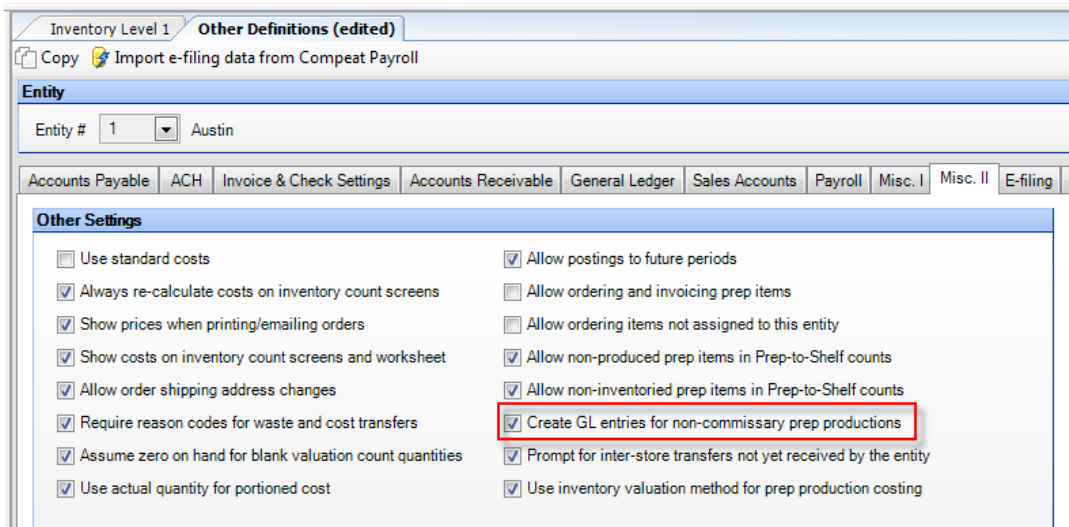


Brewery Process

Accounting Considerations

When you are brewing beer you generally have variable yields from batch to batch. To account for this you will mark your prep items as “produced” on the inventory tab of the prep recipes.

When you log prep productions there is an entity specific setting that has your system create journal entries at the time of the event. We will assume that this setting is in use for the example used in this document. This setting is under “other definitions”



Inventory Level 1 **Other Definitions (edited)**

Copy Import e-filing data from Compeat Payroll

Entity

Entity # 1 Austin

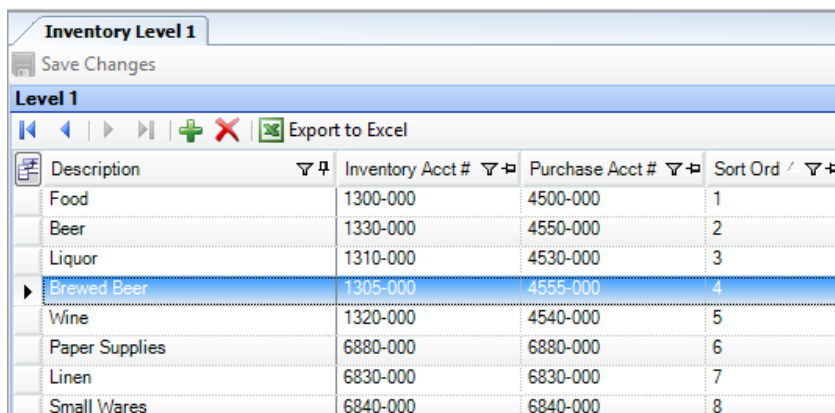
Accounts Payable ACH Invoice & Check Settings Accounts Receivable General Ledger Sales Accounts Payroll Misc. I Misc. II E-filing

Other Settings

- Use standard costs
- Always re-calculate costs on inventory count screens
- Show prices when printing/emailing orders
- Show costs on inventory count screens and worksheet
- Allow order shipping address changes
- Require reason codes for waste and cost transfers
- Assume zero on hand for blank valuation count quantities
- Use actual quantity for portioned cost
- Allow postings to future periods
- Allow ordering and invoicing prep items
- Allow ordering items not assigned to this entity
- Allow non-produced prep items in Prep-to-Shelf counts
- Allow non-inventoried prep items in Prep-to-Shelf counts
- Create GL entries for non-commissary prep productions
- Prompt for inter-store transfers not yet received by the entity
- Use inventory valuation method for prep production costing

When you produce brewed beer your brewery costs are credited by the value of the ingredients used, and your ‘brewed beer’ cost is debited. This will result in an ability to inventory brewed beer and get a cost of goods on this product separately from the cost of goods on raw ingredients.

