


How do I Carry out an Inventory Check or Stock Take?

1. [Introduction.](#)
2. [Preparing the Inventory Checklist\(s\).](#)
3. [Importing the Stock Count\(s\).](#)
4. [Stock Count Import Posting.](#)
5. [Stock Count History.](#)

1. **Introduction:** As mentioned in the companion article “[How do I use the Inventory/Stock Management System?](#)” the system operates in conjunction with the Purchase Order Processing System and the Sales Order Processing systems. Alternatively, you can operate this system without either or both of the Order systems and use it solely in conjunction with the Purchase Ledger and/or the Sales Ledger. In this latter case the Goods are received into Stock when a Purchase Item Invoice is processed and out of Stock when a Sales Item Invoice is processed - whereas, in the former, the Inventory movements take place at Delivery In or Delivery Out stage.

In addition it's important to note that the Inventory Management System operates in Base Currency only - mainly because Inventory is valued in based currency regardless of the Currency of the Supplier or Customer. You can still process Orders and Item Invoices from foreign currency Suppliers and sell to foreign currency Customers. Indeed you can purchase the same Product in several different Currencies from different Suppliers and process Sales in multiple Currencies as well. Prices and Costs in the inventory system are maintained in Base Currency. When a Sales Order or Invoice is processed the Base Currency Price is converted to the Currency of the Customer and presented as the default Price. Similarly, when a Purchase Order or Invoice is processed, the Last Cost is presented in the Currency of the Supplier as the default.

This program in the Inventory Management System facilitates periodic Inventory Checks (“Stock Takes”) and consequent Inventory Level Amendments. Inventory Checks can be carried out at any time, since this system is always up to date by way of its entirely Transaction orientation focus - with little or no necessity for cumulative roll-ups or summarisations.

 However, it's very important to be aware that if Inventory has been physically moved into or shipped out of Stock without the requisite Receipt or Issue system transactions having been fully processed, then clearly you will encounter miss-matches between what the system shows as being on-hand versus the physical count.

On the Purchasing front, Inventory is added to the On Hand Quantity when goods are Received by way of “**Received Orders**” or, in the case of directly purchased Items which are not the subject of Purchase Orders, when the “**Purchase Invoice**” is processed. Similarly, in Sales, Inventory is deducted from the On Hand Quantity when “**Order Deliveries**” are processed or, for Items which do not go through the Sales Order Processing system, when the “**Customer Invoice**” is raised. Therefore, before carrying out an Inventory Check, you should ensure that such transactions are completed or, at the very least fully understood, so that proper account of them can be taken when reviewing the Stock Count.

2. **Preparing the Inventory Checklist(s):** **Go To → Stock → Stock Adjustments → Stock Count.** Because the system is entirely transaction based, the Inventory Count facilitates Stock checking on a rolling basis: You can carry out an Inventory Check by individual Stock Locations and/or Stock Sub-

Locations by specifying these Filters in the Export Stock List Tab. But, just as it is important to ensure that all inward and outward bound Inventory movements related system transactions are cleared, so too is it important to ensure that physical movements from location to location have been fully recorded before undertaking an Inventory Check. If there are any such location movements outstanding, you can make these Location Transfers in the “Stock Adjustments” program.

You can also carry out an Inventory Count for particular Groups of Products and/or Sub-Groups - or indeed any combination of Location and Product Groups by using the Drop Down Filters shown above.

Having selected the Filters you require (if any) you must now enter the Name of the Stock Checker. You can of course use several Stock Checkers, and allocate them specific Locations and/or Product Groups through subsequent repeated use of this Export Stock List Tab.

When you are ready to create a Stock Check List, click on the “**Export**” button.

And you should “**Save**” it (them) in a convenient folder on your Desktop.

Each Export consists of a single Excel Workbook Sheet containing detailed information regarding the selected Products to be counted and upon which you can record any variances between the Counted Stock and the System held quantity, and any revisions you might want to make to the Average Cost;

Stock Count

Record the results of your stock count in this sheet. You can split the stock count by stock checker, warehouse location, item groups and sub groups where appropriate. All this information will be saved against the associated stock count record when it is imported back into the system.

