



2026 DYNAMICS CON Vegas



Standard Costing in Business Central

Speakers:

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Ashley Sheets





**2026
DYNAMICS
CON**

ABOUT US



Founded in 1992
33+ Years ERP Expertise




Chicago-Based, Global Reach
125+ Consultants Deployed Annually




Certified Microsoft Business Solutions Partner



User Group Contributor since 2014



Microsoft is our largest practice



Over a dozen Microsoft Certifications

Core Service

- Assessments
- Implementations/Migrations
- Change Management
- Optimization
- Ongoing Support

Extended Service

- AI Readiness
- Copilot Deployment
- Data Engineering
- Technology Selection
- Project/Program Management
- CRM Implementations
- EDI Management
- Technology Strategy



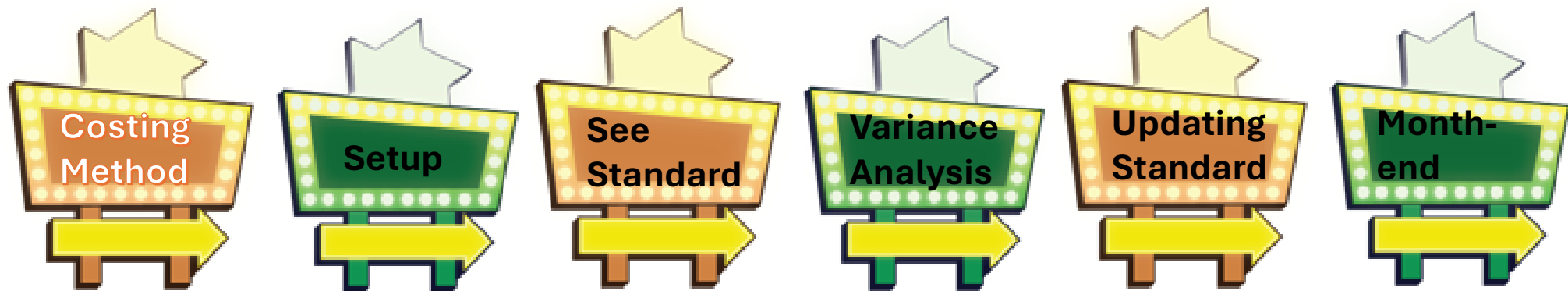
Agenda

- Costing Methods
- Setup
- How to see standard cost
- Variance Analysis
- Updating standard cost
- Month-end Closing
- Demo / Q&A



