



HOW LANDING COST BY VOLUME WORKS

Overview:

Another option for computing the Landing Cost is 'By Volume'. Distribution of cost per Item purchased will be based on the volume. The bigger space taken up by an item, the higher the amount will be allocated.

Scenario:

Incorporate the Landed Cost in imported stocks and use volume as reference for allocating the total Landing Cost.

Procedure:

Enable 'Landing Cost'.

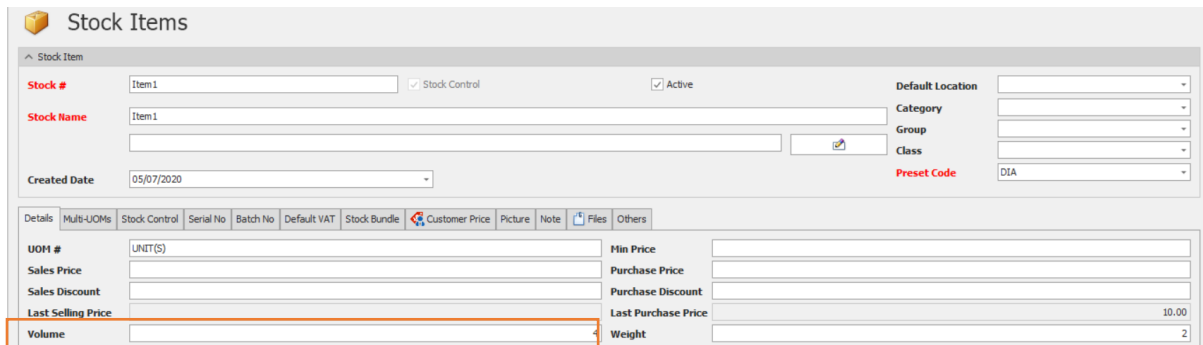
1. Go to Purchases > Landing Costs



Set the Proportional into 'Volume'.

Landing Costs				
	Cost A	Cost B	Cost C	Cost D
Enable Cost	☒	☒	☒	☒
Display Name	Custom Duty	Freight	Insurance	Local Charges
Proportional	Volume	Volume	Volume	Volume
In Foreign Currency	☐	☐	☐	☐

Make sure that the Stocks has *Volume* to use this method.



Stock Items

Stock Item

Stock # Item1 ☒ Stock Control ☒ Active

Stock Name Item1

Created Date 05/07/2020

Default Location

Category

Group

Class

Preset Code DIA

Details Multi-UOMs Stock Control Serial No Batch No Default VAT Stock Bundle Customer Price Picture Note Files Others

UOM # UNIT(S)

Sales Price

Sales Discount

Last Selling Price

Volume

Min Price

Purchase Price

Purchase Discount

Last Purchase Price 10.00

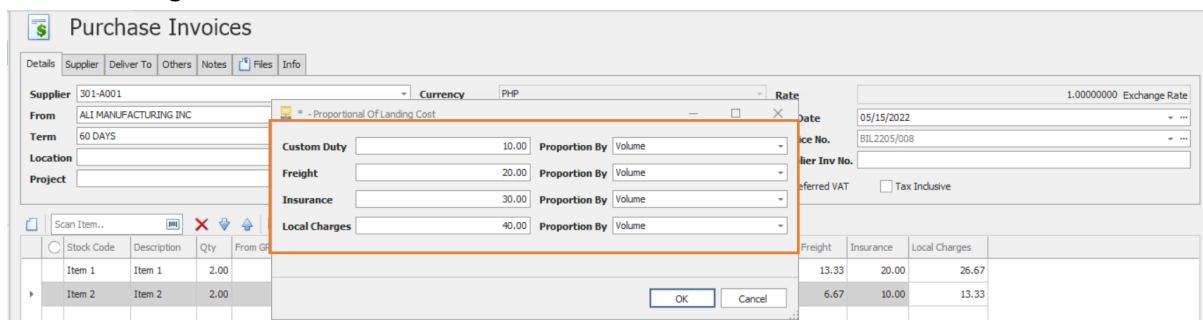
Weight 2

Item1 Volume: 4

Item2 Volume: 2

Application:

Issue a Purchase Invoice and use the Landing cost Calculator as shown below. Input the value of the landing cost.