Record the on hand quantity stock count against items and a new average cost value if appropriate.

Stock counter name	Location ID	Location Description	Sub-Location ID	Group ID	Group Description	Sub-Group ID	Sub-Group Description	Item ID	Item Description	Last Stock Checked Date	System Quantity	System Average Cost	Counted Quantity	Average Cost
Fred Small	1	Stockroom	BIN1	MK	Mounting Kit	FIX	Fixings	BOLTS-3	Three Inch Bolts with Nuts		112	5	112	
Fred Small	1	Stockroom	BIN5	GSH	Ground Source Heat Pump System	MED	Medium	GSHP	Ground Source Heat Pump		3	0	3	
Fred Small	1	Stockroom	Dry Store	INS	Insulation	LOFT	LOFT Insulation	LOFT INSULATIC	Felt Thermo Loft Insulation		0	0	0	
Fred Small	1	Stockroom	BIN6	SPV	Solar PV Systems	TWO	Two Panel System	SPV2	Solar PV - 2 Panel Installation		8	53.33	8	
Fred Small	1	Stockroom	BIN8	STH	Solar Thermal Systems	ALT	Compatables & Alternatives	SPV2X	Solar Panels - Compatible		6	1390.83	6	
Fred Small	1	Stockroom	BIN6	SPV	Solar PV Systems	TWO	Two Panel System	SPV2Z	Solar panels		4	4293.33	4	
Fred Small	1	Stockroom	BIN6	SPV	Solar PV Systems	MED	Medium	SPV6	Solar Panels - Array of Six		8	590	8	
Fred Small	1	Stockroom	BIN2	MIC	Micro Generators	DOM	Domestic	WIND	Wind Turbines		3	0	3	
Fred Small	1	Stockroom	Dry Store	INS	Insulation	LOFT	LOFT Insulation	LOFT INSULATIC	Felt Thermo Loft Insulation		50	0	50	
Fred Small	1	Stockroom	BIN8	STH	Solar Thermal Systems	ALT	Compatables & Alternatives	SPV2X	Solar Panels - Compatible		12	1390.83	12	

You can also record any Notes here which will be subsequently saved in the system (for example Damages, Perished Stock, etc.). Note that the “Counted Quantity” and the “New Average Cost” are already filled in (for Import purposes) so, if you have modifications, you should overwrite these values.

If you wish, you can **Hide** any unwanted Columns in order to prepare a more Printer friendly version of this Worksheet which you can then Print and give to each Stock Checker for manual counting. For example, something like this;

Stock counter name	Location Description	Sub-Location ID	Item ID	Item Description	System Quantity	System Average Cost	Counted Quantity	New Average Cost	Note
Fred Small	Stockroom	BIN1	BOLTS-3	Three Inch Bolts with Nuts	112	5	112	5	
Fred Small	Stockroom	BIN5	GSHP	Ground Source Heat Pump	3	230	3	230	
Fred Small	Stockroom	Dry Store	LOFT INSULATION	Felt Thermo Loft Insulation	0	18	0	18	Some of these items show Discoloration
Fred Small	Stockroom	BIN6	SPV2	Solar PV - 2 Panel Installation	8	53.33	8	53.33	
Fred Small	Stockroom	BIN8	SPV2X	Solar Panels - Compatibles	6	1390.83	6	1390.83	
Fred Small	Stockroom	BIN6	SPV2Z	Solar panels	4	4293.33	4	4293.33	
Fred Small	Stockroom	BIN6	SPV6	Solar Panels - Array of Six	8	590	8	590	
Fred Small	Stockroom	BIN2	WIND	Wind Turbines	3	550	3	550	
Fred Small	Stockroom	Dry Store	LOFT INSULATION	Felt Thermo Loft Insulation	50	17.5	48	17.5	
Fred Small	Stockroom	BIN8	SPV2X	Solar Panels - Compatibles	12	1390.83	12	1390.83	

⚠ However, make sure you do not **Delete** any Columns (or otherwise change any data in any Column other than in the Columns “Counted Quantity”, “New Average Cost” or “Notes”) as otherwise the subsequent Import will not function. Do not add new Rows to the spreadsheet. If you “discover” Inventory or if some Inventory has been moved to another location, you must only use the Stock Adjustments Program to record these issues.