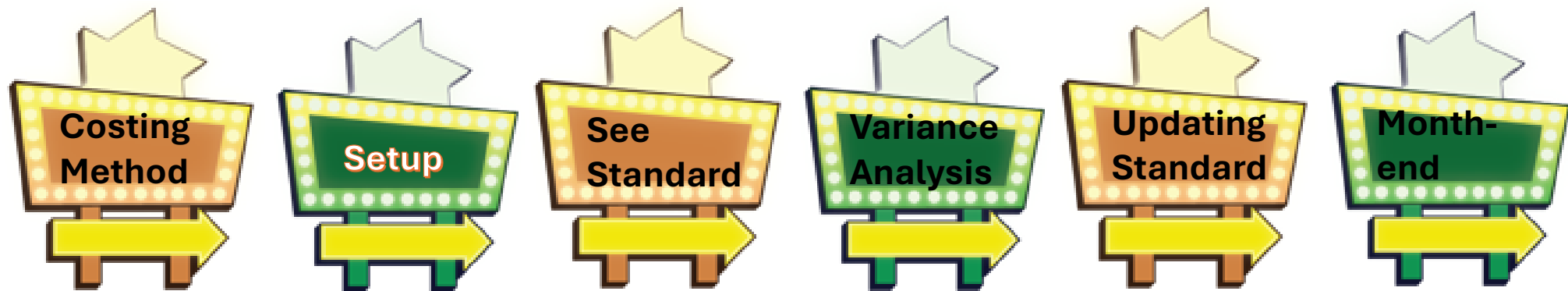
Costing Methods

- Standard
- Fifo
- Lifo
- Average



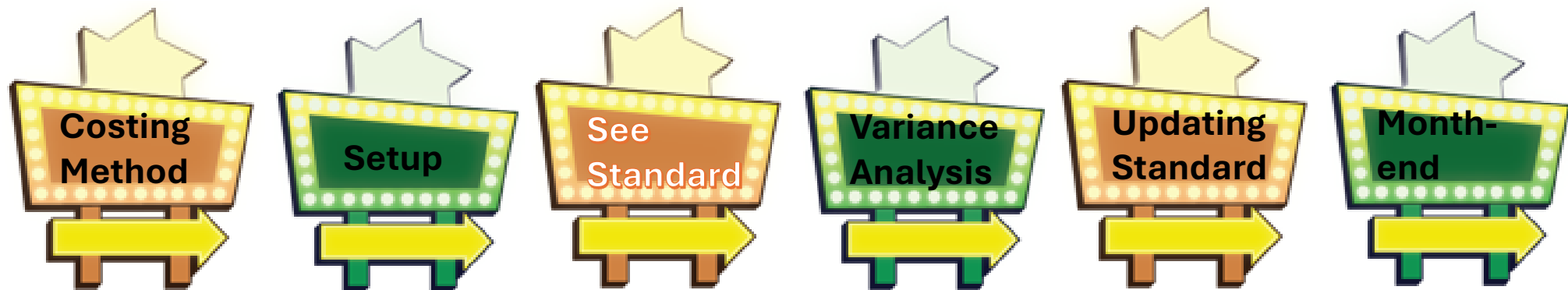
Setup

- Standard is set on Item or SKU
- Standard can be calculated based on (multi-level) BOM+Routing cost
- G/L: General Posting Setup
- Can't change costing method
 - Workaround: modify existing item to _old
 - Create new item with same item number
 - Update (conf pack) BOMs, open SO, open PO, inventory