You must setup unique GL accounts for “brewed beer” in your cost of goods and inventory account ranges as well as an inventory level to tie these accounts to.



Inventory Level 1

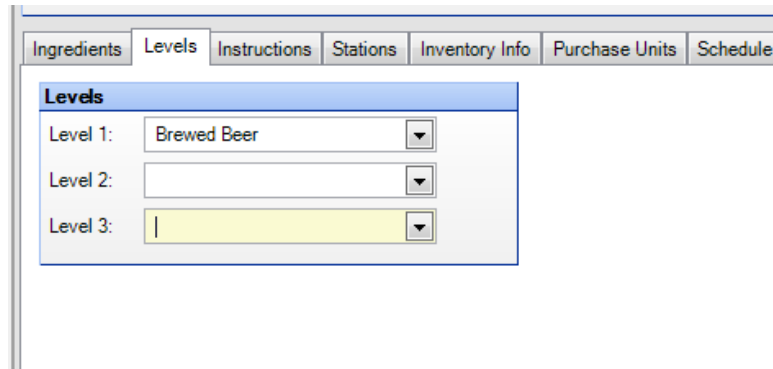
Save Changes

Level 1

Export to Excel

Description	Inventory Acct #	Purchase Acct #	Sort Ord
Food	1300-000	4500-000	1
Beer	1330-000	4550-000	2
Liquor	1310-000	4530-000	3
Brewed Beer	1305-000	4555-000	4
Wine	1320-000	4540-000	5
Paper Supplies	6880-000	6880-000	6
Linen	6830-000	6830-000	7
Small Wares	6840-000	6840-000	8

The inventory levels for this brewed beer should reflect the inventory levels that you setup for this specific type of product.



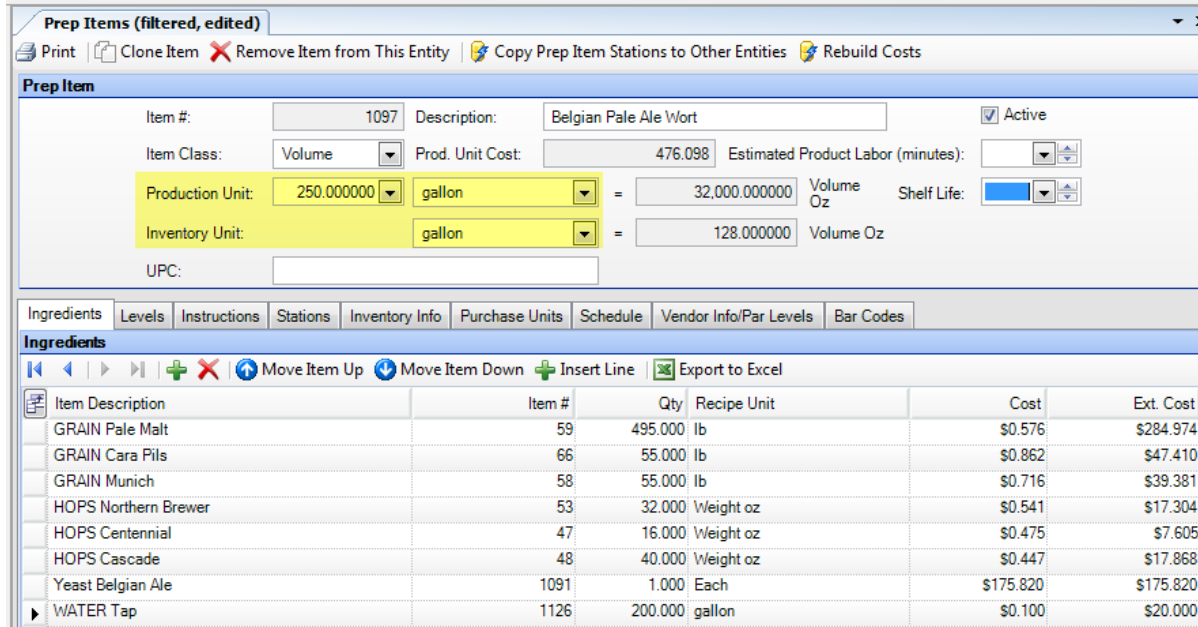
Level	Value
Level 1:	Brewed Beer
Level 2:	
Level 3:	

