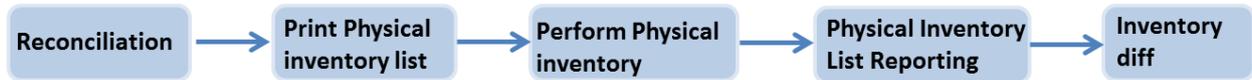


Memorandum for Physical Inventory

This memorandum shortly describes a general work method (recommended by us) for a complete physical inventory (not continuous physical inventory) in MONITOR. Please read through this document before you start your physical inventory. *For company specific questions regarding the inventory, please contact your Monitor instructor/consultant.*



Reconciliation

Before you perform a physical inventory you should perform several reconciliations to make sure that all reports that affect the parts' stock balance have been executed. If not, then the physical inventory will be carried out based on incorrect stock balances, and the reporting carried out after the inventory will lead to inaccurate balances.

As a rule you should always report what have been delivery reported, delivered and manufactured prior to the physical inventory. This should be done even if it means that you have to partial report.

- Has the arrived gods been delivery reported? Check the **Order List - Purchas** procedure.
- Has the checked arrived gods been reported? Check this in the **Receiving Inspection List** procedure.
- Has the delivered gods been arrival reported? Check this in the **Order List - Sales** procedure.
- Has everything that is manufactured been reported? Check the **Order List - Purchas** procedure.
- Has all material been deducted from balance for the manufacturing orders reported as finished? Check the warnings in the **Final Reporting** procedure.
- Are there any parts with negative balance? When there are parts with negative balances, then there is an obvious inaccuracy in the balance. These should be corrected before you begin the physical inventory. Check the **Part List - Inventory** procedure.

Print Physical Inventory List

Before you print this list you should have a plan concerning how to perform the inventory. Should you perform physical inventory on the entire stock all at once or bit by bit? How should you print the physical inventory list?

Which options are selected in the Create tab? Do you need to filter and/or sort the list? It is good to make notes of which selections you make when printing the physical inventory lists so that you can make the same selections again when registering the physical inventory.

It is important to enter status when printing physical inventory lists. There are then three occasions that are important to consider:

1. Printing physical inventory list.
2. Performing inventory, the physical counting and making notes of the quantity on the physical inventory list.
3. Registering the physical inventory in MONITOR.

If you select status **None** or **Under inventory** no transactions (arrival, delivery or reporting) can take place in MONITOR between item 1 and 3.

If you select status **Under inventory with saved balance** you can start working again when item 2 has been completed. When you select this alternative the system will consider transactions made and the physical inventory difference will be calculated based on the parts' balances at the time of printing the lists. It is good to make a note of the time of printing the physical inventory list so the physical inventory difference can be traced back, if needed.

Physical Inventory List Reporting

You can register physical inventory in two different procedures: **Physical Inventory** is used to perform physical inventory for a specific part. The **Physical Inventory List Reporting** procedure is used to register the result in a list. In this list it is important that you make the same classifications and sorting as when printing physical inventory list. This facilitates the registration considerably.

Important to consider:

- If multiple stock locations are used you perform the physical inventory per location, not per part.
- Enter the correct inventory date. It is best to have a physical inventory on one and the same date. Even though the actual physical inventory proceeds for several days the lists and follow-ups are facilitated if one inventory date is used.
- If you afterwards want to adjust a physical inventory - perhaps you have found an extra case with material - it is important to put this on the same inventory date as the physical inventory that you did earlier. MONITOR will then ask if the balance should be added to the previous physical inventory. *Yes* is selected by default. When choosing *No*, the registration will be treated as a new physical inventory and the inventory difference will then be calculated against the part's current balance at the time of registration.

Physical Inventory Difference

- **Physical Inventory Difference** – This procedure is used to calculate the value of the differences that occur after a physical inventory. A difference can be positive or negative.
- **Inventory Value List** – This list is used in order to see the inventoried value. Select to base value on *Inventoried* balance and enter *Last inventory date*. These two alternatives are always used together.

Inventory Value List

Create Display List Preview

Selection	From	To	Excl.
<input checked="" type="radio"/> Part no:			
Name:			
<input type="radio"/> Part code:			
ABC code:			
Part category:			
<input type="radio"/> Product group:			
Location:			
<input type="radio"/> Administrator:			
Last inventory date:	2011-12-31	2011-12-31	
Last consumption date:			
Registration date:			
Part Status:	2	9	

Not arrived later than:

List types

- No distribution
- Distribution
- Total / month
- Only total

Part types

- Purchased
- Manufactured
- Stocked
- Fictitious
- Packaging

Base value on price

P-parts: STP Std. [v]

M/S-parts: STP Std. [v]

SO mark-up

Cost factor alt: 4

Minimum value:

Base value on balance

- Inventoried
- Current
- Historical
- Show zero bal.

Show

- Configured parts
- Last consumption date
- Last arrival date
- Turnover ratio
- Last physical inventory