3. Importing the Stock Count(s): When the printed Stock Count Sheets have been returned any variances to Quantity, Average Cost and Notes need to be recorded on the previously “Saved” Spreadsheet - which should then be uploaded back into the system using the Import Stock Count Tab in the Stock Count program.

Export Stock List
Import Stock Count
View History

Upload Your Stock Count Excel File Here

Stock Count Date: 07 Jun 2014 Reference: 333

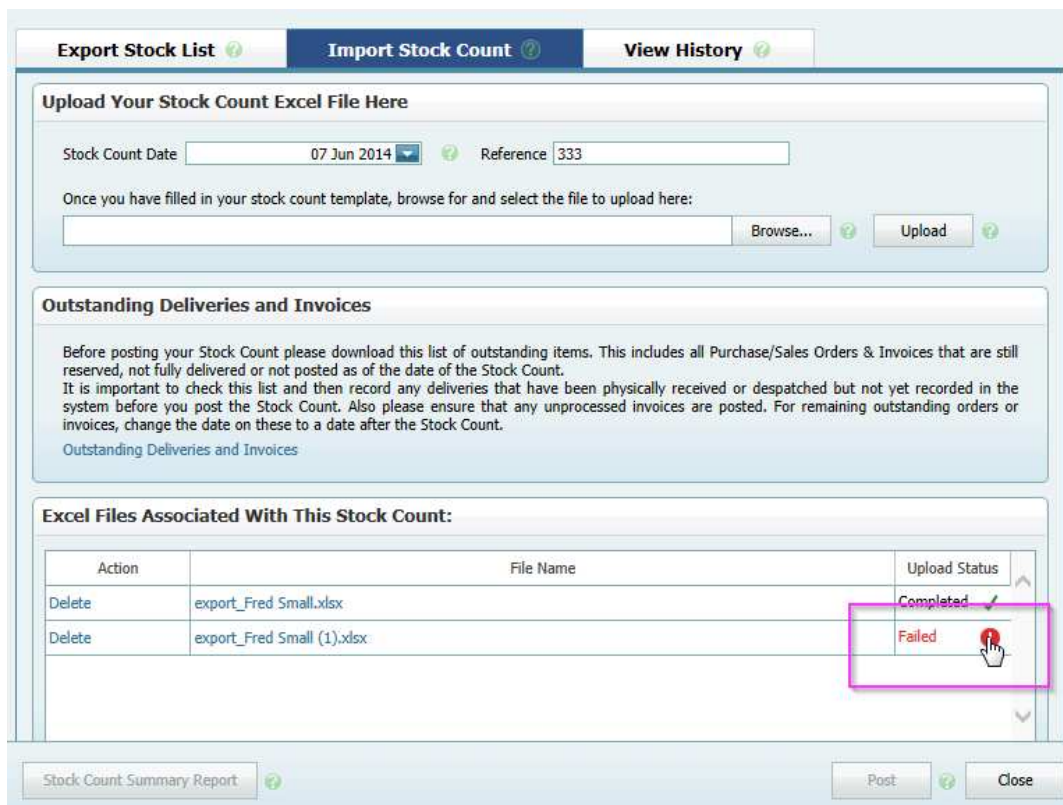
Once you have filled in your stock count template, browse for and select the file to upload here:

export_Fred Small.xlsx

Browse... **Upload**

Enter a unique Reference Number for the Stock Count and alter the Date if necessary. Then Browse to the location on your Desktop and select the file to be imported - followed by “**Upload**”. You can repeat this action for as many Stock Count sheets as you wish.