Setting up Brewery Prep Recipes

Generally brewed beer is setup as two separate prep recipes. We will setup the examples for a beer called “Belgian Pale Ale”

1. First item to be setup – Belgian Pale Ale WORT

This is the item that you get when you combine all the ingredients and boil



Prep Item

Item #: 1097 Description: Belgian Pale Ale Wort Active

Item Class: Volume Prod. Unit Cost: 476.098 Estimated Product Labor (minutes):

Production Unit: 250.000000 gallon = 32.000.000000 Volume Oz Shelf Life:

Inventory Unit: gallon = 128.000000 Volume Oz

UPC:

Item Description	Item #	Qty	Recipe Unit	Cost	Ext. Cost
GRAIN Pale Malt	59	495.000	lb	\$0.576	\$284.974
GRAIN Cara Pils	66	55.000	lb	\$0.862	\$47.410
GRAIN Munich	58	55.000	lb	\$0.716	\$39.381
HOPS Northern Brewer	53	32.000	Weight oz	\$0.541	\$17.304
HOPS Centennial	47	16.000	Weight oz	\$0.475	\$7.605
HOPS Cascade	48	40.000	Weight oz	\$0.447	\$17.868
Yeast Belgian Ale	1091	1.000	Each	\$175.820	\$175.820
WATER Tap	1126	200.000	gallon	\$0.100	\$20.000

The recipe includes all ingredients that make up 1 batch of this WORT

The item class is volume

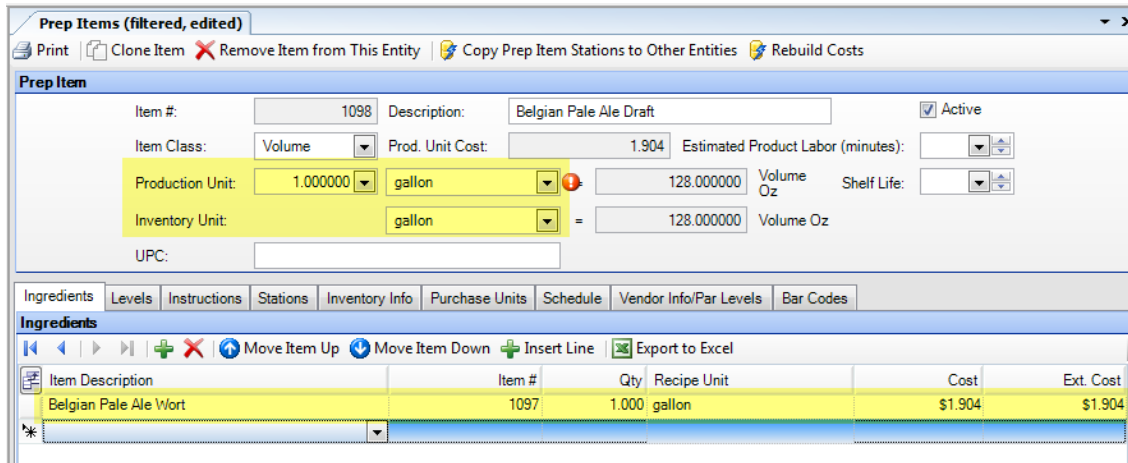
The production unit is the 100% yeild of the recipe

The inventory unit is something that I can easily count, like gallon

This setup allows you to have variable yeilds on the outcomes of each batch.