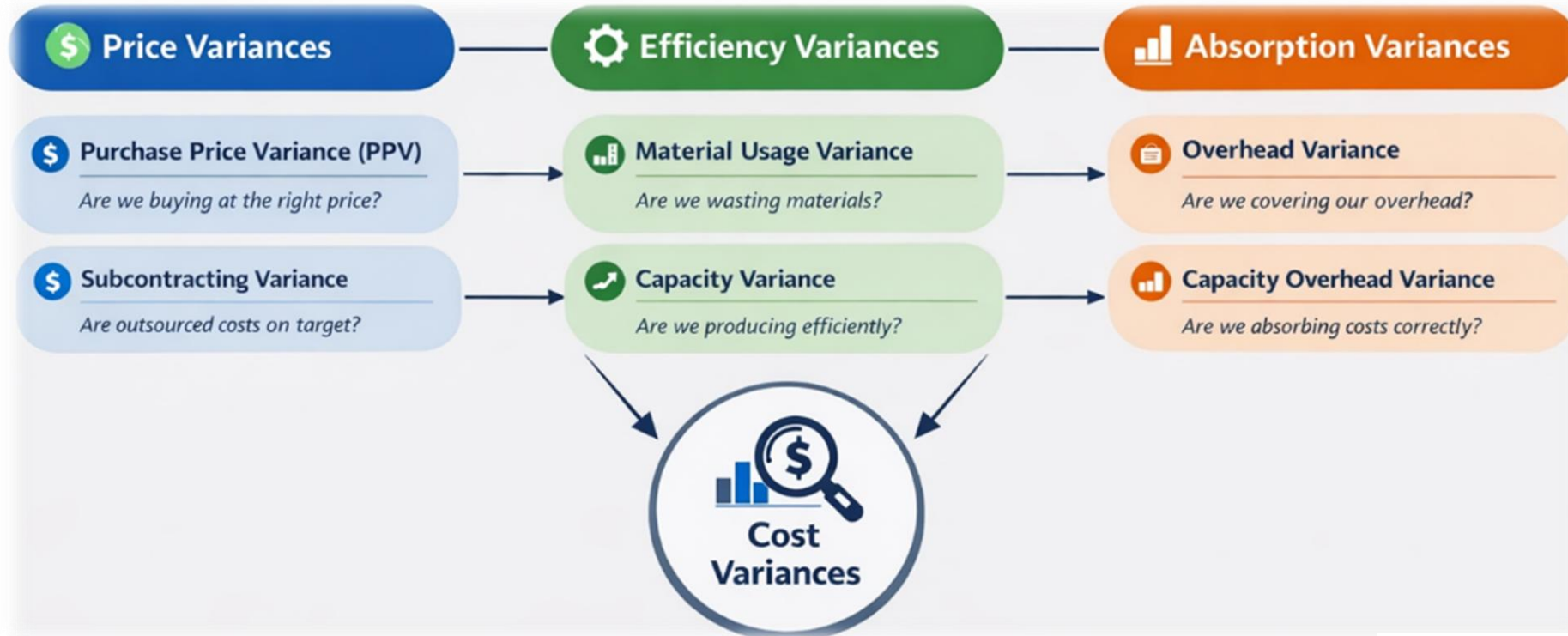


How to see standard in Business Central

- Item / SKU Card
- Cost structure
- Statistics
- Entries (G/L entries, item ledger entries, value entries)



Variance Analysis



Variance Analysis - PPV

1	Actual Cost		Quantity	Item Charges								
2	Column Labels						Variance					
3	Direct Cost											
4				FEE	FREIGHT	TARIFF						
5	Row Labels	Sum of Cost Amo	Sum of Invoice	Sum of Co	Sum of Cost	Sum of Co	Sum of Cost Amount (Actual)					
12	116148											
13	10100101	\$ 11,703.93	699,996		428.99		537.01					
14	10100201	\$ 1,806.09	108,020		46.89		102.18					
15	10100301	\$ 1,605.12	96,000		41.69		90.79					
16	10100401	\$ 1,605.12	96,000		41.69		90.79	Qty	Actual	Variance	Std (coming from Item Card)	
17	10100501	\$ 26,202.81	1,567,154		693.94		1,468.74	1567154	\$ 26,896.75	\$ 1,468.74		
18	10100601	\$ 842.69	50,400		21.87		47.68		0.017	0.00094		
19	10100701	\$ 6,019.20	360,000		156.29		340.51	Total standard		0.018	= 0.0181	
20	10101001	\$ 1,656.95	99,100		43.04		93.72					
21	10101101	\$ 2,578.22	154,200		66.97		145.83					
22	10101201	\$ 853.46	51,044		22.18		48.26					
23	10103201	\$ 15,509.47	927,600		402.79		877.30					
24	10103401	\$ 4,787.67	286,344	750.00	124.32		-479.16					
25	10104901	\$ 27,638.16	1,653,000		717.73		1,563.41					
26	10105001	\$ 28,005.83	1,674,990		727.27		1,584.22					
27	10105101	\$ 1,806.09	108,020		46.89		102.18					
28	10106301	\$ 12,840.96	768,000		333.45		726.39					
29	10107001	\$ 6,643.60	340,000		147.63		-637.23					

Choose fields to add to report: ⚙️

Search

- Posting Date
- Item Ledger Entry Type
- Entry Type
- Adjustment
- Document Type
- Document No.
- Item Charge No.
- Description

Drag fields between areas below:

Filters

- Document No.
- Item No.