If there are errors in the File Upload they will be displayed like this;



Export Stock List **Import Stock Count** **View History**

Upload Your Stock Count Excel File Here

Stock Count Date: 07 Jun 2014 Reference: 333

Once you have filled in your stock count template, browse for and select the file to upload here:

Browse... Upload

Outstanding Deliveries and Invoices

Before posting your Stock Count please download this list of outstanding items. This includes all Purchase/Sales Orders & Invoices that are still reserved, not fully delivered or not posted as of the date of the Stock Count. It is important to check this list and then record any deliveries that have been physically received or despatched but not yet recorded in the system before you post the Stock Count. Also please ensure that any unprocessed invoices are posted. For remaining outstanding orders or invoices, change the date on these to a date after the Stock Count.

[Outstanding Deliveries and Invoices](#)

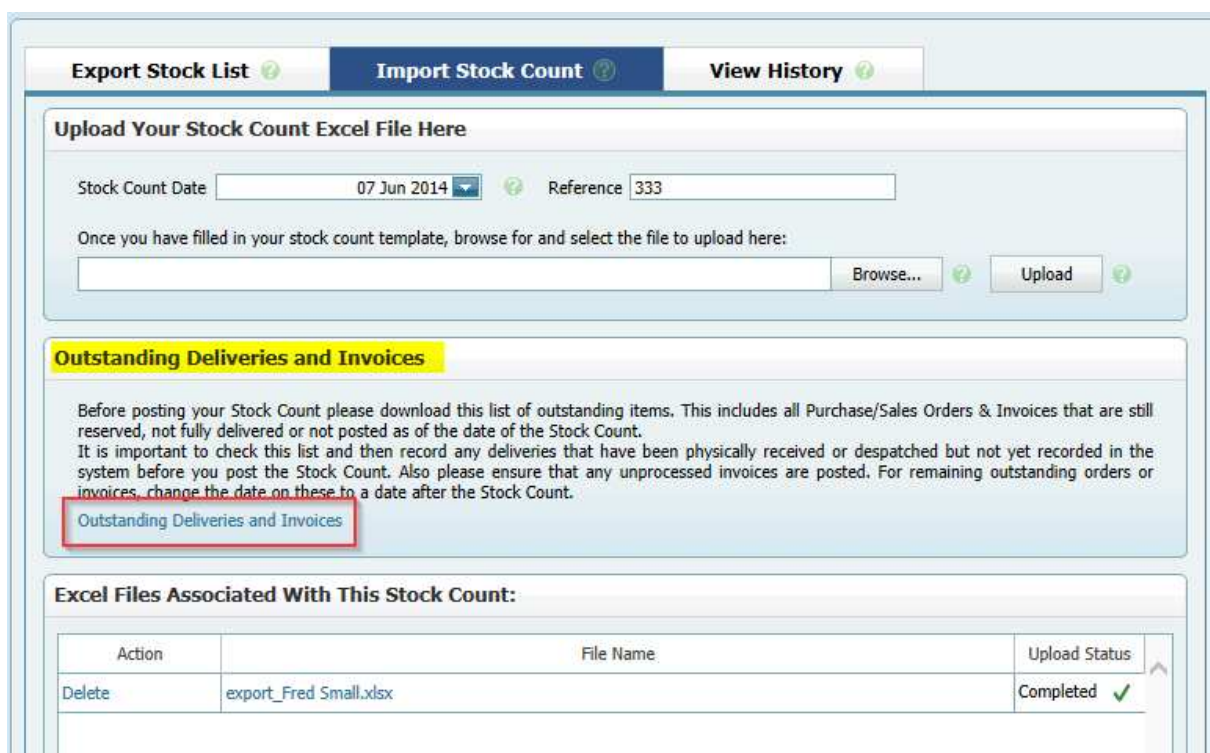
Excel Files Associated With This Stock Count:

Action	File Name	Upload Status
Delete	export_Fred Small.xlsx	Completed ✓
Delete	export_Fred Small (1).xlsx	Failed ❗

Stock Count Summary Report Post Close

Click on the Symbol shown to access the detail of the failures which should then be corrected on the Saved Workbook Sheet. Delete the offending entry from the list above and then re-import the corrected Excel Workbook.