2. Setup item to be setup – Belgian Pale Ale

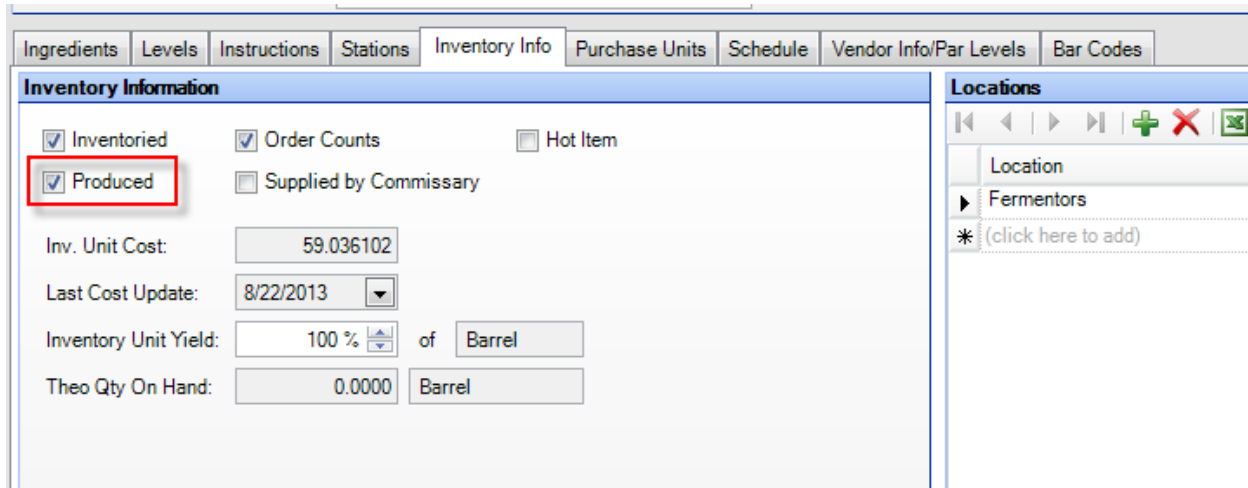
This is the item that you will put into menu recipes and represent finished beer



Item Description	Item #	Qty	Recipe Unit	Cost	Ext. Cost
Belgian Pale Ale Wort	1097	1.000	gallon	\$1.904	\$1.904

The recipe calls for 1 gallon of wort and the production unit yields the same amount
 The inventory unit is something easily counted like gallon
 This setup allows for variable amounts of WORT to be converted to finished BEER

These two items must both have a station assignment and they must both be marked as “produced” on the inventory tab of the item. **DO NOT ADJUST THE YIELD % ON THIS TAB**

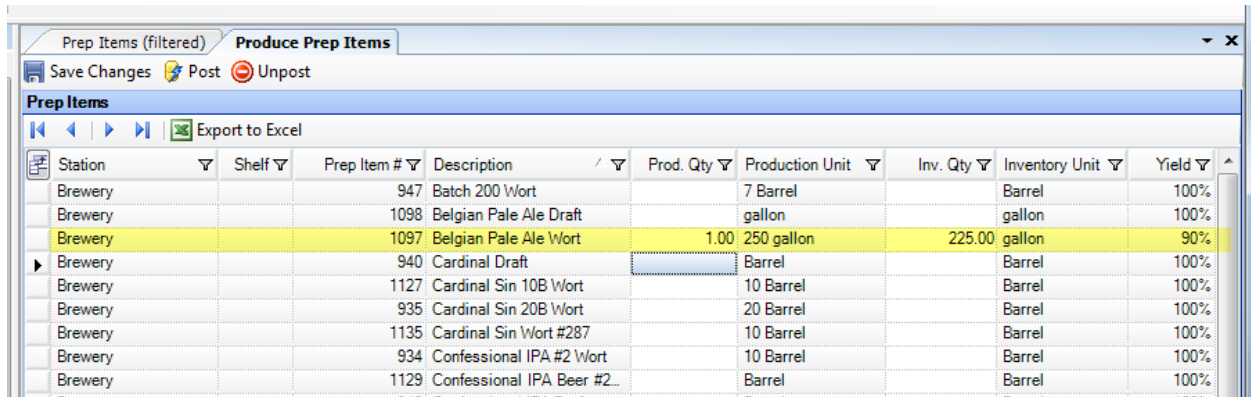


Logging Prep Productions

Every time you create Wort or convert wort into drinkable beer you **MUST** log this production by going to: Inventory>prep items>produce prep items