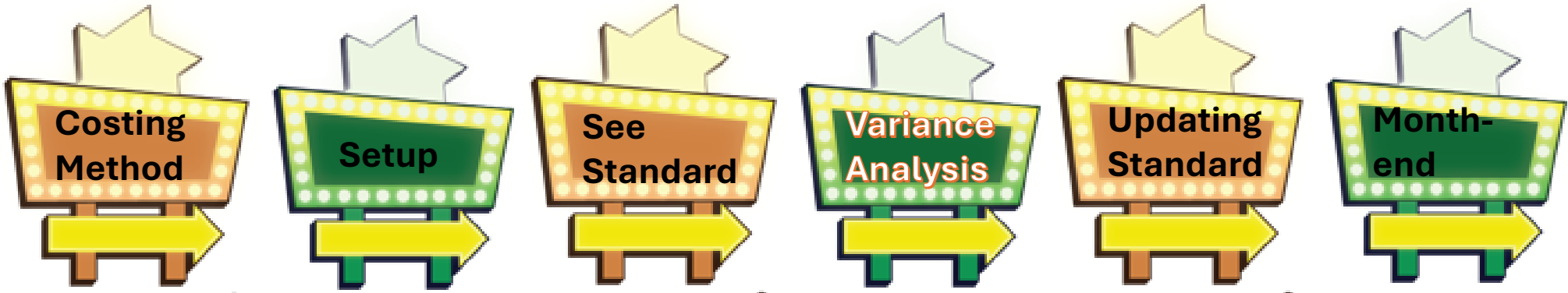
Columns

- Entry Type
- Item Charge No.

Rows

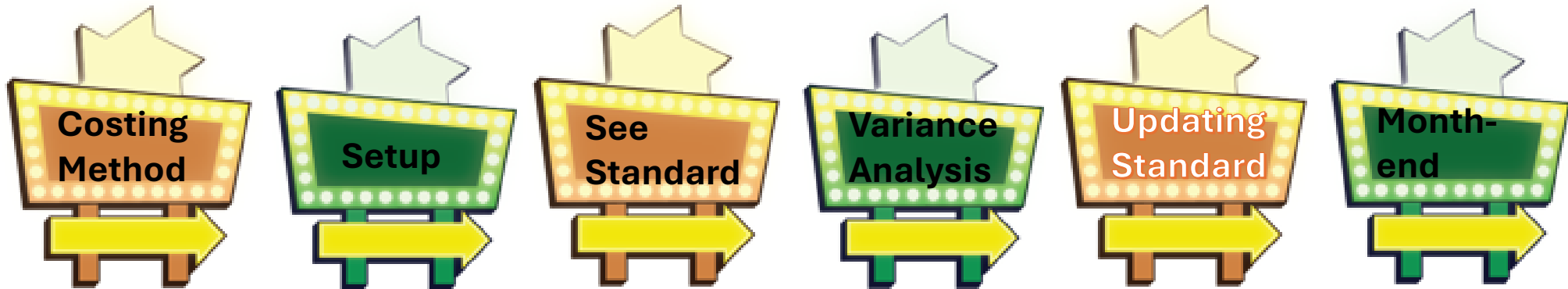
- Sum of Cost Amount ...
- Sum of Invoiced Qua...

Defer Layout Update Update



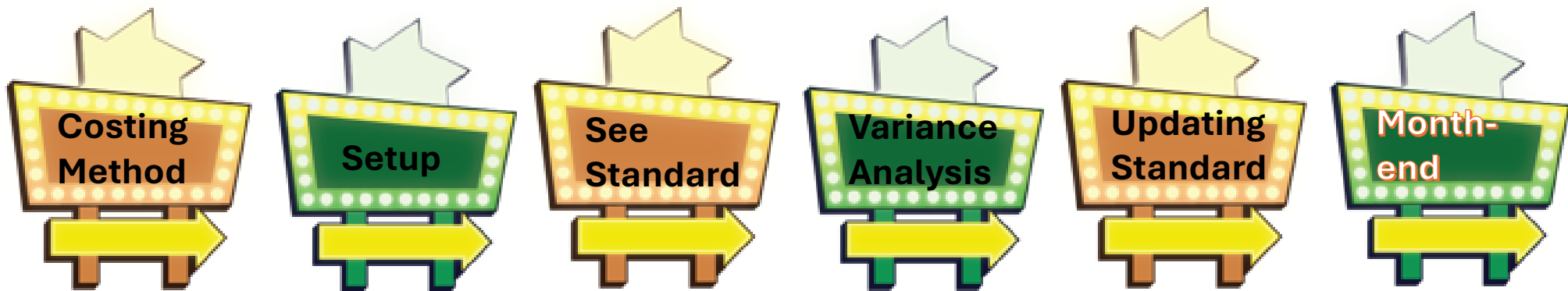
Updating Standard

- Updating raw material
 - Standard cost worksheet vs Updating item card
 - Revaluation Journal
- Updating subcontractor standards
 - Config package to update routings
- Updating FG
 - Standard cost worksheet + Revaluation Journal
- *Tip: Use Inventory Posting groups RM / FG*