Correct processing will be displayed as follows;



Export Stock List **Import Stock Count** **View History**

Upload Your Stock Count Excel File Here

Stock Count Date: 07 Jun 2014 Reference: 333

Once you have filled in your stock count template, browse for and select the file to upload here:

Browse... Upload

Outstanding Deliveries and Invoices

Before posting your Stock Count please download this list of outstanding items. This includes all Purchase/Sales Orders & Invoices that are still reserved, not fully delivered or not posted as of the date of the Stock Count. It is important to check this list and then record any deliveries that have been physically received or despatched but not yet recorded in the system before you post the Stock Count. Also please ensure that any unprocessed invoices are posted. For remaining outstanding orders or invoices, change the date on these to a date after the Stock Count.

[Outstanding Deliveries and Invoices](#)

Excel Files Associated With This Stock Count:

Action	File Name	Upload Status
Delete	export_Fred Small.xlsx	Completed ✓

If there are Outstanding Deliveries and Invoices, these need to be dealt with now before **“Posting”** the imported file into the System proper. Click on the **“Outstanding Deliveries and Invoices”** field to download these two reports (which are in the form of Sheets in an Excel Workbook) and print them.

Outstanding Delivery Items Order									
Account Type	Account ID	Account Name	Order Type	Order Status	Order No	Order Date	Delivery Date	Item ID	Item
Customer	JONES001	Mrs. Catherine Jones	SO	Reserved	000006	12 Apr 2011	12 Apr 2011	SPV2	Solar PV - 2 Panel Installation - Roof Mounted
Supplier	ALTERSUP4	Alternative Supplier	PO	Part Delivery	000007	12 Apr 2011	12 Apr 2011	SPV2Z	Solar panels

Invoice Items Not Posted									
Account Type	Account ID	Account Name	Invoice Type	Invoice Status	Invoice No	Invoice Date	Delivery Date	Item ID	Item
Supplier	ALTERSUP	Alternative Supplier	PI	Processed	000114	08 Nov 2012	08 Nov 2012	SPV2	Solar PV - 2 Panel Installation - Roof Mounted
Supplier	ARDENHAM	Ardenham Energy	PI	Processed	000116	17 Jul 2013	17 Jul 2013	SPV6	Solar Panels - Array of Six
Supplier	ARDENHAM	Ardenham Energy	PI	Processed	000117	17 Jul 2013	17 Jul 2013	SPV6	Solar Panels - Array of Six
Supplier	ARDENHAM	Ardenham Energy	PI	Processed	000118	17 Jul 2013	17 Jul 2013	SPV6	Solar Panels - Array of Six

Remember, if you are using Sales Order Processing and/or Purchase Order Processing, Inventory movements take place on foot of Delivery processing. Otherwise the required Inventory adjustments take place during Invoice processing.

Consequently, the Outstanding Order Delivery Item list is just a warning list to remind you that if these Items are subsequently delivered with a Date prior to the Stock Count date then the resulting Inventory Movements will be overwritten by the Stock Count Import Posting (see 4. below). Best practice would say that you should amend the expected Delivery Dates on these Items.

As regards the Invoice Items Not Posted, again if these are now processed and the transaction date is prior to the Stock Count Date then these Inventory movements will be overwritten by the subsequent Stock Count Import Posting. You should change the Transaction Date on these Items to be after the Stock Count Date or else adjust the relevant Stock Items afterwards using the Stock Adjustments program. Alternatively, you could process some or all of these Items, delete the relevant Imported Stock Count Sheets (using the **“Delete”** function under **“Action”** above), make the necessary alterations to the **“Saved”** Stock Count Worksheets and then re-import them.