Purchase Invoices

Details Supplier Deliver To Others Notes Files Info

Supplier 301-A001

From ALI MANUFACTURING INC

Term 60 DAYS

Location

Project

Currency PHP

Rate 1.00000000 Exchange Rate

Date 05/15/2022

Invoice No. BIL 2205/008

Supplier Inv No.

Deferred VAT ☐ Tax Inclusive ☐

Proportional OF Landing Cost

Custom Duty 10.00 Proportion By Volume

Freight 20.00 Proportion By Volume

Insurance 30.00 Proportion By Volume

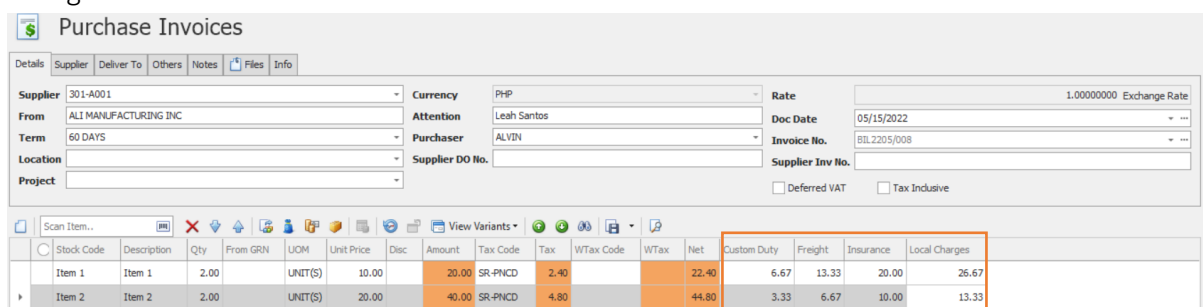
Local Charges 40.00 Proportion By Volume

Freight 13.33 Insurance 20.00 Local Charges 26.67

6.67 10.00 13.33

OK Cancel

System will automatically compute the Value for Custom Duty, Freight, Insurance, and Local Charges.



Purchase Invoices

Details Supplier Deliver To Others Notes Files Info

Supplier 301-A001

From ALI MANUFACTURING INC

Term 60 DAYS

Location

Project

Currency PHP

Attention Leah Santos

Purchaser ALVIN

Supplier DO No.

Rate 1.00000000 Exchange Rate

Doc Date 05/15/2022

Invoice No. BIL 2205/008

Supplier Inv No.

Deferred VAT ☐ Tax Inclusive ☐

View Variants

Stock Code	Description	Qty	From GRN	UOM	Unit Price	Disc	Amount	Tax Code	Tax	WTax Code	WTax	Net	Custom Duty	Freight	Insurance	Local Charges
Item 1	Item 1	2.00		UNIT(S)	10.00		20.00	SR-PNCD	2.40			22.40	6.67	13.33	20.00	26.67
Item 2	Item 2	2.00		UNIT(S)	20.00		40.00	SR-PNCD	4.80			44.80	3.33	6.67	10.00	13.33

The calculation of proportion *Volume* is as below:

Item1	
Custom Duty $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Custom Duty} =$ $\frac{(2 \times 4)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 10$ $= \text{PHP } 6.67$	Insurance $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Insurance} =$ $\frac{(2 \times 4)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 30$ $= \text{PHP } 20$
Freight $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Freight} =$ $\frac{(2 \times 4)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 20$ $= \text{PHP } 13.33$	Local Charges $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Local Charges} =$ $\frac{(2 \times 4)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 40$ $= \text{PHP } 26.67$

Item2	
Custom Duty $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Custom Duty} =$ $\frac{(2 \times 2)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 10$ $= \text{PHP } 3.33$	Insurance $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Insurance} =$ $\frac{(2 \times 2)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 30$ $= \text{PHP } 10$
Freight $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Freight} =$ $\frac{(2 \times 2)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 20$ $= \text{PHP } 6.67$	Local Charges $\frac{(\text{Qty} \times \text{Volume})}{\text{Total} (\text{Qty} \times \text{Volume})} \times \text{Local Charges} =$ $\frac{(2 \times 2)}{(2 \times 4) + (2 \times 2)} \times \text{PHP } 40$ $= \text{PHP } 13.33$



For further concerns regarding this matter, please contact support to assist you or create ticket thru this link <https://support.qne.com.ph>