Month-End

- Adjust Cost – Item Entries
 - Run manual or auto
- Inventory Reconciliation
 - Valuation <> G/L balance
- Cost Shares breakdown
 - Review % split between material / overhead / labor
- Variance Review



Demo



Costing Method

Setup

See Standard

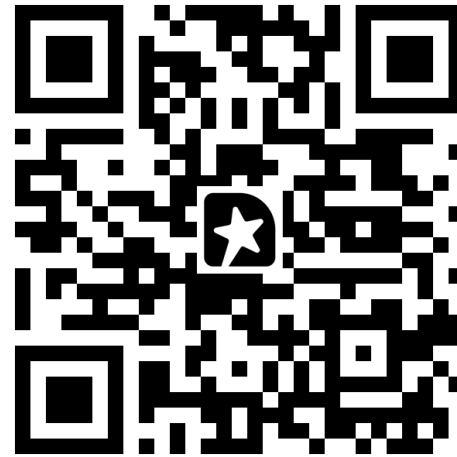
Variance Analysis

Updating Standard

Month-end

Q&A

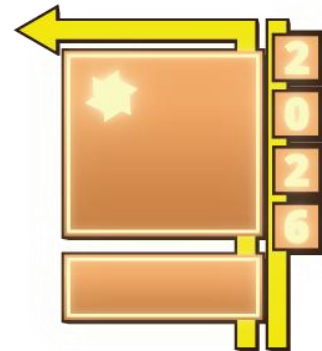
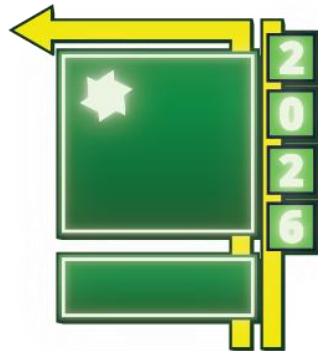
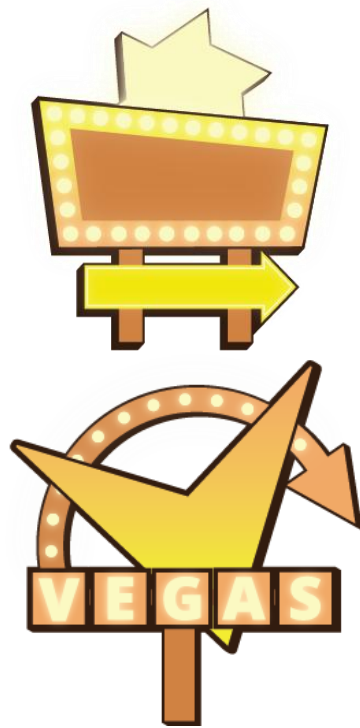
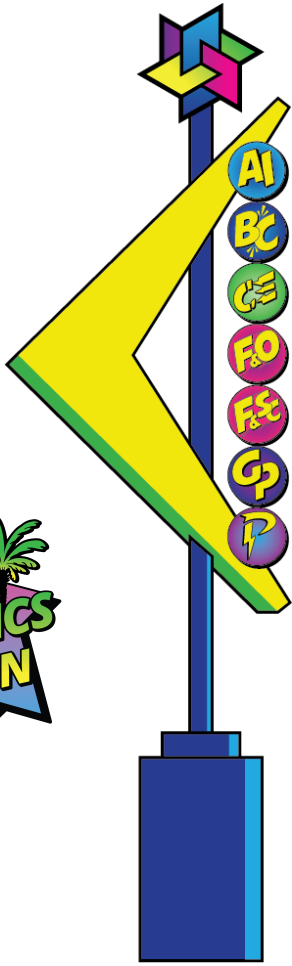
**THANK
YOU**



Standard Costing in Business Central



ASSETS



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