4. Stock Count Import Posting: The final action in the Stock Count process is to **“Post”** the imported Stock Count Sheets in order to effect any variances you have recorded on these Work Sheets.

Excel Files Associated With This Stock Count:

Action	File Name	Upload Status
Delete	export_Fred Small.xlsx	Completed ✓

Stock Count Summary Report ?

Post

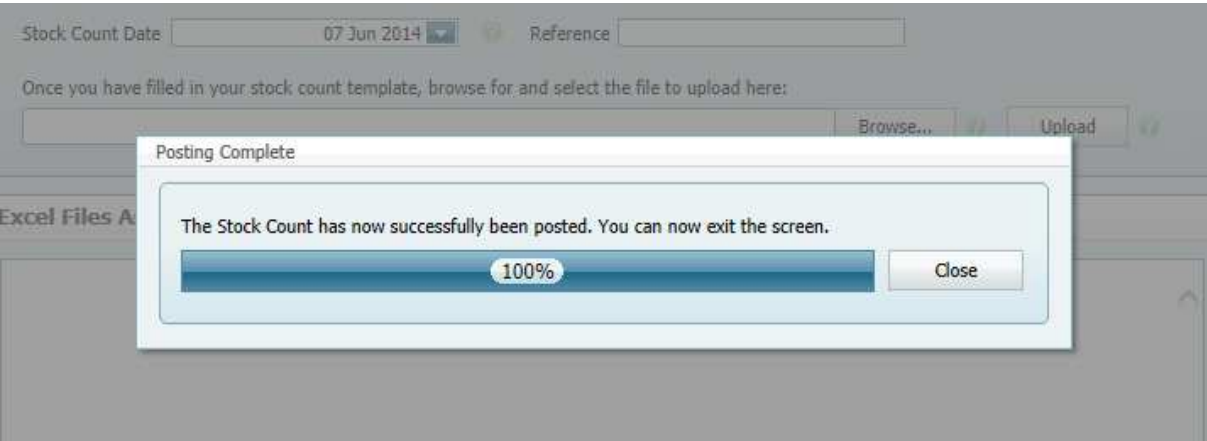
Close

However, before doing so, you might want to examine the Stock Count Summary Report;

Valuation Changes											
Location	Location	Location		Counted	System	Quantity		System	Cost	Valuation	
on ID	Location	ID	Item ID	Item Description	Quantity	Quantity	Adjustment	New Cost	Average Cost	Adjustment	Adjustment
1	Main Pane AREA4		SPV6	Solar Panels - Array	0	0	0	620	590	30	0
1	Main Pane BIN1		GSHP	Ground Source Heat	3	3	0	230	0	230	690
1	Main Pane BIN1		LOFT INSULATK	Felt Thermo Loft Ins	0	0	0	18	0	18	0
1	Main Pane BIN1		SPV2	Solar PV - 2 Panel S	8	7	1	4293.33	4293.33	0	4293.33
1	Main Pane BIN1		WIND	Wind Turbines	3	3	0	550	0	550	1650
1	Main Pane BIN3		LOFT INSULATK	Felt Thermo Loft Ins	48	50	-2	17.5	0	17.5	840

This is a List (in Excel Workbook Format) of the items being adjusted and the consequent new Valuation of those Items – which you can also Save on your Desktop.

On completing the “Post” you will be presented with this Window;



5. **Stock Count History:** At any time, you can call up the Stock Count History and select any previous Stock Count from the Drop Down list. This will then display all the Imported Stock Count Sheets associated with that Stock Count which you can examine, or print or save. Be aware, however, if you have processed some items from the “Outstanding Deliveries & Items” Reports and manually adjusted the Stock Levels afterwards using the Stock Adjustments Programs, then these items will not be shown on these reports. Best to adjust the Transaction Dates (which, in any event will default to today’s date) and process these outstanding Orders and Invoices afterwards.

