00	1,875.00		
6	Customer Pays					Receipt				-	1,875.00	1,875.00	
7	Buy Product Stock	300 x \$15	Supplier Order	4500	325		4,500.00		4,500.00				
8	Sell Product	250 x \$20	Order	5000	75	Order	- 3,660.26	3,660.26					
9						Invoice				5,000.00	5,000.00		
10	Sell Product	74 x \$20	Order	1480	1	Order	- 1,083.44	1,083.44					
11						Invoice				1,480.00	1,480.00		
							-	14.64	6,035.36	5,050.00	8,355.00	6,480.00	875.00

**AVERAGE STOCK UNIT COST - EVERY STOCK ADJUSTMENT TRANSACTION EFFECTS IT**

Product Stock Unit Cost @ [1]	10.00	100	1,000.00	
Product Stock Unit Cost @ [2]	10.33	150	1,550.00	
Sell Product	125		1,291.67	258.33
Product Stock Unit Cost @ [5]	10.33	25	258.33	
Product Stock Unit Cost @ [7]	14.64	325	4,758.33	
Sell Product	250		3,660.26	1,098.08
Product Stock Unit Cost @ [8]	14.64	75	1,098.08	
Sell Product	74		1,083.44	14.64
Product Stock Unit Cost @ [10]	14.64	1	14.64	

**PROFIT/LOSS**

Sales	8,355.00
COGS	6,035.36
<b>PROFIT</b>	<b>2,319.64</b>

**BALANCE SHEET**

Stock	14.64
Debtors	6,480.00
Bank Account	875.00
Creditors	- 5,050.00
<b>P/L PROFIT</b>	<b>2,319.64</b>