Log the production of Wort – enter in the Prod. Qty the number of batches you created (this will deplete the theoretical inventory of all items that go into a batch)

Enter the quantity of inventory units you had on hand when you were done boiling the batch. (this will automatically affect the yeild for you)

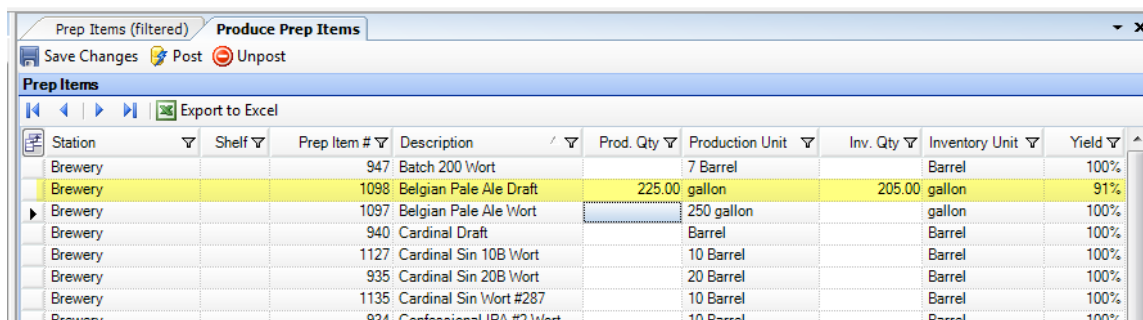


Station	Shelf	Prep Item #	Description	Prod. Qty	Production Unit	Inv. Qty	Inventory Unit	Yield
Brewery		947	Batch 200 Wort		7 Barrel		Barrel	100%
Brewery		1098	Belgian Pale Ale Draft		gallon		gallon	100%
Brewery		1097	Belgian Pale Ale Wort	1.00	250 gallon	225.00	gallon	90%
Brewery		940	Cardinal Draft		Barrel		Barrel	100%
Brewery		1127	Cardinal Sin 10B Wort		10 Barrel		Barrel	100%
Brewery		935	Cardinal Sin 20B Wort		20 Barrel		Barrel	100%
Brewery		1135	Cardinal Sin Wort #287		10 Barrel		Barrel	100%
Brewery		934	Confessional IPA #2 Wort		10 Barrel		Barrel	100%
Brewery		1129	Confessional IPA Beer #2		Barrel		Barrel	100%

When you convert the Wort into drinkable beer your starting number of Prod. Qty will be the same as your ending quantity of Inv. units of Wort.

****These events often occur several weeks apart from one another so you will want to keep track of the ending Wort quantity for reference****

The ending INV. Qty. of finished beer represents your final amount of drinkable beer that you ended with when the entire brewing process is completed.



Station	Shelf	Prep Item #	Description	Prod. Qty	Production Unit	Inv. Qty	Inventory Unit	Yield
Brewery		947	Batch 200 Wort		7 Barrel		Barrel	100%
Brewery		1098	Belgian Pale Ale Draft	225.00	gallon	205.00	gallon	91%
Brewery		1097	Belgian Pale Ale Wort		250 gallon		gallon	100%
Brewery		940	Cardinal Draft		Barrel		Barrel	100%
Brewery		1127	Cardinal Sin 10B Wort		10 Barrel		Barrel	100%
Brewery		935	Cardinal Sin 20B Wort		20 Barrel		Barrel	100%
Brewery		1135	Cardinal Sin Wort #287		10 Barrel		Barrel	100%
Brewery		934	Confessional IPA #2 Wort		10 Barrel		Barrel	100%

The final prep recipe representing drinkable beer is what you will use in menu item recipes. The cost of each beer will be tied to the cost of ingredients and yields on each logged prep-production.

You can inventory both the Wort and finished beer as their own separate items at inventory time.